

## Wind Power Monthly

### 2018 Outlook: Solid growth momentum seen in 2017 to continue

	Ticker	Rec	Mkt cap		Price	PT	Up/ dn (%)	EPS growth (%)		PER (x)		PBR (x)	
			(US\$ mn)	Ccy				2017E	2018E	2017E	2018E	2017E	2018E
Longyuan Power	916 HK	BUY	5,798	HKD	5.55	6.30	13.5	7.8	18.6	0.8	0.8	9.4	10.3
Huaneng Renewables	958 HK	BUY	3,544	HKD	2.58	3.00	16.3	12.5	11.4	0.9	0.8	13.9	13.7

Source: Bloomberg, CSCI Research (prices as of 17 January 2018)

- Against the backdrop of the development plan as set out under the 13<sup>th</sup> FYP to enhance the proportion of non-fossil energy consumption, we forecast on-grid wind power generation to grow c.17.6% YoY in 2018 versus 2017. Thus, its share in China's total power generation is estimated to expand to 5.34% from 4.75% in 2017E.
- In our view, the elevated days of Account Receivables (ARs) will become the "new normal" for the wind power industry in 2018, on the back of a double-digit power generation growth rate as well as continuous improvement of the curtailment rate.
- On such basis, we maintain our BUY rating on both LYP (916.HK) and HNR (958.HK). We think entering the first quarter, a windy season of each year, rapid on-grid power generation growth as well as the potential of a continuous decline in the curtailment rate will drive the revaluation of the wind power industry.

**2017 Review: A year of continuous improvement of curtailment rate but rising AR days.** In our view, China's wind power sector has made solid progress in the past year, with total power generation estimated to have increased 25.6% YoY in 2017, posting another year of rapid growth following a 30.1% YoY increase in 2016. More importantly, the curtailment rate has come down by c.4ppts in 2017E from 17.1% in 2016A, based on our calculation. Driven by the volume growth, the wind farms' revenues are estimated to record growth in the range of +/-10% for the year, based on their respective comparable bases. On the other hand, the wind farms' AR days had extended by 40 days to 5-6 months in 2017E from 3-4 months in 2016A, due to the rapid growth of on-grid power generation and improvement in the curtailment rate.

**2018 Outlook: another solid year of growth to follow.** Against the backdrop of the supply-side structural reform, we estimate grid-connected capacity addition will slow down to c.15GW in 2018E, lower than c.17GW in 2017E. Also, we expect the share of the Three-North as a percentage of total new capacity addition will likely drop to below 50% in 2018 and that of Southern/Eastern/Central China will rise in due course. In addition, against the backdrop of the target to raise the proportion of non-fossil energy consumption in 2018, we project on-grid wind power generation will grow 17.6% YoY in 2018 with the share in China's total power generation estimated to expand to 5.34% from 4.75% in 2017E. Along with the slow-down in capacity addition as well as growth in power generation, we think the sector's utilisation hour will further improve by +100 hours.

**LYP (916.HK):** LYP's total net power generation grew 12.4% YoY in 2017 (wind power +15.0% YoY). Looking forward, we estimate LYP's net power generation will grow 10.7% YoY in 2018 (wind power +14.1% YoY). In line with the top-line growth, we forecast the company's FY17E/18E EPS to come in at RMB0.42/0.47, up 11.9%/12.8% YoY respectively. The company currently trades at PBR 0.9/0.8x 2017/18E, versus our target of 1.2/1.1x.

**HNR (958.HK):** HNR's 2017 generation volume recorded 15.4% YoY growth in 2017 (wind +15.0% YoY, solar +23.9%). Looking forward, we estimate HNR's generation volume will grow by 8.9% YoY (wind +8.4% YoY, solar +16.6%) in 2018. In line with the top line growth, we forecast the company's FY17E/FY18E EPS (after placement) will come in at RMB0.28/0.31, up 2%/12% respectively. The company currently trades at PBR 0.9/0.8x 2017/18E, versus our target of 1.1/1.0x.

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**Figure 1: Monthly wind power generation – Longyuan Power (916 HK)**

	Curtailments		Connected capacity (GW)			Power generation (GWh)			Utilization hour			
	2015	2016	2015	2016	%	Dec-16	Dec-17	YoY%	Dec-16	Dec-17	YoY%	
Shanghai	IV		0.05	0.05	0.3%	10.6	9.0	-14.9%	223	189	-14.9%	
Jiangsu	IV		1.68	1.73	10.0%	312.3	239.3	-23.4%	186	138	-25.6%	
Zhejiang	IV		0.23	0.23	1.3%	40.1	40.7	1.6%	176	179	1.6%	
Anhui	IV		0.59	0.73	4.2%	139.8	139.0	-0.6%	204	190	-7.1%	
Fujian	IV		0.52	0.67	3.9%	210.1	313.1	49.0%	369	471	27.7%	
<b>Sub-total</b>			<b>3.06</b>	<b>3.40</b>	<b>19.7%</b>	<b>712.8</b>	<b>741.1</b>	<b>4.0%</b>				
Jiangxi	IV		-	0.04	0.2%	-	8.5	-	-	213	-	
Henan	IV				0.0%							
Hubei	IV				0.0%	-	8.2	-				
Hunan	IV		-	0.05	0.3%	16.5	19.7	19.6%	344	411	19.6%	
Chongqing	IV		0.15	0.15	0.9%	24.4	27.6	13.4%	163	185	13.4%	
Sichuan	IV				0.0%							
Tibet	IV		0.01	0.01	0.0%	1.8	1.5	-14.7%	239	204	-14.7%	
<b>Sub-total</b>			<b>0.16</b>	<b>0.25</b>	<b>1.4%</b>	<b>42.7</b>	<b>65.6</b>	<b>53.7%</b>				
Guangdong	IV		0.03	0.08	0.4%	5.4	16.1	197.2%	210	212	1.0%	
Guangxi	IV		-	0.10	0.6%	27.1	38.8	42.8%	284	406	42.8%	
Hainan	IV		0.10	0.10	0.6%	18.6	24.4	31.3%	188	247	31.3%	
Guizhou	IV		0.54	0.64	3.7%	125.8	90.4	-28.1%	196	141	-28.1%	
Yunnan	IV	3%	4%	0.62	0.77	4.5%	147.1	177.5	20.7%	237	231	-2.8%
<b>Sub-total</b>			<b>1.28</b>	<b>1.68</b>	<b>9.7%</b>	<b>324.0</b>	<b>347.2</b>	<b>7.2%</b>				
Beijing	IV											
Tianjin	IV		0.13	0.13	0.8%	14.5	24.1	66.7%				
Hebei	II/IV	10%	9%	1.17	1.17	6.8%	269.0	341.1	26.8%	110	183	66.7%
Shanxi	IV	3%	9%	0.65	0.83	4.8%	98.0	232.7	137.4%	230	292	26.8%
Shandong	IV			0.34	0.39	2.3%	53.4	68.5	28.2%	152	281	85.0%
Inner Mongolia	I/II	18%	21%	2.59	2.64	15.3%	442.6	571.7	29.2%	158	174	10.4%
<b>Sub-total</b>			<b>4.87</b>	<b>5.16</b>	<b>29.9%</b>	<b>877.6</b>	<b>1,238.1</b>	<b>41.1%</b>				
Liaoning	IV	10%	13%	1.00	1.00	5.8%	164.5	136.3	-17.1%	164	136	-17.1%
Jilin	III/IV	31%	30%	0.45	0.55	3.2%	80.6	42.1	-47.7%	162	77	-52.5%
Heilongjiang	III/IV	21%	19%	1.23	1.23	7.1%	169.5	174.4	2.9%	137	141	2.9%
<b>Sub-total</b>			<b>2.69</b>	<b>2.79</b>	<b>16.1%</b>	<b>414.6</b>	<b>352.9</b>	<b>-14.9%</b>				
Shaanxi	IV		7%	0.20	0.44	2.5%	61.9	93.5	51.0%	183	213	16.4%
Gansu	II/III	39%	43%	1.29	1.29	7.5%	77.3	194.9	152.1%	60	151	152.1%
Qinghai	IV											
Ningxia	III	13%	13%	0.72	0.72	4.2%	134.3	95.0	-29.3%	185	131	-29.3%
Xinjiang	I/III	32%	38%	1.39	1.54	8.9%	182.6	211.4	15.7%	118	137	15.7%
<b>Sub-total</b>			<b>3.60</b>	<b>4.00</b>	<b>23.1%</b>	<b>456.1</b>	<b>594.7</b>	<b>30.4%</b>				
<b>National total</b>		<b>15%</b>	<b>17%</b>	<b>15.67</b>	<b>17.27</b>		<b>2,828</b>	<b>3,340</b>	<b>18.1%</b>	<b>173</b>	<b>195</b>	<b>12.4%</b>

Source: CEC; Company, CSCI Research estimates

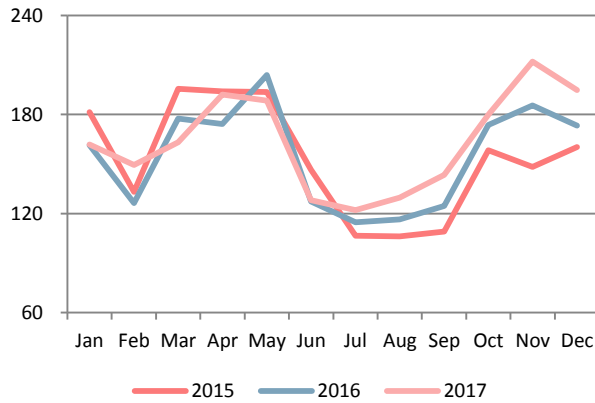
**Figure 2: Monthly wind power generation – Huaneng Renewables (958 HK)**

		Curtailments		Connected capacity (GW)			Power generation (GWh)			Utilization hour		
		2015	2016	2015	2016	%	Dec-16	Dec-17	YoY%	Dec-16	Dec-17	YoY%
Shanghai	IV			0.11	0.11	1.1%	18.5	15.6	-15.5%	171	145	-15.5%
Jiangsu	IV											
Zhejiang	IV			0.03	0.07	0.7%	6.2	13.5	118.7%	179	181	1.3%
Anhui	IV											
Fujian	IV											
<b>Sub-total</b>				<b>0.14</b>	<b>0.18</b>	<b>1.8%</b>	<b>24.7</b>	<b>29.2</b>	<b>18.1%</b>			
Jiangxi	IV											
Henan	IV											
Hubei	IV											
Hunan	IV											
Chongqing	IV											
Sichuan	IV			0.49	0.49	4.8%	120.5	113.6	142.0	230	288	25.0%
Tibet	IV											
<b>Sub-total</b>				<b>0.49</b>	<b>0.49</b>	<b>4.8%</b>	<b>120.5</b>	<b>113.6</b>	<b>142.0</b>			
Guangdong	IV			0.50	0.50	4.9%	122.4	141.9	16.0%	243	282	16.0%
Guangxi	IV			-	0.05	0.5%	-	16.1	-	-	326	-
Hainan	IV											
Guizhou	IV			0.73	0.73	7.1%	108.1	95.0	-12.1%	148	130	-12.1%
Yunnan	IV	3%	4%	1.12	1.12	10.9%	284.7	360.2	26.6%	255	323	26.6%
<b>Sub-total</b>				<b>2.35</b>	<b>2.40</b>	<b>23.4%</b>	<b>515.1</b>	<b>613.3</b>	<b>19.1%</b>			
Beijing	IV											
Tianjin	IV											
Hebei	II/IV	10%	9%	0.36	0.36	3.5%	57.3	90.4	57.9%	158	250	57.9%
Shanxi	IV	3%	9%	0.69	0.74	7.3%	109.6	221.2	101.9%	158	298	88.5%
Shandong	IV			0.95	1.00	9.8%	157.5	169.7	7.8%	165	169	2.5%
Inner Mongolia	I/II	18%	21%	2.47	2.47	24.1%	418.8	461.5	10.2%	170	187	10.2%
<b>Sub-total</b>				<b>4.48</b>	<b>4.57</b>	<b>44.6%</b>	<b>743.1</b>	<b>942.9</b>	<b>26.9%</b>			
Liaoning	IV	10%	13%	1.36	1.40	13.7%	219.0	211.4	-3.5%	161	151	-6.5%
Jilin	III/IV	31%	30%	0.40	0.40	3.9%	43.5	40.7	-6.3%	110	103	-6.3%
Heilongjiang	III/IV	21%	19%									
<b>Sub-total</b>				<b>1.76</b>	<b>1.80</b>	<b>17.5%</b>	<b>262.5</b>	<b>252.1</b>	<b>-4.0%</b>			
Shaanxi	IV		7%	0.06	0.36	3.5%	83.3	72.1	-13.5%	232	201	-13.5%
Gansu	II/III	39%	43%									
Qinghai	IV											
Ningxia	III	13%	13%									
Xinjiang	I/III	32%	38%	0.45	0.45	4.4%	55.0	55.4	0.6%	123	124	0.6%
<b>Sub-total</b>				<b>0.51</b>	<b>0.81</b>	<b>7.9%</b>	<b>138.3</b>	<b>127.4</b>	<b>-7.9%</b>			
<b>National total</b>		<b>15%</b>	<b>17%</b>	<b>9.72</b>	<b>10.25</b>		<b>1,797</b>	<b>2,107</b>	<b>17.2%</b>	<b>179</b>	<b>205</b>	<b>14.6%</b>

Source: CEC; Company; CSCI Research estimates

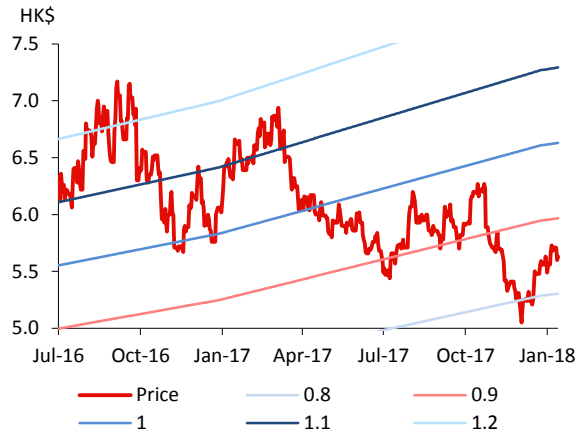
## Valuation seasonal rebound

**Figure 1: Estimated monthly utilization – LYP (916 HK)**



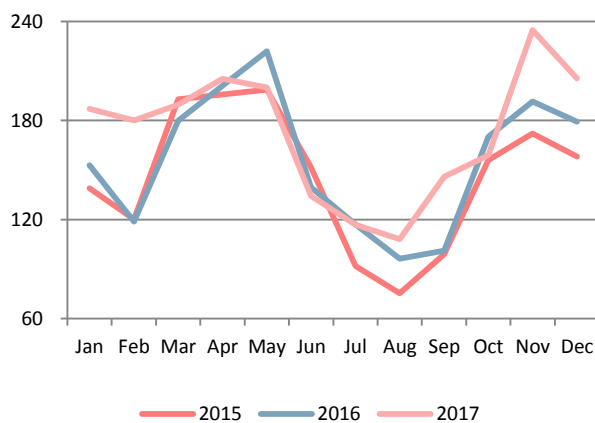
Source: Company; CSCI Research Estimates

**Figure 2: PB band – LYP (916 HK)**



Source: Bloomberg; CSCI Research

**Figure 3: Estimated monthly utilization – HNR (958 HK)**



Source: Company; CSCI Research Estimates

**Figure 4: PB band – HNR (958 HK)**



Source: Bloomberg; CSCI Research

**Figure 5: Peer valuation**

Name	Code	MKT CAP HKD mn	CP HKD	EPS Growth (%)		P/E (x)		P/BVPS (x)		Div yield (%)		ROE (%)	
				17E	18E	17E	18E	17E	18E	17E	18E	17E	18E
<b>IPP</b>													
CPR	836 HK	67,731	14.08	(45.8)	65.8	14.0	8.5	1.0	0.9	6.0	6.2	6.8	11.2
DTP	991 HK	102,226	5.03	(75.5)	224.7	28.4	8.7	0.8	0.7	2.0	5.6	2.8	8.4
HNP	902 HK	58,096	2.47	(36.9)	77.3	11.2	6.3	0.6	0.6	3.2	7.7	6.5	9.8
CPI	2380 HK	41,120	2.91	(86.7)	546.9	48.9	7.6	0.5	0.5	0.9	5.2	1.0	7.6
HDP	1071 HK	20,202	2.06	(57.8)	83.0	11.5	6.3	0.5	0.5	4.2	7.6	4.4	8.4
CGN	1816 HK	97,260	2.14	21.0	0.5	9.0	8.9	1.3	1.1	3.6	3.5	14.5	13.0
<b>Avg.</b>						<b>19.7</b>	<b>8.1</b>	<b>0.9</b>	<b>0.8</b>	<b>3.3</b>	<b>5.5</b>	<b>6.9</b>	<b>10.2</b>
<b>Wind</b>													
LYP	916 HK	44,602	5.55	7.8	18.6	9.5	8.0	0.8	0.8	2.1	2.6	9.4	10.3
HNR	958 HK	27,262	2.58	12.5	11.4	6.9	6.2	0.9	0.8	2.2	2.5	13.9	13.7
DTR	1798 HK	7,346	1.01	123.1	28.7	9.6	7.4	0.5	0.5	3.1	3.8	5.6	6.9
CST	956 HK	7,728	2.08	77.7	15.6	7.4	6.4	0.7	0.7	5.0	5.5	9.6	10.6
<b>Avg.</b>						<b>8.5</b>	<b>7.2</b>	<b>0.8</b>	<b>0.8</b>	<b>2.5</b>	<b>2.9</b>	<b>10.5</b>	<b>11.1</b>
<b>Power Equip.</b>													
DFE	1072 HK	28,493	6.81	(180.1)	26.6	20.2	15.9	0.6	0.6	1.0	1.3	3.0	4.3
HBP	1133 HK	4,612	3.35	63.2	(14.3)	8.8	10.2	0.3	0.3	1.2	1.2	3.5	3.9
SHE	2727 HK	104,120	3.18	(1.8)	4.2	15.9	15.2	0.7	0.7	1.0	1.1	5.0	5.2
GDW	2208 HK	70,062	12.78	0.9	4.0	12.1	11.6	1.7	1.5	2.1	2.5	14.6	13.9
CHS	658 HK	20,441	12.50	(13.3)	1.3	16.6	16.4	1.4	1.3	1.9	1.9	8.8	8.3
<b>Avg.</b>						<b>14.5</b>	<b>14.0</b>	<b>1.1</b>	<b>1.0</b>	<b>1.5</b>	<b>1.6</b>	<b>8.7</b>	<b>8.5</b>
<b>Hydro</b>													
YZP	600900 CH	354,640	16.12	1.6	(2.0)	16.6	16.9	2.6	2.5	4.1	4.1	16.4	15.2
SDIC	600886 CH	48,792	7.19	(18.8)	7.7	12.3	11.4	1.5	1.4	3.0	3.0	12.7	13.1
CTE	600674 CH	43,361	9.85	(3.7)	6.1	12.5	11.8	1.9	1.7	2.9	3.1	15.7	15.0
GGP	600236 CH	34,015	5.61	(5.1)	16.0	13.2	11.4	2.3	2.0	3.2	3.6	17.3	17.2
<b>Avg.</b>						<b>15.5</b>	<b>15.5</b>	<b>2.4</b>	<b>2.3</b>	<b>3.8</b>	<b>3.9</b>	<b>16.0</b>	<b>15.1</b>

Source: CSCI Research Estimates, Bloomberg; data as of 17 January 2018



## Huaneng Renewables (958 HK)

### Income statement (Rmb mn)

Year end: Dec	2015	2016	2017E	2018E	2019E
<b>Revenue</b>	<b>7,357</b>	<b>9,239</b>	<b>10,347</b>	<b>11,196</b>	<b>12,309</b>
Other net income	435	322	284	308	338
Material costs	-	-	-	-	-
Service concession	-	-	-	-	-
General and administrative	(559)	(626)	(744)	(828)	(911)
Repairs and maintenance	(109)	(189)	(247)	(268)	(294)
Other operating expenses	(272)	(375)	(407)	(441)	(485)
<b>EBITDA</b>	<b>6,851</b>	<b>8,370</b>	<b>9,233</b>	<b>9,966</b>	<b>10,957</b>
Depreciation & Amortization	(2,735)	(3,462)	(3,554)	(3,834)	(4,108)
<b>EBIT</b>	<b>4,116</b>	<b>4,908</b>	<b>5,679</b>	<b>6,132</b>	<b>6,850</b>
Net interest	(2,073)	(1,995)	(2,449)	(2,493)	(2,540)
JVs and associates	(3)	(3)	(2)	(3)	(2)
<b>Pretax profit</b>	<b>2,041</b>	<b>2,910</b>	<b>3,228</b>	<b>3,636</b>	<b>4,307</b>
Taxation	(141)	(202)	(224)	(252)	(298)
Minority	40	49	55	61	73
<b>Net profit</b>	<b>1,860</b>	<b>2,659</b>	<b>2,950</b>	<b>3,323</b>	<b>3,936</b>
Net profit (adjusted)	1,616	2,614	2,950	3,323	3,936
Basic EPS (Rmb)	0.19	0.27	0.28	0.31	0.37
Diluted EPS (Rmb)	0.19	0.27	0.28	0.31	0.37
DPS (Rmb)	0.03	0.04	0.04	0.05	0.06

### Balance sheet (Rmb mn)

Year end: Dec	2015	2016	2017E	2018E	2019E
Cash	4,504	2,570	3,191	3,526	4,032
Short term investments	-	-	-	-	-
Accounts receivables	2,900	4,635	6,726	7,053	7,139
Inventory	43	33	33	33	33
Other current assets	205	1,457	1,457	1,457	1,457
<b>Total current assets</b>	<b>7,652</b>	<b>8,696</b>	<b>11,406</b>	<b>12,069</b>	<b>12,661</b>
PP&E	68,658	72,107	75,236	78,605	82,632
Intangible Assets	682	654	620	587	553
Associates and JVs	109	106	104	102	99
Other long term assets	5,452	3,883	3,906	3,932	3,961
<b>Total long term assets</b>	<b>74,901</b>	<b>76,749</b>	<b>79,867</b>	<b>83,225</b>	<b>87,246</b>
<b>TOTAL ASSETS</b>	<b>82,553</b>	<b>85,445</b>	<b>91,273</b>	<b>95,295</b>	<b>99,907</b>
Short term debt	19,223	22,998	23,458	23,927	24,405
Accounts payables	9,250	7,440	7,440	7,440	7,440
Other current liabilities	60	80	80	80	80
<b>Total current liabilities</b>	<b>28,533</b>	<b>30,517</b>	<b>30,977</b>	<b>31,446</b>	<b>31,925</b>
Long term debt	32,695	29,955	30,554	31,165	31,789
Deferred tax	20	3,743	3,743	3,743	3,743
Other long term liabilities	2,680	235	235	235	235
<b>Total long term liabilities</b>	<b>35,395</b>	<b>33,933</b>	<b>34,533</b>	<b>35,144</b>	<b>35,767</b>
<b>TOTAL LIABILITIES</b>	<b>63,928</b>	<b>64,451</b>	<b>65,510</b>	<b>66,590</b>	<b>67,692</b>
Shareholders' funds	17,798	20,137	24,852	27,732	31,169
Perpetual medium-term note	-	-	-	-	-
Minority Interests	827	857	911	973	1,046
<b>TOTAL LIAB AND EQUITY</b>	<b>82,553</b>	<b>85,445</b>	<b>91,273</b>	<b>95,295</b>	<b>99,907</b>
Net cash / (debt)	(47,414)	(50,383)	(50,821)	(51,566)	(52,162)

### Cash flow statement (Rmb mn)

Year end: Dec	2015	2016	2017E	2018E	2019E
<b>Pretax profit</b>	<b>2,041</b>	<b>2,910</b>	<b>3,228</b>	<b>3,636</b>	<b>4,307</b>
Depreciation & amortisation	2,735	3,462	3,554	3,834	4,108
Net interest	2,197	2,090	2,449	2,493	2,540
Taxes paid	(126)	(179)	(224)	(252)	(298)
Changes in working capital	967	(844)	(2,090)	(328)	(86)
Others	(132)	(101)	2	3	2
<b>Cash flow from operations</b>	<b>7,682</b>	<b>7,338</b>	<b>6,919</b>	<b>9,387</b>	<b>10,573</b>
Capex	(12,644)	(7,877)	(6,673)	(7,196)	(8,130)
Acquisitions	(144)	(16)	0	0	-
Disposals	(324)	-	-	-	-
Others	598	524	28	32	36
<b>Cash flow from investing</b>	<b>(12,514)</b>	<b>(7,370)</b>	<b>(6,645)</b>	<b>(7,163)</b>	<b>(8,094)</b>
Dividends	(214)	(316)	(399)	(443)	(498)
Issue of shares	39	35	2,163	0	0
Change in debt	4,396	632	1,059	1,080	1,102
Others	(2,443)	(2,209)	(2,477)	(2,526)	(2,577)
<b>Cash flow from financing</b>	<b>1,778</b>	<b>(1,858)</b>	<b>347</b>	<b>(1,888)</b>	<b>(1,973)</b>
<b>Change in cash</b>	<b>(3,054)</b>	<b>(1,889)</b>	<b>621</b>	<b>335</b>	<b>506</b>
Free cash flow	(4,962)	(538)	246	2,191	2,443

### Key ratios

Year end: Dec	2015	2016	2017E	2018E	2019E
<b>Operating ratios</b>					
EBIT margin (%)	56.0	53.1	54.9	54.8	55.6
EBITDA margin (%)	93.1	90.6	89.2	89.0	89.0
Effective tax rate (%)	6.9	6.9	6.9	6.9	6.9
Revenue growth (%)	19.6	25.6	12.0	8.2	9.9
Net income growth (%)	65.9	43.0	11.0	12.6	18.5
EPS growth adj (%)	54.2	43.0	2.2	12.6	18.5
DPS growth (%)	50.0	36.7	2.2	12.6	18.5
<b>Efficiency ratios</b>					
ROE (%)	10.4	13.2	11.9	12.0	12.6
ROCE (%)	7.6	8.9	9.4	9.6	10.1
Asset turnover (x)	0.1	0.1	0.1	0.1	0.1
Op cash / EBIT (x)	1.9	1.5	1.2	1.5	1.5
Depreciation / CAPEX (x)	(0.2)	(0.4)	(0.5)	(0.5)	(0.5)
Accounts receivable days	143.9	183.1	237.3	230.0	211.7
<b>Leverage ratios</b>					
Net debt / assets (%)	57.4	59.0	55.7	54.1	52.2
Net gearing (%)	266.4	250.2	204.5	185.9	167.4
Net debt / EBITDA (x)	6.9	6.0	5.5	5.2	4.8
Interest cover (x)	1.9	2.3	2.3	2.5	2.7
Current ratio (x)	0.3	0.3	0.4	0.4	0.4
<b>Valuation</b>					
PER (x)	11.2	7.8	7.6	6.8	5.7
EV/EBITDA (x)	11.3	9.4	8.7	8.2	7.6
PBR (x)	1.2	1.0	0.9	0.8	0.7
Dividend yield (%)	1.4	1.9	2.0	2.2	2.6

Source: Company; CSC Research estimates



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## Company Rating Definition

The Benchmark: Hong Kong Hang Seng Index; Time Horizon: 12 months

<b>Buy</b>	12-month absolute total return: $\geq 10\%$
<b>Hold</b>	12-month absolute total return: $> -10\%$ but $< 10\%$
<b>Sell</b>	12-month absolute total return: $\leq -10\%$

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