24 Aug 2026

CMB International Global Markets | Equity Research | Company Update

# Hongqiao Holdings (002379 CH)

## Net profit +77% YoY in 1H26, in line with profit alert

Hongqiao Holdings' net profit came in at RMB15.6bn (up 77% YoY) in 1H26, in line with the profit alert announced in Jul. The results imply 1.2x YoY growth of net profit in 2Q26. The earnings growth in 1H26 was much higher than that of **China Hongqiao (1378 HK, BUY)**, as (1) Hongqiao Holdings' expense growth was less than that of China Hongqiao, and (2) Hongqiao Holdings does not own bauxite asset (weak bauxite price in 1H26). We revise up our 2026E/27E/28E earnings forecasts by 7%/4%/4%, mainly due to lower minority interest assumptions, which offset the lower forecast on alumina profit. Our TP is slightly lowered to RMB28, based on 12x 2026E P/E, equivalent to unchanged 20% premium to our target multiple (10x) for China Hongqiao (previously RMB29, as we trimmed our target P/E of China Hongqiao).

### Key highlights of 1H26 earnings

| (RMB mn) | 1H25 | 1H26 | Change (YoY) |
|---|---|---|---|
| **Total revenue** | **77,270** | **86,504** | ***12.0%*** |
| Cost of sales | -62,693 | -64,551 | *3.0%* |
| **Gross profit** | **14,576** | **21,953** | ***50.6%*** |
| Other income and gains | -27 | 392 | *n/a* |
| S&D expenses | -26 | -19 | *-25.9%* |
| Administrative expenses | -1,329 | -1,356 | *2.0%* |
| Other expenses | -200 | -524 | *162.3%* |
| **EBIT** | **12,995** | **20,446** | ***57.3%*** |
| Net finance income/(cost) | -634 | -478 | *-24.5%* |
| Finance income | 208 | -21 | *n/a* |
| Finance expenses | -842 | -457 | *-45.7%* |
| Change in fair values | -8 | -34 | *357.1%* |
| Share of profit of JV and associates | 15 | 16 | *6.5%* |
| **Pretax profit** | **12,368** | **19,949** | ***61.3%*** |
| Income tax | -3,090 | -4,303 | *39.3%* |
| **After tax profit** | **9,278** | **15,645** | ***68.6%*** |
| MI & discontinued operation | -440 | 0 | *n/a* |
| **Net profit** | **8,838** | **15,645** | ***77.0%*** |
| **Recurring net profit** | **8,838** | **15,645** | ***77.0%*** |
| | | | |
| ***Key ratios*** | | | ***Change (ppt)*** |
| *Gross margin* | *18.9%* | *25.4%* | *6.5* |
| *S&D expenses ratio* | *0.03%* | *0.02%* | *-0.0* |
| *Administrative expense ratio* | *1.7%* | *1.6%* | *-0.2* |
| *Other expense ratio* | *0.3%* | *0.6%* | *0.3* |
| *Net margin* | *12.0%* | *18.1%* | *6.1* |
| *Effective tax rate* | *25.0%* | *21.6%* | *-3.4* |

Source: Company data, CMBIGM

### Earnings Summary

| (YE 31 Dec) | FY24A | FY25A | FY26E | FY27E | FY28E |
|---|---|---|---|---|---|
| **Revenue (RMB mn)** | 150,336 | 156,721 | 173,106 | 172,446 | 175,574 |
| **YoY growth (%)** | na | 4.2 | 10.5 | (0.4) | 1.8 |
| **Adjusted net profit (RMB mn)** | 17,227.9 | 17,863.5 | 30,285.2 | 27,393.7 | 25,465.7 |
| **EPS (Adjusted) (RMB)** | na | 1.37 | 2.32 | 2.10 | 1.95 |
| **Consensus EPS (RMB)** | na | na | 2.55 | 2.79 | 2.92 |
| **P/E (x)** | na | 13.3 | 7.8 | 8.7 | 9.3 |
| **P/B (x)** | na | 5.2 | 3.3 | 3.1 | 2.9 |
| **Yield (%)** | na | 1.4 | 9.6 | 8.6 | 8.0 |
| **Net gearing (%)** | 27.4 | 10.7 | (24.8) | (26.6) | (26.3) |

Source: Company data, Bloomberg, CMBIGM estimates

## BUY (Maintain)

| | |
|---|---|
| **Target Price** | **RMB28.00** |
| (Previous TP | RMB29.00) |
| **Up/Downside** | **53.6%** |
| **Current Price** | **RMB18.23** |

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**Stock Data**

| | |
|---|---|
| Mkt Cap (RMB mn) | 237,557.3 |
| Avg 3 mths t/o (RMB mn) | 1,021.0 |
| 52w High/Low (RMB) | 32.53/14.15 |
| Total Issued Shares (mn) | 13031.1 |

Source: FactSet

**Shareholding Structure**

| | |
|---|---|
| China Hongqiao | 89.0% |

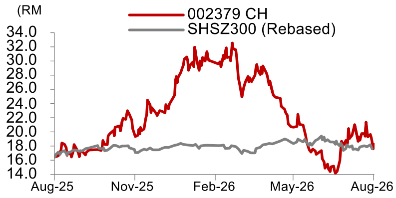
Source: HKEx

**Share Performance**

| | Absolute | Relative |
|---|---|---|
| 1-mth | 1.1% | 3.7% |
| 3-mth | -11.8% | -8.6% |
| 6-mth | -39.5% | -38.9% |

Source: FactSet

**12-mth Price Performance**




Source: FactSet

**Related reports:**

Aluminium – Upside to our supply forecast following the resumption of EGA production – 13 Aug 2026 (link)

Aluminium – Concerns largely priced in; Attractive valuation – 23 Jun 2026 (link)

A prolonged supply deficit even assuming the end of Iran war – 12 May 2026 (link)

Hongqiao Holdings (002379 CH) - High earnings sensitivity to aluminium price, high dividend payout; initiate with BUY – 12 May 2026 (link)

# Results highlights

### Figure 1: Key financials in 2Q26

| (RMB mn) | 1Q25 | 1Q26 | Change YoY | 2Q25 | 2Q26 | Change YoY |
|---|---|---|---|---|---|---|
| **Total revenue** | **39,662** | **40,933** | ***3.2%*** | **37,608** | **45,571** | ***21.2%*** |
| Cost of sales | -31,570 | -31,097 | *-1.5%* | -31,123 | -33,454 | *7.5%* |
| **Gross profit** | **8,092** | **9,836** | ***21.6%*** | **6,485** | **12,117** | ***86.8%*** |
| Other income | 77 | -6 | *n/a* | -105 | 397 | *n/a* |
| S&D expenses | -15 | -12 | *-18.5%* | -10 | -7 | *-36.5%* |
| Administrative expenses | -654 | -678 | *3.7%* | -675 | -678 | *0.4%* |
| Other expenses | -85 | -421 | *395.9%* | -115 | -103 | *-10.3%* |
| **EBIT** | **7,415** | **8,719** | ***17.6%*** | **5,580** | **11,727** | ***110.2%*** |
| Net finance income/(cost) | -500 | -218 | *-56.4%* | -134 | -260 | *94.7%* |
| Change in fair value | -15 | 31 | *n/a* | 7 | -65 | *n/a* |
| Share of profit of JV and associates | 7 | 5 | *-31.2%* | 7 | 11 | *44.6%* |
| **Pretax profit** | **6,908** | **8,536** | ***23.6%*** | **5,460** | **11,412** | ***109.0%*** |
| Income tax | -1,749 | -1,780 | *1.8%* | -1,341 | -2,524 | *88.2%* |
| **After tax profit** | **5,159** | **6,757** | ***31.0%*** | **4,120** | **8,889** | ***115.8%*** |
| MI | -246 | 1 | *n/a* | -194 | -1 | *-99.3%* |
| **Net profit** | **4,913** | **6,758** | ***37.6%*** | **3,925** | **8,887** | ***126.4%*** |
| | | | | | | |
| ***Key ratios*** | | | ***Change (ppt)*** | | | ***Change (ppt)*** |
| *Gross margin* | *20.4%* | *24.0%* | *3.6* | *17.2%* | *26.6%* | *9.3* |
| *S&D expenses ratio* | *0.0%* | *0.0%* | *-0.0* | *0.0%* | *0.0%* | *-0.0* |
| *Administrative expense ratio* | *1.6%* | *1.7%* | *0.0* | *1.8%* | *1.5%* | *-0.3* |
| *Other expense ratio* | *0.2%* | *1.0%* | *0.8* | *0.3%* | *0.2%* | *-0.1* |
| *Net margin* | *13.0%* | *16.5%* | *3.5* | *11.0%* | *19.5%* | *8.6* |
| *Effective tax rate* | *25.3%* | *20.9%* | *-4.5* | *24.6%* | *22.1%* | *-2.4* |

Source: Company data, CMBIGM estimates

### Figure 2: Revenue and gross margin breakdown in 1H26

| (RMB mn) | 1H25 | 1H26 | Change (YoY) |
|---|---|---|---|
| **Revenue** | | | |
| Aluminum (alloy products + molten aluminum) | 52,122 | 60,262 | *15.6%* |
| Alumina | 15,270 | 13,261 | *-13.2%* |
| Aluminum fabrication products | 7,441 | 10,397 | *39.7%* |
| Recycled aluminum | 328 | 582 | *77.6%* |
| Others | 2,108 | 2,001 | *-5.1%* |
| **Total** | **77,270** | **86,504** | ***12.0%*** |
| | | | |
| ***Gross margin*** | | | ***Change (ppt)*** |
| *Aluminum (alloy products + molten aluminum)* | *19.9%* | *30.7%* | *10.9* |
| *Alumina* | *18.9%* | *1.2%* | *(17.7)* |
| *Aluminum fabrication products* | *13.6%* | *25.7%* | *12.1* |
| *Recycled aluminum* | *41.6%* | *24.4%* | *(17.1)* |
| *Others* | *9.5%* | *23.4%* | *13.9* |
| ***Total*** | ***18.9%*** | ***25.4%*** | *6.5* |

Note: Aluminum hydroxide has been included in “others” since 1H26
Source: Company data, CMBIGM estimates

# Operating assumptions

## Figure 3: Change in key operating assumptions

| | Old | | | New | | | Change | | |
|---|---|---|---|---|---|---|---|---|---|
| | 2026E | 2027E | 2028E | 2026E | 2027E | 2028E | 2026E | 2027E | 2028E |
| (RMB mn) | | | | | | | | | |
| **Revenue** | | | | | | | | | |
| Aluminum (alloy products + molten aluminum) | 127,197 | 123,381 | 119,680 | 127,197 | 123,381 | 119,680 | 0% | 0% | 0% |
| Alumina | 23,743 | 22,556 | 22,556 | 22,379 | 22,379 | 22,379 | -6% | -1% | -1% |
| Aluminum fabrication products | 17,963 | 20,711 | 27,062 | 18,128 | 20,901 | 27,310 | 1% | 1% | 1% |
| Recycled aluminum | 744 | 781 | 820 | 1,134 | 1,304 | 1,500 | 52% | 67% | 83% |
| Aluminum hydroxide | 1,599 | 1,679 | 1,763 | 1,599 | 1,679 | 1,763 | 0% | 0% | 0% |
| Others | 2,669 | 2,803 | 2,943 | 2,669 | 2,803 | 2,943 | 0% | 0% | 0% |
| **Total** | **173,916** | **171,911** | **174,824** | **173,106** | **172,446** | **175,574** | **0%** | **0%** | **0%** |
| | | | | | | | | | |
| ***Gross margin*** | | | | | | | | *Change in ppt* | |
| *Aluminum (alloy products + molten aluminum)* | *32.2%* | *31.2%* | *29.1%* | *32.6%* | *30.9%* | *28.8%* | *0.38* | *-0.31* | *-0.32* |
| *Alumina* | *4.1%* | *-1.0%* | *-1.0%* | *-1.8%* | *-4.1%* | *-4.1%* | *-5.85* | *-3.06* | *-3.06* |
| *Aluminum fabrication products* | *13.0%* | *14.5%* | *16.0%* | *22.0%* | *18.0%* | *18.0%* | *9.02* | *3.50* | *2.00* |
| *Recycled aluminum* | *21.6%* | *21.6%* | *21.6%* | *21.6%* | *21.6%* | *21.6%* | *0.00* | *0.00* | *0.00* |
| *Aluminum hydroxide* | *1.2%* | *1.2%* | *1.2%* | *1.2%* | *1.2%* | *1.2%* | *0.00* | *0.00* | *0.00* |
| *Others* | *39.8%* | *39.8%* | *39.8%* | *39.8%* | *39.8%* | *39.8%* | *0.00* | *0.00* | *0.00* |
| ***Blended gross margin*** | ***25.6%*** | ***24.1%*** | ***22.4%*** | ***26.2%*** | ***23.9%*** | ***22.1%*** | ***0.62*** | ***-0.19*** | ***-0.28*** |
| | | | | | | | | | |
| Net finance expense | -1,016 | -892 | -856 | -1,010 | -894 | -871 | -1% | 0% | 2% |
| | | | | | | | | | |
| S&D expense ratio | *0.0%* | *0.0%* | *0.0%* | *0.0%* | *0.0%* | *0.0%* | *0.0* | *0.0* | *0.0* |
| Administrative expense ratio | *1.7%* | *1.7%* | *1.7%* | *1.7%* | *1.7%* | *1.7%* | *0.0* | *0.0* | *0.0* |
| Other expense ratio | *1.0%* | *1.0%* | *1.0%* | *1.0%* | *1.0%* | *1.0%* | *0.0* | *0.0* | *0.0* |
| Profit from JV/Associates (RMB mn) | 24 | 26 | 28 | 24 | 26 | 28 | 0% | 0% | 0% |
| Minority interest | -1,409 | -1,311 | -1,224 | 0 | 0 | 0 | -100% | -100% | -100% |
| **Recurring net profit (RMB mn)** | **28,208** | **26,240** | **24,517** | **30,285** | **27,394** | **25,466** | **7%** | **4%** | **4%** |

Source: Company data, CMBIGM estimates

**Figure 4: Key operating assumptions**

| | 2025 | 2026E | 2027E | 2028E |
|---|---|---|---|---|
| **Sales volume (000 tonnes)** | | | | |
| Aluminum alloy products | 5,871 | 6,071 | 6,071 | 6,071 |
| Alumina | 11,141 | 10,124 | 10,124 | 10,124 |
| Aluminum fabrication products | 717 | 789 | 929 | 1,238 |
| **Change YoY** | | | | |
| Aluminum alloy products | 0.2% | 3.4% | 0.0% | 0.0% |
| Alumina | 27.9% | -9.1% | 0.0% | 0.0% |
| Aluminum fabrication products | 1.1% | 10.2% | 17.6% | 33.3% |
| | | | | |
| **ASP (RMB/t) ex-VAT** | | | | |
| Aluminum alloy products | 18,217 | 20,950 | 20,322 | 19,712 |
| Alumina | 2,696 | 2,210 | 2,210 | 2,210 |
| Aluminum fabrication products | 20,875 | 22,962 | 22,503 | 22,053 |
| **Change YoY** | | | | |
| Aluminum alloy products | 4.0% | 15.0% | -3.0% | -3.0% |
| Alumina | -16.5% | -18.0% | 0.0% | 0.0% |
| Aluminum fabrication products | 3.1% | 10.0% | -2.0% | -2.0% |
| | | | | |
| **Unit cost (RMB/t)** | | | | |
| Aluminum alloy products | -14,206 | -14,118 | -14,037 | -14,037 |
| Alumina | -2,368 | -2,250 | -2,300 | -2,300 |
| Aluminum fabrication products | -18,165 | -17,911 | -18,452 | -18,083 |
| **Change YoY** | | | | |
| Aluminum alloy products | -1.0% | -0.6% | -0.6% | 0.0% |
| Alumina | 1.1% | -5.0% | 2.2% | 0.0% |
| Aluminum fabrication products | 3.8% | -1.4% | 3.0% | -2.0% |
| | | | | |
| **Unit gross profit (RMB/t)** | | | | |
| Aluminum alloy products | 4,012 | 6,832 | 6,285 | 5,675 |
| Alumina | 327 | -40 | -90 | -90 |
| Aluminum fabrication products | 2,710 | 5,052 | 4,051 | 3,970 |
| **Change YoY** | | | | |
| Aluminum alloy products | 26.7% | 70.3% | -8.0% | -9.7% |
| Alumina | -63.0% | -112.1% | 126.3% | 0.0% |
| Aluminum fabrication products | -1.0% | 86.4% | -19.8% | -2.0% |

Source: Company data, CMBIGM estimates

## Earnings sensitivity

**Figure 5: Earnings sensitivity (annualized) to 5% change in aluminium ASP & coal cost**

| **2026E net profit (RMB mn)** | | **Al ASP (RMB/t)** | | | | |
|---|---|---|---|---|---|---|
| | | 18,855 | 19,903 | **20,950** | 21,998 | 23,045 |
| | 612 | 20,892 | 25,589 | 30,285 | 34,982 | 39,679 |
| | 646 | 20,892 | 25,589 | 30,285 | 34,982 | 39,679 |
| **Coal cost** | **680** | 20,892 | 25,589 | **30,285** | 34,982 | 39,679 |
| RMB/t | 714 | 20,892 | 25,589 | 30,285 | 34,982 | 39,679 |
| | 748 | 20,892 | 25,589 | 30,285 | 34,982 | 39,679 |

Source: CMBIGM estimates

**Figure 6: Earnings sensitivity (annualized) to 5% change in aluminium ASP & external tariff**

| 2026E net profit (RMB mn) | | Al ASP (RMB/t) | | | | |
|---|---|---|---|---|---|---|
| | | 18,855 | 19,903 | **20,950** | 21,998 | 23,045 |
| | 0.42 | 24,229 | 28,926 | 33,622 | 38,319 | 43,016 |
| | 0.45 | 22,561 | 27,257 | 31,954 | 36,650 | 41,347 |
| **External tariff** | **0.47** | 20,892 | 25,589 | **30,285** | 34,982 | 39,679 |
| RMB/kWh | 0.49 | 19,223 | 23,920 | 28,617 | 33,313 | 38,010 |
| | 0.52 | 17,555 | 22,251 | 26,948 | 31,645 | 36,341 |

Source: CMBIGM estimates

**Figure 7: Earnings sensitivity (annualized) to 5% change in alumina ASP & bauxite cost**

| 2026E net profit (RMB mn) | | Alumina ASP (RMB/t) | | | | |
|---|---|---|---|---|---|---|
| | | 1,989 | 2,100 | **2,210** | 2,321 | 2,431 |
| | 450 | 31,035 | 31,560 | 32,086 | 32,611 | 33,137 |
| | 475 | 30,135 | 30,660 | 31,186 | 31,711 | 32,236 |
| **Bauxite** | **500** | 29,234 | 29,760 | **30,285** | 30,811 | 31,336 |
| RMB/t | 525 | 28,334 | 28,859 | 29,385 | 29,910 | 30,436 |
| | 550 | 27,434 | 27,959 | 28,485 | 29,010 | 29,536 |

Source: CMBIGM estimates

**Key risks:** (1) unexpected removal of capacity cap in China; (2) faster-than-expected overseas capacity ramp-up for the industry as a whole; (3) slowdown of the global economy; (4) sharp increases in costs of input such as bauxite and coal.

# Financial Summary

| INCOME STATEMENT | 2024A | 2025A | 2026E | 2027E | 2028E |
|---|---|---|---|---|---|
| **YE 31 Dec (RMB mn)** | | | | | |
| **Revenue** | **150,336** | **156,721** | **173,106** | **172,446** | **175,574** |
| Cost of goods sold | (120,165) | (126,392) | (127,794) | (131,152) | (136,786) |
| **Gross profit** | **30,171** | **30,328** | **45,313** | **41,294** | **38,789** |
| Selling expense | (56) | (47) | (52) | (52) | (52) |
| Admin expense | (2,594) | (2,667) | (2,946) | (2,935) | (2,988) |
| R&D expense | (2,176) | (1,500) | (1,657) | (1,650) | (1,680) |
| Other income | 164 | 422 | 466 | 517 | 527 |
| Other gains/(losses) | 24 | (43) | 0 | 0 | 0 |
| Share of (losses)/profits of associates/JV | 15 | 25 | 24 | 26 | 28 |
| **EBITDA** | **29,351** | **30,787** | **45,553** | **41,779** | **39,349** |
| Depreciation | 3,842 | 4,250 | 4,429 | 4,604 | 4,754 |
| **EBIT** | **25,509** | **26,537** | **41,125** | **37,175** | **34,595** |
| Interest income | (184) | (98) | 281 | 387 | 401 |
| Interest expense | (1,613) | (1,563) | (1,291) | (1,281) | (1,272) |
| **Net Interest income/(expense)** | **(1,797)** | **(1,661)** | **(1,010)** | **(894)** | **(871)** |
| **Pre-tax profit** | **23,751** | **24,858** | **40,139** | **36,306** | **33,751** |
| Income tax | (5,678) | (6,102) | (9,854) | (8,913) | (8,285) |
| Minority interest | (845) | (892) | 0 | 0 | 0 |
| **Adjusted net profit** | **17,228** | **17,864** | **30,285** | **27,394** | **25,466** |
| Gross dividends | 0 | 3,258 | 22,714 | 20,545 | 19,099 |

| BALANCE SHEET | 2024A | 2025A | 2026E | 2027E | 2028E |
|---|---|---|---|---|---|
| **YE 31 Dec (RMB mn)** | | | | | |
| **Current assets** | **56,192** | **59,325** | **84,390** | **86,048** | **90,633** |
| Cash & equivalents | 15,221 | 18,473 | 41,190 | 43,497 | 44,398 |
| Account receivables | 3,506 | 2,839 | 4,170 | 2,812 | 4,296 |
| Inventories | 32,588 | 32,411 | 33,309 | 34,138 | 36,206 |
| ST bank deposits | 0 | 0 | 0 | 0 | 0 |
| Other current assets | 4,876 | 5,603 | 5,722 | 5,600 | 5,733 |
| **Non-current assets** | **51,834** | **51,963** | **54,584** | **56,999** | **58,298** |
| PP&E | 29,662 | 37,162 | 39,926 | 42,515 | 43,954 |
| Deferred income tax | 2,680 | 2,857 | 2,857 | 2,857 | 2,857 |
| Investment in JVs & assos | 257 | 296 | 314 | 334 | 356 |
| Intangibles | 6,423 | 6,547 | 6,369 | 6,191 | 6,013 |
| Goodwill | 80 | 0 | 0 | 0 | 0 |
| Financial assets at FVTPL | 0 | 0 | 0 | 0 | 0 |
| Other non-current assets | 12,731 | 5,101 | 5,116 | 5,100 | 5,118 |
| **Total assets** | **108,026** | **111,288** | **138,974** | **143,046** | **148,931** |
| | | | | | |
| **Current liabilities** | **49,497** | **48,997** | **49,655** | **49,048** | **50,013** |
| Short-term borrowings | 19,878 | 8,831 | 8,631 | 8,431 | 8,231 |
| Account payables | 8,831 | 8,161 | 9,019 | 8,612 | 9,776 |
| Tax payable | 3,807 | 3,189 | 3,189 | 3,189 | 3,189 |
| Other current liabilities | 16,981 | 28,816 | 28,816 | 28,816 | 28,816 |
| **Non-current liabilities** | **13,830** | **16,727** | **16,727** | **16,727** | **16,727** |
| Long-term borrowings | 7,048 | 14,531 | 14,531 | 14,531 | 14,531 |
| Other non-current liabilities | 6,782 | 2,196 | 2,196 | 2,196 | 2,196 |
| **Total liabilities** | **63,327** | **65,724** | **66,383** | **65,776** | **66,740** |
| | | | | | |
| **Total shareholders equity** | **42,690** | **45,571** | **72,599** | **77,278** | **82,199** |
| Minority interest | 2,010 | (8) | (8) | (8) | (8) |
| **Total equity and liabilities** | **108,026** | **111,288** | **138,974** | **143,046** | **148,931** |

| CASH FLOW | 2024A | 2025A | 2026E | 2027E | 2028E |
|---|---|---|---|---|---|
| **YE 31 Dec (RMB mn)** | | | | | |
| **Operating** | | | | | |
| **Profit before taxation** | **23,751** | **24,858** | **40,139** | **36,306** | **33,751** |
| Depreciation & amortization | 3,842 | 4,250 | 4,429 | 4,604 | 4,754 |
| Tax paid | (5,678) | (6,102) | (9,854) | (8,913) | (8,285) |
| Change in working capital | (402) | (1,503) | (1,505) | 259 | (2,538) |
| Others | 3,769 | 2,492 | 986 | 868 | 844 |
| **Net cash from operations** | **25,282** | **23,995** | **34,195** | **33,125** | **28,525** |
| | | | | | |
| **Investing** | | | | | |
| Capital expenditure | (9,091) | (5,345) | (7,000) | (7,000) | (6,000) |
| Acquisition of subsidiaries/ investments | 0 | (20) | 0 | 0 | 0 |
| Others | 448 | (912) | 271 | 378 | 392 |
| **Net cash from investing** | **(8,642)** | **(6,277)** | **(6,729)** | **(6,622)** | **(5,608)** |
| | | | | | |
| **Financing** | | | | | |
| Dividend paid | 0 | 0 | (3,258) | (22,714) | (20,545) |
| Net borrowings | 0 | (3,563) | (200) | (200) | (200) |
| Proceeds from share issues | 0 | 0 | 0 | 0 | 0 |
| Others | (11,027) | (11,519) | (1,291) | (1,281) | (1,272) |
| **Net cash from financing** | **(11,027)** | **(15,083)** | **(4,749)** | **(24,195)** | **(22,017)** |
| | | | | | |
| **Net change in cash** | | | | | |
| Cash at the beginning of the year | na | 15,221 | 18,473 | 41,190 | 43,497 |
| Exchange difference | na | 616 | 0 | 0 | 0 |
| **Cash at the end of the year** | **15,221** | **18,473** | **41,190** | **43,497** | **44,398** |

| GROWTH | 2024A | 2025A | 2026E | 2027E | 2028E |
|---|---|---|---|---|---|
| **YE 31 Dec** | | | | | |
| Revenue | na | 4.2% | 10.5% | (0.4%) | 1.8% |
| Gross profit | na | 0.5% | 49.4% | (8.9%) | (6.1%) |
| EBITDA | na | 4.9% | 48.0% | (8.3%) | (5.8%) |
| EBIT | na | 4.0% | 55.0% | (9.6%) | (6.9%) |
| Adj. net profit | na | 3.7% | 69.5% | (9.5%) | (7.0%) |

| PROFITABILITY | 2024A | 2025A | 2026E | 2027E | 2028E |
|---|---|---|---|---|---|
| **YE 31 Dec** | | | | | |
| Gross profit margin | 20.1% | 19.4% | 26.2% | 23.9% | 22.1% |
| EBITDA margin | 19.5% | 19.6% | 26.3% | 24.2% | 22.4% |
| Adj. net profit margin | 11.5% | 11.4% | 17.5% | 15.9% | 14.5% |

| GEARING/LIQUIDITY/ACTIVITIES | 2024A | 2025A | 2026E | 2027E | 2028E |
|---|---|---|---|---|---|
| **YE 31 Dec** | | | | | |
| Net debt to equity (x) | 0.3 | 0.1 | (0.2) | (0.3) | (0.3) |
| Current ratio (x) | 1.1 | 1.2 | 1.7 | 1.8 | 1.8 |
| Receivable turnover days | na | 7.4 | 7.4 | 7.4 | 7.4 |
| Inventory turnover days | na | 93.9 | 93.9 | 93.9 | 93.9 |
| Payable turnover days | na | 24.5 | 24.5 | 24.5 | 24.5 |

| VALUATION | 2024A | 2025A | 2026E | 2027E | 2028E |
|---|---|---|---|---|---|
| **YE 31 Dec** | | | | | |
| P/E | na | 13.3 | 7.8 | 8.7 | 9.3 |
| P/B | na | 5.2 | 3.3 | 3.1 | 2.9 |
| Div yield (%) | na | 1.4 | 9.6 | 8.6 | 8.0 |

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

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| | |
|---|---|
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| | |
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