

# Sinotruk (Hong Kong) (3808 HK)

**1H25 profit in-line with our below-consensus forecast; Stable growth for full year largely priced in**

Sinotruk's 1H25 net profit grew 4% YoY to RMB3.4bn, which is largely in-line with our below-consensus estimate. Sinotruk proposed an interim dividend of HK\$0.74/shr, equivalent to 55% of dividend payout. We maintain our view that the lack of export growth will weaken the overall sales growth this year (despite decent sales from China). We slightly fine-tune our 2025E-27E earnings forecasts by -1% to +1%. Our new TP of HK\$20.4 (previously HK\$20.5) is based on unchanged 5x EV/EBITDA (equivalent to the historical average). Maintain **HOLD**.

- **HDT:** Sinotruk delivered 136k units of HDTs in 1H25, up 9% YoY (China: 67.5k units, +19%; exports: 69k units, +0.8%). New energy HDT grew 2.2x YoY, equivalent to a market share of 11.8%, according to Sinotruk. Blended ASP for HDT dropped 4.7% YoY to RMB323k/unit. Segment profit increased 3.6% YoY to RMB2.6bn with the segment margin largely remained stable YoY at 6%. We revise up our full-year HDT sales assumptions by 3%, but slightly lower segment margin.
- **LDT:** LDT sales increased 10% YoY to 62.8k units in 1H25, with ASP decreased 3% YoY. Segment loss expanded 37% YoY to RMB174mn. We expect the segment loss to continue throughout the year.
- **Engine:** Total engine volume (95% internal sales) grew 37% YoY to 73.2k units in 1H25 but blended ASP dropped 22% YoY (which we believe is more related to the change in product mix). Segment profit grew 10% YoY to RMB1.38bn. We revise up our engine sales volume and segment margin forecasts but incorporate lower ASP.
- **Auto finance.** The segment revenue dropped 21% YoY to RMB591mn in 1H25, with the segment profit dropping 16% YoY to RMB294mn. Given that Sinotruk will gradually scale down the finance business, we expect the segment revenue and profit will decline gradually going forward.
- **Upside risks:** (1) Stronger-than-expected replacement demand in China; (2) surprise on new overseas markets.
- **Downside risks:** Weakness in export sales.

## Earnings Summary

| (YE 31 Dec)          | FY23A   | FY24A   | FY25E   | FY26E   | FY27E   |
|----------------------|---------|---------|---------|---------|---------|
| Revenue (RMB mn)     | 85,041  | 95,062  | 102,778 | 109,983 | 114,501 |
| YoY growth (%)       | 43.4    | 11.8    | 8.1     | 7.0     | 4.1     |
| Net profit (RMB mn)  | 5,318.1 | 5,858.4 | 5,948.4 | 6,351.5 | 6,620.4 |
| EPS (Reported) (RMB) | 1.93    | 2.14    | 2.15    | 2.30    | 2.40    |
| YoY growth (%)       | 196.0   | 10.9    | 0.8     | 6.8     | 4.2     |
| Consensus EPS (RMB)  | na      | na      | 2.41    | 2.78    | 3.14    |
| P/E (x)              | 11.1    | 10.0    | 10.0    | 9.3     | 8.9     |
| P/B (x)              | 1.5     | 1.4     | 1.3     | 1.3     | 1.2     |
| Yield (%)            | 4.5     | 5.5     | 5.5     | 5.9     | 6.2     |
| ROE (%)              | 14.0    | 14.4    | 14.0    | 14.0    | 13.6    |
| Net gearing (%)      | (37.6)  | (32.5)  | (39.7)  | (45.8)  | (56.5)  |

Source: Company data, Bloomberg, CMBIGM estimates

**HOLD (Maintain)**

**Target Price** **HK\$20.40**  
 (Previous TP **HK\$20.50**)  
**Up/Downside** **(9.7%)**  
**Current Price** **HK\$22.6**

## China Capital Goods

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## Stock Data

|                          |             |
|--------------------------|-------------|
| Mkt Cap (HK\$ mn)        | 64,386.5    |
| Avg 3 mths t/o (HK\$ mn) | 77.8        |
| 52w High/Low (HK\$)      | 25.25/17.74 |
| Total Issued Shares (mn) | 2761.0      |

Source: FactSet

## Shareholding Structure

|        |       |
|--------|-------|
| CNHTC  | 51.0% |
| MAN SE | 25.0% |

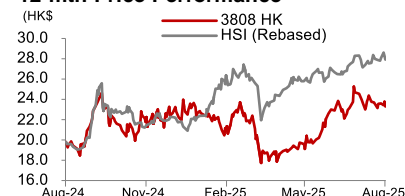
Source: HKEx

## Share Performance

|       | Absolute | Relative |
|-------|----------|----------|
| 1-mth | -5.0%    | -4.3%    |
| 3-mth | 22.0%    | 13.2%    |
| 6-mth | 9.2%     | 2.8%     |

Source: FactSet

## 12-mth Price Performance



Source: FactSet

## Related reports:

Sinotruk – Stay cautious on exports – 31 Mar 2025 ([link](#))

HDT Sector - New subsidies on truck replacement cover NES IV and natural gas trucks; +ve to Weichai – 20 Mar 2025 ([link](#))

Figure 1: 1H25 results

|   | 2023           | 2024           | Chg (YoY)        | 1H24           | 1H25           | Chg (YoY)        |
|---|----------------|----------------|------------------|----------------|----------------|------------------|
| <b>Sales volume (unit)</b>                |                |                |                  |                |                |                  |
| <b>Truck</b>                              | <b>323,566</b> | <b>343,960</b> | <b>6.3%</b>      | <b>181,939</b> | <b>199,330</b> | <b>9.6%</b>      |
| HDT                                       | 226,999        | 243,418        | 7.2%             | 125,017        | 136,514        | 9.2%             |
| China                                     | 96,938         | 109,380        | 12.8%            | 56,602         | 67,529         | 19.3%            |
| Export                                    | 130,061        | 134,038        | 3.1%             | 68,415         | 68,985         | 0.8%             |
| LDT                                       | 96,567         | 100,542        | 4.1%             | 56,922         | 62,816         | 10.4%            |
| <b>Total</b>                              | <b>323,566</b> | <b>343,960</b> | <b>6.3%</b>      | <b>181,939</b> | <b>199,330</b> | <b>9.6%</b>      |
| <b>Engine</b>                             |                |                |                  |                |                |                  |
| <b>Internal use</b>                       | <b>127,650</b> | <b>109,104</b> | <b>-14.5%</b>    | <b>53,342</b>  | <b>73,158</b>  | <b>37.1%</b>     |
| External sales                            | 122,544        | 103,540        | -15.5%           | 51,102         | 69,500         | 36.0%            |
| % of total                                | 5,106          | 5,564          | 9.0%             | 2,240          | 3,658          | 63.3%            |
| Internal use                              | 96.0%          | 94.9%          |                  | 95.8%          | 95.0%          |                  |
| External sales                            | 4.0%           | 5.1%           |                  | 4.2%           | 5.0%           |                  |
| <b>ASP (RMB/unit)</b>                     |                |                |                  |                |                |                  |
| Truck                                     | 263,144        | 277,103        | 5.3%             | 270,896        | 258,268        | -4.7%            |
| HDT                                       | 329,653        | 345,703        | 4.9%             | 340,059        | 323,988        | -4.7%            |
| LDT                                       | 106,803        | 111,016        | 3.9%             | 118,994        | 115,444        | -3.0%            |
| Engines                                   | 114,017        | 127,629        | 11.9%            | 132,033        | 103,561        | -21.6%           |
| (RMB mn)                                  |                |                |                  |                |                |                  |
| <b>Segment revenue</b>                    |                |                |                  |                |                |                  |
| Truck                                     | 85,145         | 95,312         | 11.9%            | 49,287         | 51,481         | 4.5%             |
| HDT                                       | 74,831         | 84,150         | 12.5%            | 42,513         | 44,229         | 4.0%             |
| LDT                                       | 10,314         | 11,162         | 8.2%             | 6,773          | 7,252          | 7.1%             |
| Engine                                    | 14,554         | 13,925         | -4.3%            | 7,043          | 7,576          | 7.6%             |
| Finance                                   | 1,387          | 1,479          | 6.6%             | 751            | 591            | -21.4%           |
| Intersegment sales                        | -16,045        | -15,654        | -2.4%            | -8,258         | -8,770         | 6.2%             |
| <b>Total</b>                              | <b>85,041</b>  | <b>95,062</b>  | <b>11.8%</b>     | <b>48,823</b>  | <b>50,878</b>  | <b>4.2%</b>      |
| <b>Segment operating profit</b>           |                |                |                  |                |                |                  |
| Truck                                     | 3,729          | 4,196          | 12.5%            | 2,414          | 2,458          | 1.8%             |
| HDT                                       | 4,352          | 4,412          | 1.4%             | 2,540          | 2,632          | 3.6%             |
| LDT                                       | -623           | -215           | -65.5%           | -126           | -174           | 37.3%            |
| Engine                                    | 2,070          | 1,972          | -4.7%            | 1,249          | 1,378          | 10.3%            |
| Finance                                   | 771            | 807            | 4.7%             | 349            | 294            | -15.7%           |
| Intersegment sales                        | -60            | 534            | n/a              | 40             | -5             | n/a              |
| <b>Total</b>                              | <b>6,509</b>   | <b>7,510</b>   | <b>15.4%</b>     | <b>4,052</b>   | <b>4,125</b>   | <b>1.8%</b>      |
| <b>Segment operating margin</b>           |                |                |                  |                |                |                  |
|   |                |                | <b>Chg (ppt)</b> |                |                | <b>Chg (ppt)</b> |
| Truck                                     | 4.4%           | 4.4%           | 0.02             | 4.9%           | 4.8%           | -0.12            |
| HDT                                       | 5.8%           | 5.2%           | -0.57            | 6.0%           | 6.0%           | -0.03            |
| LDT                                       | -6.0%          | -1.9%          | 4.12             | -1.9%          | -2.4%          | -0.53            |
| Engine                                    | 14.2%          | 14.2%          | -0.06            | 17.7%          | 18.2%          | 0.45             |
| Finance                                   | 55.6%          | 54.6%          | -1.01            | 46.4%          | 49.8%          | 3.34             |
| <b>Average</b>                            | <b>7.7%</b>    | <b>7.9%</b>    | <b>0.25</b>      | <b>8.3%</b>    | <b>8.1%</b>    | <b>-0.19</b>     |
| (RMB mn)                                  |                |                |                  |                |                |                  |
| <b>Revenue</b>                            | <b>85,041</b>  | <b>95,062</b>  | <b>11.8%</b>     | <b>48,823</b>  | <b>50,878</b>  | <b>4.2%</b>      |
| Cost of sales                             | -71,263        | -80,196        | 12.5%            | -41,665        | -43,216        | 3.7%             |
| Gross profit                              | 13,778         | 14,865         | 7.9%             | 7,159          | 7,662          | 7.0%             |
| Other gains and losses (net)              | 752            | 1,263          | 68.0%            | 681            | 609            | -10.6%           |
| S&D expenses                              | -4,002         | -3,441         | -14.0%           | -1,525         | -1,742         | 14.3%            |
| Administrative expenses                   | -4,669         | -4,974         | 6.5%             | -2,349         | -2,366         | 0.7%             |
| Net impairment losses of financial assets | 171            | -256           | n/a              | 71             | 18             | -75.3%           |
| <b>EBIT</b>                               | <b>6,487</b>   | <b>7,458</b>   | <b>15.0%</b>     | <b>4,026</b>   | <b>4,121</b>   | <b>2.4%</b>      |
| D&A                                       | 1,474          | 1,701          | 15.4%            | 876            | 958            | 9.4%             |
| <b>EBITDA</b>                             | <b>7,961</b>   | <b>9,159</b>   | <b>15.1%</b>     | <b>4,902</b>   | <b>5,079</b>   | <b>3.6%</b>      |
| Net finance cost                          | 284            | 193            | -32.2%           | 87             | 202            | 133.7%           |
| Finance income                            | 314            | 331            | 5.6%             | 154            | 248            | 60.9%            |
| Finance expenses                          | -29            | -139           | 371.7%           | -67            | -45            | -32.6%           |
| Share of profit of JV and associates      | 111            | 130            | 16.6%            | 48             | 47             | -1.8%            |
| <b>Pretax profit</b>                      | <b>6,883</b>   | <b>7,780</b>   | <b>13.0%</b>     | <b>4,160</b>   | <b>4,370</b>   | <b>5.0%</b>      |
| Income tax                                | -1,056         | -1,092         | 3.4%             | -562           | -650           | 15.7%            |
| <b>After tax profit</b>                   | <b>5,827</b>   | <b>6,688</b>   | <b>14.8%</b>     | <b>3,599</b>   | <b>3,720</b>   | <b>3.4%</b>      |
| MI  | -509           | -830           | 63.1%            | -304           | -293           | -3.8%            |
| <b>Net profit</b>                         | <b>5,318</b>   | <b>5,858</b>   | <b>10.2%</b>     | <b>3,294</b>   | <b>3,427</b>   | <b>4.0%</b>      |

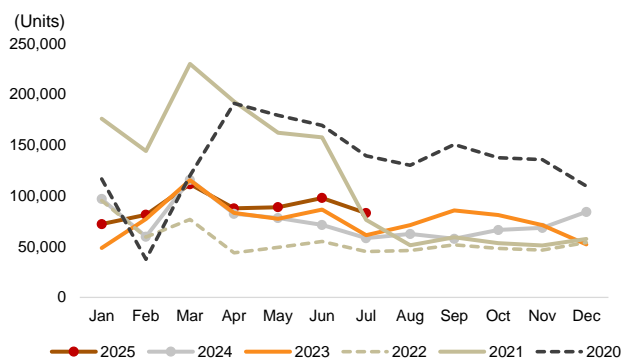
Source: Company data, CMBIGM

Figure 2: Changes in key assumptions

| Sales volume (units)            | 2025E          |                |                  | 2026E          |                |                  | 2027E          |                |                  |
|---------------------------------|----------------|----------------|------------------|----------------|----------------|------------------|----------------|----------------|------------------|
|                                 | Old            | New            | Diff             | Old            | New            | Diff             | Old            | New            | Diff             |
| <b>Truck</b>                    | <b>355,411</b> | <b>367,317</b> | <b>3.3%</b>      | <b>378,082</b> | <b>390,670</b> | <b>3.3%</b>      | <b>394,315</b> | <b>407,485</b> | <b>3.3%</b>      |
| HDT                             | 249,842        | 258,731        | 3.6%             | 267,234        | 276,655        | 3.5%             | 277,925        | 287,770        | 3.5%             |
| China                           | 122,506        | 124,693        | 1.8%             | 133,531        | 135,916        | 1.8%             | 137,537        | 139,993        | 1.8%             |
| Export                          | 127,336        | 134,038        | 5.3%             | 133,703        | 140,740        | 5.3%             | 140,388        | 147,777        | 5.3%             |
| LDT                             | 105,569        | 108,585        | 2.9%             | 110,848        | 114,015        | 2.9%             | 116,390        | 119,715        | 2.9%             |
| <b>Engine</b>                   | <b>114,559</b> | <b>147,569</b> | <b>28.8%</b>     | <b>120,287</b> | <b>162,325</b> | <b>34.9%</b>     | <b>123,896</b> | <b>167,195</b> | <b>34.9%</b>     |
| Internal use                    | 108,717        | 139,779        | 28.6%            | 114,153        | 153,756        | 34.7%            | 117,577        | 158,369        | 34.7%            |
| External sales                  | 5,843          | 7,790          | 33.3%            | 6,135          | 8,569          | 39.7%            | 6,319          | 8,826          | 39.7%            |
| <b>Segment revenue (RMB mn)</b> |                |                |                  |                |                |                  |                |                |                  |
| Truck                           | 98,586         | 102,008        | 3.5%             | 105,589        | 109,225        | 3.4%             | 110,336        | 114,151        | 3.5%             |
| HDT                             | 86,445         | 89,521         | 3.6%             | 92,730         | 95,999         | 3.5%             | 96,718         | 100,144        | 3.5%             |
| LDT                             | 12,140         | 12,487         | 2.9%             | 12,858         | 13,226         | 2.9%             | 13,618         | 14,007         | 2.9%             |
| Engine                          | 15,914         | 16,745         | 5.2%             | 16,647         | 18,132         | 8.9%             | 17,109         | 18,638         | 8.9%             |
| Finance                         | 1,494          | 1,035          | -30.7%           | 1,509          | 828            | -45.1%           | 1,524          | 663            | -56.5%           |
| Intersegment sales              | -16,471        | -17,010        | 3.3%             | -17,572        | -18,202        | 3.6%             | -18,313        | -18,950        | 3.5%             |
| <b>Total</b>                    | <b>99,522</b>  | <b>102,778</b> | <b>3.3%</b>      | <b>106,172</b> | <b>109,983</b> | <b>3.6%</b>      | <b>110,655</b> | <b>114,501</b> | <b>3.5%</b>      |
| <b>Segment operating margin</b> |                |                |                  |                |                |                  |                |                |                  |
| Truck                           | 4.6%           | 4.3%           | (0.3) ppt        | 4.6%           | 4.5%           | (0.1) ppt        | 4.7%           | 4.6%           | (0.0) ppt        |
| HDT                             | 5.2%           | 5.2%           | 0.0 ppt          | 5.2%           | 5.2%           | 0.0 ppt          | 5.2%           | 5.2%           | 0.0 ppt          |
| LDT                             | 0.2%           | -2.0%          | (2.2) ppt        | 0.5%           | -0.5%          | (1.0) ppt        | 0.8%           | 0.5%           | (0.3) ppt        |
| Engine                          | 14.3%          | 15.2%          | 0.9 ppt          | 14.3%          | 15.2%          | 0.9 ppt          | 14.3%          | 15.2%          | 0.9 ppt          |
| Finance                         | 54.0%          | 53.0%          | (1.0) ppt        | 54.0%          | 53.0%          | (1.0) ppt        | 54.0%          | 53.0%          | (1.0) ppt        |
| <b>Average</b>                  | <b>7.6%</b>    | <b>7.2%</b>    | <b>(0.3) ppt</b> | <b>7.5%</b>    | <b>7.3%</b>    | <b>(0.2) ppt</b> | <b>7.5%</b>    | <b>7.3%</b>    | <b>(0.2) ppt</b> |
| <b>Net profit</b>               | <b>6,025</b>   | <b>5,948</b>   | <b>-1.3%</b>     | <b>6,315</b>   | <b>6,351</b>   | <b>0.6%</b>      | <b>6,568</b>   | <b>6,620</b>   | <b>0.8%</b>      |

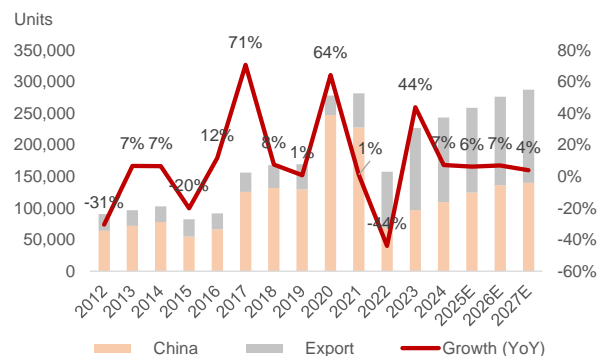
Source: Company data, CMBIGM estimates

Figure 3: China HDT monthly sales (China + export)

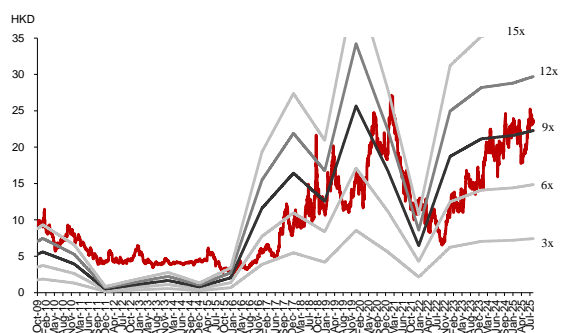


Source: Cvworl, CMBIGM

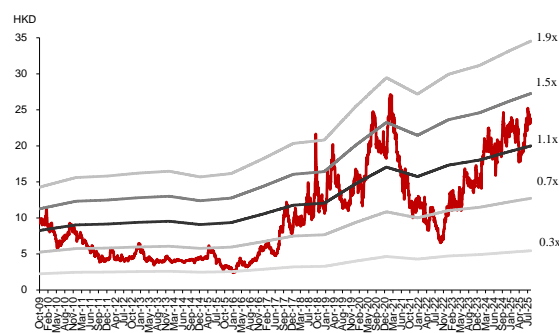
Figure 4: Sinotruk's HDT sales volume projection



Source: Company data, CMBIGM estimates

**Figure 5: Sinotruk's P/E band**

Source: Bloomberg, company data, CMBIGM

**Figure 6: Sinotruk's P/B band**

Source: Bloomberg, company data, CMBIGM

## Financial Summary

| INCOME STATEMENT                           | 2022A    | 2023A    | 2024A    | 2025E    | 2026E    | 2027E    |
|--|----------|----------|----------|----------|----------|----------|
| YE 31 Dec (RMB mn)                         |          |          |          |          |          |          |
| Revenue                                    | 59,291   | 85,041   | 95,062   | 102,778  | 109,983  | 114,501  |
| Cost of goods sold                         | (49,277) | (71,263) | (80,196) | (86,848) | (92,936) | (96,754) |
| Gross profit                               | 10,013   | 13,778   | 14,865   | 15,931   | 17,047   | 17,748   |
| Operating expenses                         | (7,110)  | (7,291)  | (7,407)  | (8,551)  | (9,054)  | (9,419)  |
| Operating profit                           | 2,903    | 6,487    | 7,458    | 7,380    | 7,993    | 8,329    |
| Share of (losses)/profits of associates/JV | (23)     | 111      | 130      | 80       | 84       | 88       |
| EBITDA                                     | 4,327    | 7,961    | 9,159    | 9,179    | 9,836    | 10,215   |
| Depreciation                               | 1,424    | 1,474    | 1,701    | 1,799    | 1,843    | 1,886    |
| Interest income                            | 138      | 314      | 331      | 254      | 304      | 370      |
| Interest expense                           | (9)      | (29)     | (139)    | (57)     | (58)     | (59)     |
| Net interest income/(expense)              | 128      | 284      | 193      | 196      | 245      | 311      |
| Pre-tax profit                             | 3,008    | 6,883    | 7,780    | 7,657    | 8,322    | 8,727    |
| Income tax                                 | (958)    | (1,056)  | (1,092)  | (1,148)  | (1,373)  | (1,484)  |
| After tax profit                           | 2,051    | 5,827    | 6,688    | 6,508    | 6,949    | 7,243    |
| Minority interest                          | (254)    | (509)    | (830)    | (560)    | (598)    | (623)    |
| Net profit                                 | 1,797    | 5,318    | 5,858    | 5,948    | 6,351    | 6,620    |

| BALANCE SHEET                 | 2022A   | 2023A   | 2024A   | 2025E   | 2026E   | 2027E   |
|-------------------------------|---------|---------|---------|---------|---------|---------|
| YE 31 Dec (RMB mn)            |         |         |         |         |         |         |
| Current assets                | 79,758  | 87,067  | 90,427  | 93,309  | 105,740 | 106,124 |
| Cash & equivalents            | 15,262  | 17,474  | 14,556  | 18,713  | 22,879  | 29,782  |
| Restricted cash               | 4,542   | 2,711   | 4,524   | 4,524   | 4,524   | 4,524   |
| Account receivables           | 16,145  | 17,078  | 27,296  | 21,699  | 31,333  | 23,251  |
| Inventories                   | 13,496  | 13,338  | 11,640  | 15,961  | 14,593  | 16,156  |
| Financial assets at FVTPL     | 4,500   | 10,522  | 10,146  | 10,146  | 10,146  | 10,146  |
| Other current assets          | 7,359   | 8,924   | 5,176   | 5,176   | 5,176   | 5,176   |
| Non-current assets            | 25,721  | 34,719  | 39,350  | 39,350  | 39,109  | 38,828  |
| PP&E                          | 15,487  | 15,823  | 15,424  | 15,393  | 15,102  | 14,751  |
| Right-of-use assets           | 2,320   | 2,260   | 2,255   | 2,255   | 2,255   | 2,255   |
| Investment in JVs & assos     | 1,971   | 2,018   | 1,572   | 1,641   | 1,713   | 1,788   |
| Intangibles                   | 232     | 152     | 131     | 94      | 72      | 67      |
| Financial assets at FVTPL     | 0       | 0       | 0       | 0       | 0       | 0       |
| Other non-current assets      | 5,711   | 14,466  | 19,968  | 19,968  | 19,968  | 19,968  |
| Total assets                  | 105,479 | 121,785 | 129,777 | 132,659 | 144,849 | 144,952 |
| Current liabilities           | 61,314  | 72,530  | 79,055  | 78,656  | 87,169  | 83,522  |
| Short-term borrowings         | 3,890   | 4,907   | 5,232   | 5,332   | 5,432   | 5,532   |
| Account payables              | 33,221  | 46,624  | 53,072  | 52,573  | 60,986  | 57,239  |
| Other current liabilities     | 24,203  | 20,999  | 20,751  | 20,751  | 20,751  | 20,751  |
| Non-current liabilities       | 1,196   | 1,295   | 1,570   | 1,570   | 1,570   | 1,570   |
| Long-term borrowings          | 0       | 142     | 466     | 466     | 466     | 466     |
| Deferred income               | 560     | 643     | 611     | 611     | 611     | 611     |
| Other non-current liabilities | 635     | 510     | 493     | 493     | 493     | 493     |
| Total liabilities             | 62,510  | 73,825  | 80,625  | 80,226  | 88,739  | 85,092  |
| Total shareholders equity     | 35,909  | 40,272  | 41,161  | 43,881  | 46,961  | 50,088  |
| Minority interest             | 7,060   | 7,688   | 7,992   | 8,552   | 9,149   | 9,772   |
| Total equity and liabilities  | 105,479 | 121,785 | 129,777 | 132,659 | 144,849 | 144,952 |

| CASH FLOW                          | 2022A           | 2023A           | 2024A          | 2025E          | 2026E          | 2027E          |
|------------------------------------|-----------------|-----------------|----------------|----------------|----------------|----------------|
| YE 31 Dec (RMB mn)                 |                 |                 |                |                |                |                |
| <b>Operating</b>                   |                 |                 |                |                |                |                |
| Profit before taxation             | 3,008           | 6,883           | 7,780          | 7,657          | 8,322          | 8,727          |
| Depreciation & amortization        | 1,424           | 1,474           | 1,701          | 1,799          | 1,843          | 1,886          |
| Tax paid                           | (521)           | (1,186)         | (1,092)        | (1,148)        | (1,373)        | (1,484)        |
| Change in working capital          | 3,458           | 9,019           | (2,187)        | 777            | 147            | 2,772          |
| Others                             | 3,526           | (4,821)         | 3,884          | (277)          | (329)          | (398)          |
| <b>Net cash from operations</b>    | <b>10,895</b>   | <b>11,368</b>   | <b>10,087</b>  | <b>8,808</b>   | <b>8,610</b>   | <b>11,503</b>  |
| <b>Investing</b>                   |                 |                 |                |                |                |                |
| Capital expenditure                | (1,429)         | (2,430)         | (2,134)        | (1,700)        | (1,500)        | (1,500)        |
| Others                             | (17,177)        | (8,629)         | (6,528)        | 235            | 286            | 353            |
| <b>Net cash from investing</b>     | <b>(18,606)</b> | <b>(11,059)</b> | <b>(8,662)</b> | <b>(1,465)</b> | <b>(1,214)</b> | <b>(1,147)</b> |
| <b>Financing</b>                   |                 |                 |                |                |                |                |
| Dividend paid                      | (1,519)         | (801)           | (2,664)        | (3,228)        | (3,272)        | (3,493)        |
| Net borrowings                     | 0               | 1,159           | 649            | 100            | 100            | 100            |
| Proceeds from share issues         | 0               | 0               | 0              | 0              | 0              | 0              |
| Others                             | (329)           | (829)           | (2,765)        | (57)           | (58)           | (59)           |
| <b>Net cash from financing</b>     | <b>(1,847)</b>  | <b>(471)</b>    | <b>(4,780)</b> | <b>(3,186)</b> | <b>(3,230)</b> | <b>(3,453)</b> |
| <b>Net change in cash</b>          |                 |                 |                |                |                |                |
| Cash at the beginning of the year  | 24,692          | 15,262          | 17,474         | 14,556         | 18,713         | 22,879         |
| Exchange difference                | 128             | 2,374           | 437            | 0              | 0              | 0              |
| <b>Cash at the end of the year</b> | <b>15,262</b>   | <b>17,474</b>   | <b>14,556</b>  | <b>18,713</b>  | <b>22,879</b>  | <b>29,782</b>  |
| GROWTH                             | 2022A           | 2023A           | 2024A          | 2025E          | 2026E          | 2027E          |
| YE 31 Dec                          |                 |                 |                |                |                |                |
| Revenue                            | (36.5%)         | 43.4%           | 11.8%          | 8.1%           | 7.0%           | 4.1%           |
| Gross profit                       | (36.1%)         | 37.6%           | 7.9%           | 7.2%           | 7.0%           | 4.1%           |
| Operating profit                   | (49.6%)         | 123.5%          | 15.0%          | (1.0%)         | 8.3%           | 4.2%           |
| EBITDA                             | (39.9%)         | 84.0%           | 15.1%          | 0.2%           | 7.2%           | 3.9%           |
| Net profit                         | (58.4%)         | 196.0%          | 10.2%          | 1.5%           | 6.8%           | 4.2%           |
| PROFITABILITY                      | 2022A           | 2023A           | 2024A          | 2025E          | 2026E          | 2027E          |
| YE 31 Dec                          |                 |                 |                |                |                |                |
| Gross profit margin                | 16.9%           | 16.2%           | 15.6%          | 15.5%          | 15.5%          | 15.5%          |
| Operating margin                   | 4.9%            | 7.6%            | 7.8%           | 7.2%           | 7.3%           | 7.3%           |
| EBITDA margin                      | 7.3%            | 9.4%            | 9.6%           | 8.9%           | 8.9%           | 8.9%           |
| Return on equity (ROE)             | 5.0%            | 14.0%           | 14.4%          | 14.0%          | 14.0%          | 13.6%          |
| GEARING/LIQUIDITY/ACTIVITIES       | 2022A           | 2023A           | 2024A          | 2025E          | 2026E          | 2027E          |
| YE 31 Dec                          |                 |                 |                |                |                |                |
| Net debt to equity (x)             | (0.4)           | (0.4)           | (0.3)          | (0.4)          | (0.5)          | (0.6)          |
| Current ratio (x)                  | 1.3             | 1.2             | 1.1            | 1.2            | 1.2            | 1.3            |
| Receivable turnover days           | 123.8           | 71.3            | 85.2           | 87.0           | 88.0           | 87.0           |
| Inventory turnover days            | 111.7           | 68.7            | 56.8           | 58.0           | 60.0           | 58.0           |
| Payable turnover days              | 261.8           | 204.5           | 226.9          | 222.0          | 223.0          | 223.0          |
| VALUATION                          | 2022A           | 2023A           | 2024A          | 2025E          | 2026E          | 2027E          |
| YE 31 Dec                          |                 |                 |                |                |                |                |
| P/E                                | 33.0            | 11.1            | 10.0           | 10.0           | 9.3            | 8.9            |
| P/B                                | 1.6             | 1.5             | 1.4            | 1.3            | 1.3            | 1.2            |
| Div yield (%)                      | 1.4             | 4.5             | 5.5            | 5.5            | 5.9            | 6.2            |

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

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