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China Property

Golden Week stayed solid; target ~20% upside

The sector rose 5% on 6 May (HSI: +1%) on the back of solid data from Golden Week (secondary sales +31% Y/Y), continuing the outperformance since early April (+22% vs. HSI +4%). Since we turned more positive on tier-1 cities in mid-April ([report](#)), we have observed HFs actively adding exposure to the sector, while most LOs have remained in “wait-and-see” mode. Finally, this week we are also seeing incremental interest from LOs, although we believe the sector remains lightly owned. This rally reminds us of the 3-stage rally ([Figure 2](#)) seen by Hong Kong Property since April 2025 (+84%, vs. HSI +29%). **If data remains solid throughout the month, we would expect continued outperformance, and would target another ~20% return even after the 22% jump (benchmarking the 40% return of HK Property in its “Stage 1 rally” upon green shoots).** This would bring the sector back to the last peak in October 2024. If data is proven sustainable through July & August, there could be even another >30% upside (benchmarking “Stage 3 rally” of HK Property). Our top picks are **COLI** (more in [A laggard poised to outperform](#)), **CR Land** (despite hitting all-time high) & **Jinmao**. However, we also suggest revisiting the A-share SOEs (**Poly & China Merchants Shekou**) given the 15% underperformance (vs. HK-listed peers) since the last peak ([Figure 1](#)). All 5 of these SOEs have strong focus on tier-1 cities ([Figure 7](#)).

Golden Week & recent improvement

- **How was the housing market in Golden Week?** According to Iceberg Index, during the 5-day Labor Day Golden Week, **real-time secondary sales volume (实时二手成交) rose 31% Y/Y ([Figure 3](#))**, sustaining the momentum in April (+29% Y/Y) ([Figure 4](#)). Note that this refers to **real-time** data, not sales registrations (网签; which are often a delay of a few weeks). If based on sales registrations (which do not reflect the actual sales trend in Golden Week), the number was up 12% Y/Y during the holidays. In the primary market, while there is no official data yet, **most SOE developers guided flattish Y/Y growth**. Finally, based on Iceberg Secondary Asking Price Index (冰山二手挂牌价指数) ([Figure 6](#)), **tier-1 cities appear to be finding a bottom over the past few months** (after a big decline in 2H25). **Shanghai’s uptrend has sustained so far (+1.2% from the bottom)**, while prices in other tier-1 cities are still mildly dropping (but with much smaller magnitude). China Index Academy has also published some city-specific snippets on the housing market in Golden Week, with most suggesting mild improvement (see [Table 4](#)).

China

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- **An “unexplainable” improvement?** In the past 2-3 months, we have seen a surge in secondary sales volume and stabilization in secondary prices in tier-1 cities ([Table 6](#)). While this is *not* the first time seeing positive M/M growth in home prices since the industry downtrend in 2021, the previous improvements can be easily explained by nationwide easing or a change in government’s narrative ([Figure 10](#)). **However, the latest green shoots are, in some sense, not quite explainable (at least there has not been an obvious driver). This makes us wonder whether this is organic improvement (which is better than policy-induced improvement, which has proven effective only short term).** If we really are to explain, we believe the following factors play a role: (1) delayed wealth effect from an improved stock market; (2) marginally better job market; (3) after a 30-40% drop (with prices back to the 2015 levels), the market is naturally finding a bottom (average price decline in global property downcycles is ~30%); (4) strong recovery of Hong Kong’s housing market (home prices +15% since the trough in March 2025) has boosted homebuyers’ confidence. For more discussion, please see our report [Tier-1 cities testing stabilization this year](#).
- **Is this going to be sustainable?** At this juncture, we believe the Chinese housing market still faces various headwinds (e.g. high inventory, lack of change in government’s attitude). In the near term, we are not expecting an across-the-board recovery, but only stabilization in tier-1 cities. However, we believe this would still be an essential first step in the likely lengthy process of confidence rebuilding. Our focus is particularly on Shanghai, as it enjoys relatively better supply/demand dynamics. Thus, if Shanghai fails to show sustainable improvement, it would be hard to argue for stabilization in other cities. We expect data in May & June to remain solid (particularly after local-level easing by Shanghai in February; Shenzhen & Guangzhou in April). **Therefore, the real test is in July & August. If data continues to be solid until then, we could turn even more positive on the sector.**

Benchmarking the 3-stage rally of HK Property

- **This rally may resemble the Hong Kong Property rally:** Since March 2025, HK Property stocks have risen 84% (HSI: +29%) on the back of housing market recovery. We categorize the rally into 3 stages ([Figure 2](#)): (1) **Stage 1: Green shoots in 2Q25:** sector rose 40% in a 80-day rally; (2) **Stage 2: Observations in 2H25:** for six months, the sector was trading range-bound as investors were assessing whether the improvement was sustainable; (3) **Stage 3: Recovery confirmed since 1Q26:** the sector has jumped another 30% in this stage, as the market has become convinced that the rebound is not a “dead cat bounce” (more in [HK Residential Property: Can’t stop; won’t stop](#)).
- **For Mainland China Property, still in the initial stage now:** Since the bottom in early April, Mainland China Property has risen 22% (HSI: +4%), and we believe right now the sector is still in the “green shoots” stage. Thus, if we benchmark to HK Property, even after the 5% jump on

6 May, there could be another ~20% upside (despite likely high volatilities) before reaching the 40% total return in HK's Stage-1 rally. Of course, there are many differences between the two markets. Arguably, the tailwinds for HK are much more promising (e.g. population inflows, rental growth, robust demand from Mainland Chinese, strong financial markets), and thus some may argue that the strength in HK Property stocks should indeed be greater. However, we'd also argue that investors' expectations for Mainland China Property are even lower, and thus the rebound could potentially be even stronger.

The current rally is different from the previous ones

- **Most notably, this time it's the SOEs outperforming:** Since 2021, China Property has seen various rallies, and almost all were driven by nationwide policy easing or a change in government attitude (e.g. "16-point Measures" in November 2022; "destocking" in April 2024, "halting the decline" in September 2024). **The current rally, however, is being driven by potential organic improvement.** Therefore, while in previous rallies, distressed names (e.g. Sunac) typically outperformed significantly (average 278% return; albeit short-lived; SOEs: +77%), **in the rally so far, SOEs have notably outperformed (+17%, vs. distressed names +2%),** led by names with stronger fundamentals (e.g. Jinmao, COLI & CR Land) ([Table 1](#)). This implies the current rally is much less speculative. Rather, it is gradually attracting real money to position for a longer time. Therefore, potentially we could be seeing a slow bull (rather than a "roller coaster") style of rally.

4 FAQs from investors

- **Q1) What's the potential upside?** If we benchmark to the last peak in September 2024, the implied upside is **21%**, but if we benchmark to the high in December 2022, then the implied upside is **51%** ([Table 2](#)). Alternatively, if we focus on SOEs only, they are now at 0.63x P/B. Rerating to historical average 0.73x would imply a **16%** upside, but if we expect the sector rerating to 1 s.d. above, this implies **39%** upside ([Figure 8](#)).
- **Q2) CR Land is already at an all-time high. Should we still chase?** Our long-term top pick CR Land is now trading at HK\$35.3 (all-time high if adjusted for dividends). However, we argue that there is still upside: (1) **0.7x P/B is still undemanding; note that CR Land used to trade at >1x P/B.** Moreover, CR Land's investment property (IP) book value only implies an 8-9% cap rate, suggesting that the IP is actually under-valued; **if we adjust the book value with a 6% cap rate, CR Land would be trading at 0.58x P/B;** (2) **SHKP is a good precedent:** both CR Land & SHKP are the top industry proxies respectively for Mainland China Property & HK Property. While many investors doubted SHKP's share price strength sustainability when it hit a historical high at HK\$103, right now the stock is trading at HK\$146; (3) **scarcity value:** CR Land remains the obvious first choice for most LOs who do not have

positions in the sector yet, as it is the only developer with visible earnings growth (as half of its earnings come from recurring income, while disposal gains from C-REITs can offset DP margin decline). Our PT of HK\$44 implies 25% upside.

- **Q3) COLI has some margin concerns. Why is it your top pick?** The most common pushback on COLI is the likely margin pressure and impairment risk. While we recognize these concerns, we believe margin/impairment are backward-looking. What we'd focus on is the sales trend. **We expect 30% upside in COLI** (our PT: HK\$19.5), because we see how COLI is an obvious name to buy from all 3 aspects: (1) **fundamental:** COLI's contracted sales have outperformed YTD (+14% Y/Y), and 59% of its sellable resource are in tier-1 cities (incl. HK), the highest among key developers; (2) **tactical:** COLI has remained an underperformer vs. CR Land (by 22%), and there should be a catch-up trade; (3) **valuation:** COLI is trading at a 0.4x P/B (the lowest among SOEs); even if we adjust its BVPS by applying a 6% cap rate (current implied cap rate of IP is only 3-4%, which we think is too low), then COLI would be trading at a 0.59x P/B, which is on par with SOEs' average. However, we believe COLI should trade at a premium for its (1) best-in-class net margin (7-8%); and (2) good track record in timing land acquisitions. For more discussion, please see our note [COLI: A laggard poised to outperform](#).
- **Q4) How's investor interest?** Definitely rising. Initially, in April, only HFs showed interest (many have already positioned). However, in the past 1-2 weeks, we have noted more interest from LOs (likely due to the outperformance), including those based in the US/Europe. We note some investors have even switched their positioning from HK Property to Mainland China Property. **CR Land** remains the most enquired name, followed by **COLI & KE Holdings** (covered by Daniel Chen). Many HFs expressed interest in buying **COLI**, but LOs often had pushback on margins as discussed above. Some HFs (but only a minority) have even positioned in POEs (e.g. **Longfor, Seazen**) and distressed names (e.g. **Sunac**). Interestingly, a few HFs are even playing this investment theme through **New World Development**. Among Mainland China-based investors, interest is more on small/mid-cap SOEs (e.g. **Jinmao**). More discussion in our [marketing feedback](#).



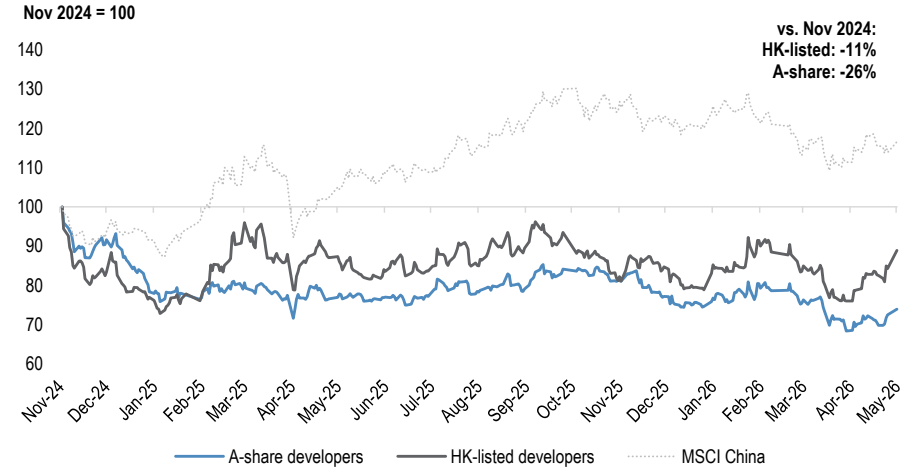
Equity Ratings and Price Targets

Company	Ticker	Mkt Cap (\$ mn)	Price CCY	Price	Rating		Price Target			
					Cur	Prev	Cur	End Date	Prev	End Date
China Resources Land (1109)	1109 HK	32,160	HKD	35.34	OW	n/c	44.00	Jun-27	37.00	Dec-26
China Overseas Land & Investment (0688)	688 HK	20,909	HKD	14.97	OW	n/c	19.50	Jun-27	16.50	Dec-26
China Jinmao (0817)	817 HK	3,121	HKD	1.81	OW	n/c	2.05	Jun-27	1.75	Dec-26
Poly Developments & Holdings - A	600048 CH	11,218	CNY	6.40	OW	n/c	9.50	Jun-27	8.20	Dec-26

Source: Company data, Bloomberg Finance L.P., J.P. Morgan estimates. n/c = no change. All prices as of 06 May 26.

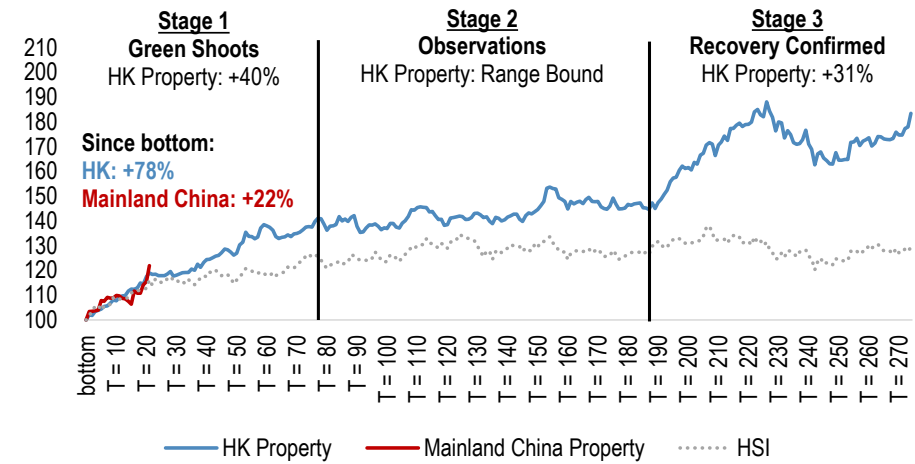
Share price performance

Figure 1: China Property share price performance – HK-listed vs. A-share



Source: Bloomberg Finance L.P., as of 6 May 2026

Figure 2: Hong Kong Property's 3-stage rally since April 2025



Source: Bloomberg Finance L.P., as of 6 May 2026

Note: HK Property / Hang Seng Index: since 9 April 2025; Mainland China Property: since 7 April 2026

Table 1: China Property - Share price performance by company since April 2026 (vs. Sep-2024 rally)

		Since April trough	Sep-24 rally
China Jinmao	SOE	31%	158%
COLI	SOE	25%	71%
COGO	SOE	22%	78%
CR Land	SOE	20%	65%
Greentown	SOE	18%	89%
C&D	SOE	18%	84%
Poly Developments - A	SOE	16%	47%
China Merchants Shekou - A	SOE	15%	39%
Gemdale - A	POE	13%	55%
Yuexiu Property	SOE	12%	96%
Seazen - A	POE	12%	49%
Sunac	Distressed	10%	405%
Poly Property	SOE	9%	80%
Greenland - A	Distressed	9%	53%
Seazen - H	POE	9%	116%
Longfor	POE	7%	140%
Binjiang - A	SOE	6%	42%
Vanke - H	Distressed	6%	213%
Vanke - A	Distressed	5%	54%
Agile	Distressed	3%	420%
Hang Seng Index	Index	1%	29%
CIFI	Distressed	-1%	302%
Shimao	Distressed	-5%	498%
Country Garden	Distressed	-14%	n/a

Source: Bloomberg Finance L.P., as of 6 May 2026.

Implied share price upside

Table 2: China Property - share price vs. Sep-2024 / Dec-2022 / all-time high

Company	Ticker	Last Price (TC\$)	Sep-2024 peak	vs. Sep-24 peak	Dec-22 peak	vs. Dec-22 peak	All-time high	vs. All-time high
Longfor	960.HK	8.5	18.0	112%	25.6	203%	42.0	396%
Gemdale - A	600383.CH	3.0	5.5	84%	11.6	290%	14.8	397%
Yuexiu Property	123.HK	4.2	7.6	81%	7.8	87%	10.8	159%
Poly Developments - A	600048.CH	6.4	10.8	69%	14.8	132%	17.3	171%
Seazen - H	1030.HK	2.3	3.2	39%	4.1	78%	9.9	335%
China Merchants Shekou - A	001979.CH	9.1	12.0	32%	13.6	50%	20.7	128%
COLI	688.HK	15.0	17.6	18%	19.0	27%	22.9	53%
Binjiang - A	002244.CH	10.0	11.2	12%	9.8	-2%	12.8	28%
C&D	1908.HK	16.1	17.4	8%	16.6	3%	22.1	37%
Greentown	3900.HK	10.2	10.5	3%	12.2	19%	15.7	53%
Poly Property	119.HK	2.1	2.1	0%	1.8	-12%	7.1	244%
Seazen - A	601155.CH	15.3	14.4	-6%	23.8	56%	50.6	231%
China Jinmao	817.HK	1.8	1.6	-11%	1.8	1%	4.8	164%
CR Land	1109.HK	35.3	30.0	-15%	30.3	-14%	35.7	1%
COGO	81.HK	3.1	2.4	-22%	3.2	3%	7.7	151%
Sector		490.3	593.2	21%	744.1	52%	2,053.1	319%

Source: Bloomberg Finance L.P., as of 6 May 2026

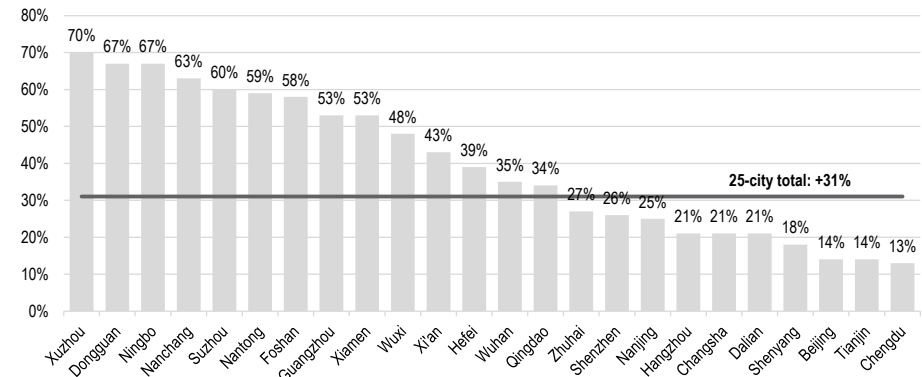
Table 3: China Property - P/B vs. historical average and peak

Company	Ticker	Current	P/B (x)			P/B (x)		
			Historical average	Implied share price (LC\$)	Upside	Peak	Implied share price (LC\$)	Upside
Gemdale - A	600383.CH	0.34	0.83	8.39	182%	1.84	18.59	526%
Longfor	960.HK	0.31	1.03	23.85	182%	2.12	48.99	479%
Poly Developments - A	600048.CH	0.39	0.89	14.61	128%	1.95	31.95	399%
Seazen - H	1030.HK	0.30	0.72	4.77	109%	2.31	15.22	568%
Seazen - A	601155.CH	0.55	1.14	31.36	105%	3.48	95.57	525%
Poly Property	119.HK	0.22	0.36	3.53	71%	0.65	6.39	209%
COLI	688.HK	0.36	0.68	24.19	62%	1.54	54.65	265%
China Merchants Shekou - A	001979.CH	0.83	1.29	14.01	55%	2.64	28.54	215%
Yuexiu Property	123.HK	0.27	0.43	5.85	40%	0.69	9.33	123%
COGO	81.HK	0.29	0.42	3.75	23%	1.07	9.52	211%
CR Land	1109.HK	0.70	0.91	36.98	5%	1.51	61.17	73%
Binjiang - A	002244.CH	0.95	1.06	10.28	2%	2.89	28.15	181%
China Jinmao	817.HK	0.42	0.60	1.68	-7%	1.37	3.87	114%
Greentown	3900.HK	0.63	0.54	7.43	-27%	0.96	13.36	31%
C&D	1908.HK	0.85	0.95	11.49	-29%	1.75	21.06	31%

Source: Bloomberg Finance L.P., as of 6 May 2026

Real-time secondary sales data from Iceberg Index (冰山指数实时二手成交)

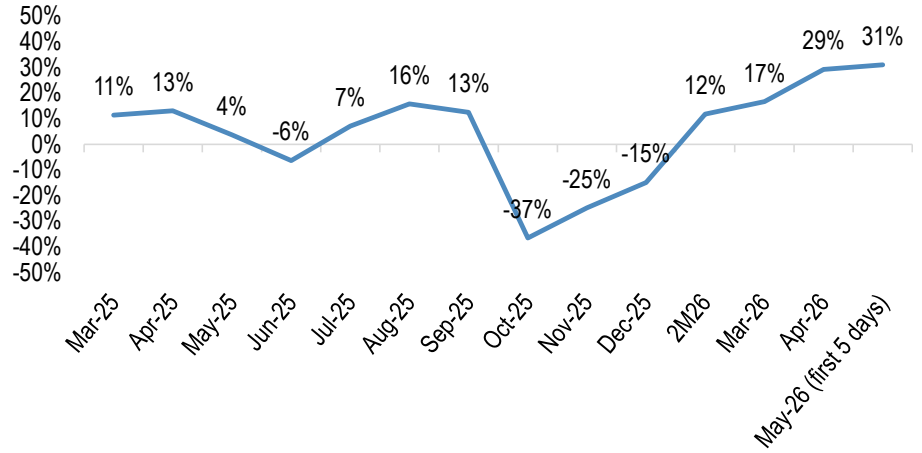
Figure 3: Iceberg Index - Real-time secondary sales volume Y/Y during Golden Week by city (First 5 days of May)



Source: Iceberg Index (retrieved on 6 May 2026)

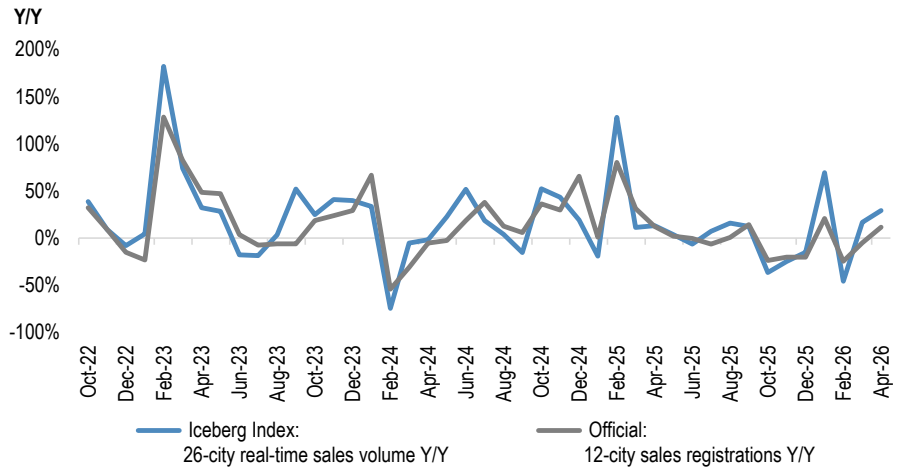
Note: This data does not necessarily represent the official sales trend.

Figure 4: Iceberg Index - Real-time secondary sales volume Y/Y



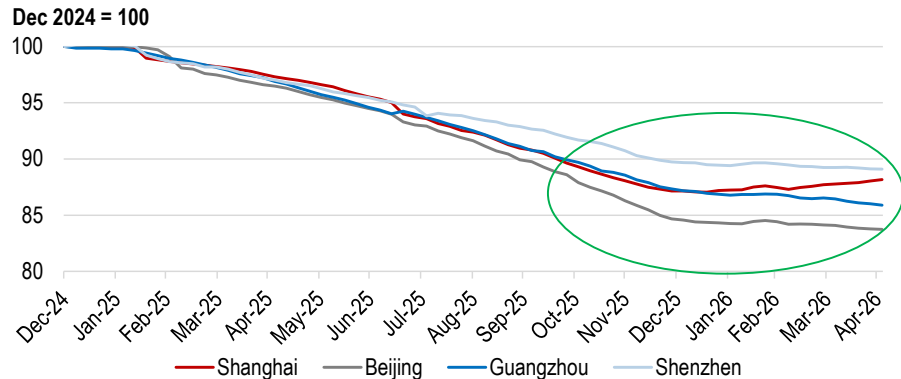
Source: Iceberg Index (retrieved on 6 May 2026)
 Note: This data does not necessarily represent the official sales trend.

Figure 5: Iceberg Index - Real-time secondary sales volume Y/Y vs. 12-city official sales registrations Y/Y



Source: Iceberg Index, Wind (all retrieved on 6 May 2026)

Figure 6: Tier-1 cities' Iceberg Index (secondary listing price)



Source: Iceberg Index (retrieved on 6 May 2026)

Housing market performance (by city) in Golden Week

Table 4: Property market performance (by key city) in Golden Week (commentary from China Index Academy)

		Property market performance during Golden Week	购房活动及市场表现
Beijing	Primary	Most projects maintained existing discounts or launched limited "fixed-price" units during the Golden Week holiday, with overall incentives relatively modest. Visitations and transactions indicate that the market continued its prior gradual recovery trend, with sustained demand for certain new launches and upgrade projects in key areas.	五一假期，多数项目延续前期折扣或推出部分“一口价”特惠房源，整体优惠幅度相对有限。从案场来访及成交来看，五一北京新房市场延续了此前温和复苏态势，部分新盘及热点区域改善项目热度不减。
	Secondary	Activity was relatively subdued in the first half of the holiday due to outbound travel, with viewings and transactions below pre-holiday weekend levels. Activity picked up in the latter half as residents returned, driving a rebound in both viewings and transactions.	受出游影响，五一假期前半段北京二手房市场相对平淡，带看及签约量均低于节前周末水平；假期后半段，伴随返京客流回归，二手房带看及成交明显回暖。
Shanghai	Primary	No new projects were launched during the holiday. Overall market performance remained broadly in line with April, with clear divergence across projects and locations. The Prism project (led by CR Land) recorded subscription >200% during the period.	五一期间上海无新盘开盘。整体楼市表现基本维持4月走势，产品区域分化表现特征明显。翡雲悦府项目在五一期间吸引了超过200%的认筹表现。
	Secondary	Activity softened slightly compared with the March–April peak, but is expected to recover post-holiday as buyers return.	从带看和成交来看，假期市场活跃度较3、4月“小阳春”稍有回落。预计随着假期出游客群返回，节后看房购房热度会有所回复。
Guangzhou	Primary	Sentiment improved after the introduction of the "Eight Measures" policy on 30 April. Developers accelerated launches (multiple new projects, show flats, and additional inventory releases) during the holiday, as well as discounts and promotional events. Over the first three days, 20 pre-sale permits were issued, covering ~2,000 residential units. On-site traffic and transactions improved notably, although performance remained uneven across locations, with stronger demand in core areas and weaker momentum in non-core districts.	4月30日，广州出台了“穗八条”楼市新政，有效增强了购房者的入市信心。五一假期，各大房企借助新政利好加快推货节奏，多个全新盘亮相、示范区开放、加推新房源，并推出专属折扣及亲子活动等营销活动。 假期前三天广州共新批20张住宅预售证，新批商品住宅约2000套。从现场人气及成交来看，受新政带动，多个楼盘到访量及成交均有明显提升，市场整体交投氛围较好。但区域分化仍较明显，核心区优质新盘人气较高，外围区域多数楼盘成交表现平淡。

Source: China Index Academy (report on Golden Week performance, published on 6 May 2026).

Table 5: Property market performance (by key city) in Golden Week (commentaries from China Index Academy) - continued

		Property market performance during Golden Week	购房活动及市场表现
Shenzhen	Primary / Secondary	Driven by policy easing before holidays and marketing, both primary and secondary sales volume increased significantly on Y/Y basis. Visitations and traffic rose remarkably, with the strongest recovery in core districts such as Nanshan and Futian. Upgrade demand was released, with a higher proportion of non-local buyers, and faster sell-through of quality secondary listings, indicating a clear rebound in market sentiment	五一假期，深圳楼市在节前楼市新政与假期营销活动的双重驱动下，新房、二手房成交量同比大幅上涨，门店带看、楼盘到访量显著走高。南山、福田等核心片区回暖最为突出，改善型住房需求集中释放，外地购房者占比明显提升，二手房优质房源去化速度加快，市场热度显著回升。
Hangzhou	Primary	~20 projects entered registration and lottery phases, showing an orderly release of demand. Developers focused on community engagement and promotional activities, including visit incentives, referral rewards, group-buy discounts, and bundled offers. Overall, the market remained stable, supported by upgrade and high-end demand, with clear structural divergence across projects and new supply building momentum post-holidays.	假期前后近20个项目进入登记摇号，潜在需求有序释放。营销层面，房企假期以社群活动为主。此外，不少楼盘还辅以到访礼、手作等暖场活动，以及老带新奖励、团购优惠、车位优惠、家电好礼等常规促销手段，共同维持市场热度。 总体而言，五一假期杭州楼市以改善及高端需求为支撑，案场热度呈结构性分化，新盘集中入市为后续蓄势，整体运行平稳。
Chengdu	Primary	Multiple projects obtained pre-sale permits ahead of the holiday, with developers (e.g. Poly / CR Land / New Hope) offering modest discounts (generally within ~2%) and promotional campaigns. On-site traffic and sales performance showed divergence across projects and locations. Certain high-value projects saw strong demand and rapid sell-through (a project by China Jinmao achieved sales of Rmb102mn on 1st May), while projects in less popular districts experienced limited pickup in traffic.	五一假期前多个项目集中取证，保利、华润、新希望等企业集中推出假期优惠促销活动，优惠力度多为2个百分点以内，部分项目推出特价房源。多个售楼部开展五一暖场活动。 从到访及成交情况看，区域及项目分化更加明显，如金茂锦棠等高性价比项目四月底上批次售罄，五一加推吸引大量客群到访，当天销售1.02亿。部分非热点区域项目表示楼盘到访人数并未明显增加。
	Secondary	Secondary market activity outperformed the primary market during the holiday, with a notable increase in property viewings.	部分二手房门店表示带看人数有较明显增长。整体来看，五一期间二手房市场活跃程度高于新房。

Source: China Index Academy (report on Golden Week performance, published on 6 May 2026).

Developers' tier-1 cities exposure

Figure 7: Developers landbank - tier-1 cities exposure

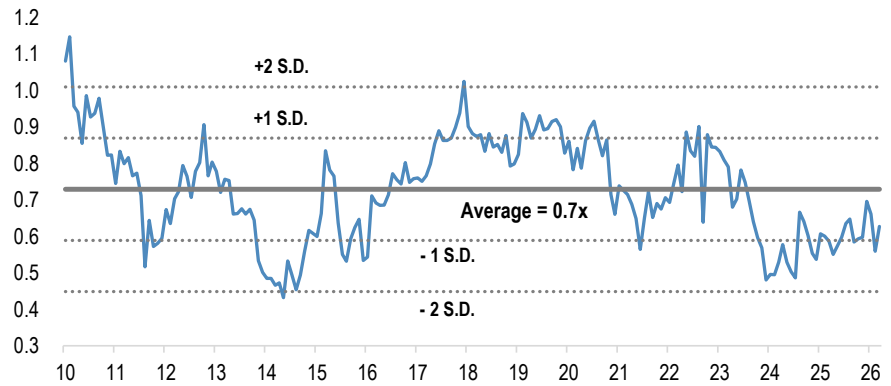
40%	6%	5%					
	14%	12%					
10%	25%	14%	26%	11%	9%		
15%			0%	10%	13%	0%	
15%	16%	23%	12%	9%	12%	17%	0%
			5%			6%	6%

Source: Companies' FY25 results announcements, monthly land acquisition updates, J.P. Morgan estimates.

Sector valuation

Figure 8: China Property – SOE-only consensus 12-month forward P/B

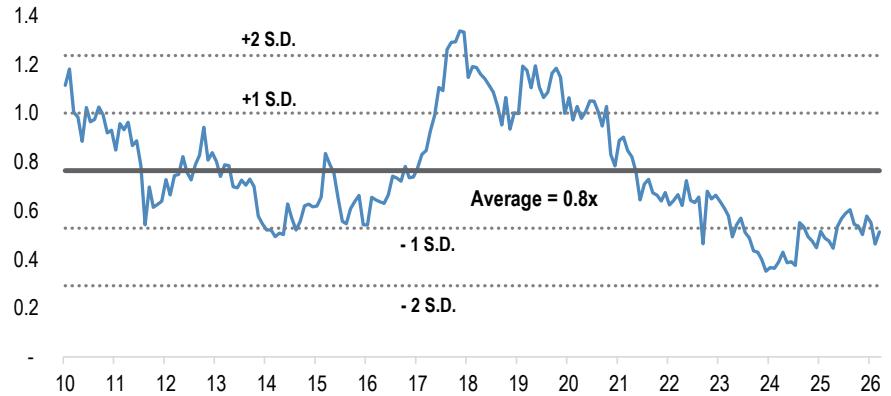
P/B (x)



Source: Bloomberg Finance L.P., as of 6 May 2026

Figure 9: China Property - Sector consensus 12-month forward P/B

P/B (x)



Source: Bloomberg Finance L.P., as of 6 May 2026

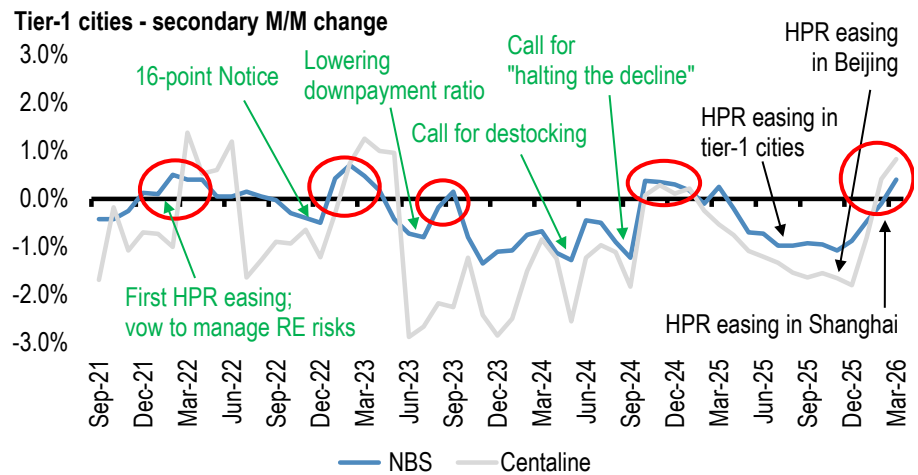
Green shoots in recent months

Table 6: Tier-1 cities' M/M home price growth

	Apr-25	May-25	Jun-25	Jul-25	Aug-25	Sep-25	Oct-25	Nov-25	Dec-25	Jan-26	Feb-26	Mar-26
Primary (NBS)												
Beijing	0.1%	-0.4%	-0.3%	0.0%	-0.4%	0.2%	-0.1%	-0.5%	-0.4%	-0.3%	0.2%	0.0%
Shanghai	0.5%	0.7%	0.4%	0.3%	0.4%	0.3%	0.3%	0.1%	0.2%	0.0%	0.2%	0.3%
Guangzhou	-0.2%	-0.8%	-0.5%	-0.3%	-0.2%	-0.6%	-0.8%	-0.5%	-0.6%	-0.6%	0.0%	0.3%
Shenzhen	-0.1%	-0.4%	-0.6%	-0.6%	-0.4%	-1.0%	-0.7%	-0.9%	-0.5%	-0.4%	-0.3%	0.2%
Tier-1 Primary (NBS)	0.1%	-0.2%	-0.2%	-0.2%	-0.2%	-0.3%	-0.3%	-0.5%	-0.3%	-0.3%	0.0%	0.2%
Secondary (NBS)												
Beijing	-0.6%	-0.8%	-1.0%	-1.1%	-1.2%	-0.9%	-1.1%	-1.3%	-1.3%	-0.2%	0.3%	0.6%
Shanghai	0.1%	-0.7%	-0.7%	-0.9%	-1.0%	-1.0%	-0.9%	-0.8%	-0.6%	-0.4%	0.2%	0.4%
Guangzhou	0.0%	-0.8%	-0.7%	-1.0%	-0.9%	-0.8%	-0.9%	-1.2%	-1.0%	-0.7%	-0.5%	0.2%
Shenzhen	-0.3%	-0.5%	-0.5%	-0.9%	-0.8%	-1.0%	-0.9%	-1.0%	-0.6%	-0.6%	-0.4%	0.4%
Tier-1 Secondary (NBS)	-0.2%	-0.7%	-0.7%	-1.0%	-1.0%	-0.9%	-0.9%	-1.1%	-0.9%	-0.5%	-0.1%	0.4%
Secondary (Centaline)												
Beijing	-0.5%	-0.9%	-1.6%	-1.5%	-1.8%	-2.1%	-1.9%	-1.9%	-1.9%	-0.5%	1.2%	1.5%
Shanghai	0.2%	-1.4%	-1.4%	-1.7%	-1.7%	-1.5%	-2.2%	-2.0%	-2.8%	-0.5%	0.9%	1.0%
Guangzhou	-1.5%	-1.0%	-1.4%	-1.2%	-1.8%	-1.4%	-2.0%	-1.9%	-1.3%	-0.8%	-1.5%	0.8%
Shenzhen	-0.9%	-1.1%	-0.5%	-1.1%	-1.0%	-1.5%	-0.5%	-1.0%	-1.6%	-1.3%	0.9%	0.1%
Tier-1 Secondary (Centaline)	-0.7%	-1.1%	-1.2%	-1.4%	-1.6%	-1.6%	-1.6%	-1.7%	-1.9%	-0.8%	0.4%	0.9%

Source: NBS, Centaline (all data as of 6 May 2026)

Figure 10: Tier-1 cities' secondary home price M/M growth (with nationwide easing/narrative change in green)



Source: NBS, Centaline (all data as of 6 May 2026)

Price Target Summary

Table 7: China Property – price target summary

Company	Ticker	Market cap (US\$ bn)	3M avg trading value (US\$ mn)	JPM Rating	Target or implied 26E P/B (x)	Price target (HK\$)	Last close (HK\$)	Potential upside/ downside	
SOEs									
China Resources Land	华润置地	1109.HK	32.2	64.7	OW	0.9x	44.00	35.34	25%
China Overseas Land	中国海外发展	0688.HK	20.9	38.8	OW	0.5x	19.50	14.97	30%
China Jinmao	中国金茂	0817.HK	3.1	7.6	OW	0.6x	2.05	1.81	13%
Non-distressed Quasi-SOEs / POEs									
Longfor	龙湖集团	0960.HK	7.7	18.5	OW	0.4x	10.70	8.46	26%
Seazen Group	新城发展	1030.HK	2.1	5.9	N	0.3x	2.20	2.28	-4%
Distressed POEs									
China Vanke - H	万科 - H	2202.HK	6.6	11.7	UW	0.2x	2.25	3.15	-29%
Country Garden	碧桂园	2007.HK	1.5	13.1	UW	-	0.20	0.27	-26%
Sunac China	融创中国	1918.HK	2.5	25.1	UW	0.4x	0.80	1.17	-32%
Shimao	世茂集团	0813.HK	0.2	0.8	UW	-	0.15	0.16	-9%
						(Rmb)	(Rmb)		
A-shares									
Poly Developments - A	保利发展 - A	600048.CH	11.2	117.1	OW	0.6x	9.50	6.40	48%
China Merchants Shekou - A	招商蛇口 - A	001979.CH	12.0	75.7	OW	1.0x	10.50	9.05	16%
China Vanke - A	万科 - A	000002.CH	6.6	82.1	UW	0.4x	3.30	4.01	-18%
Seazen Holdings - A	新城控股 - A	601155.CH	5.1	36.9	N	0.5x	14.00	15.29	-8%

Source: J.P. Morgan, Bloomberg Finance L.P. as of close of 6 May 2026

Valuation Summary

Table 8: China property – valuation summary

Company	Stock Code	JPM Rating	Last Close (HK\$)	Market Cap US\$M	ADV US\$M	P/E		Dvd Yield		P/B		Share price return				
						1FY (x)	2FY (x)	1FY (%)	2FY (%)	1FY (x)	2FY (x)	5D	YTD	1Y	vs. AT high	
Mainland China Developers																
China Resources Land	1109.HK	OW	35.34	32,161	63.9	10.6	9.8	3.6%	3.6%	0.7	0.7	14%	30%	41%	-1%	
China Overseas Land	0688.HK	OW	14.97	20,910	37.1	11.5	10.9	3.1%	3.4%	0.4	0.4	22%	22%	14%	-35%	
China Jinmao	0817.HK	OW	1.81	3,121	7.3	16.8	11.9	1.9%	2.0%	0.6	0.5	20%	49%	62%	-62%	
C&D International	1908.HK	NC	16.10	4,603	11.2	8.6	7.9	6.4%	7.0%	0.9	0.8	13%	3%	6%	-27%	
Greentown China	3900.HK	NC	10.22	3,312	12.6	55.6	25.1	1.8%	3.3%	0.6	0.6	11%	20%	7%	-35%	
Yuexiu Property	123.HK	NC	4.18	2,147	4.9	36.7	23.6	2.8%	3.8%	0.3	0.3	13%	5%	-9%	-61%	
SOEs					44.6	14.1	11.3	3.4%	3.7%	0.6	0.6	17%	25%	28%	-20%	
Longfor	0960.HK	OW	8.46	7,663	18.6	-	-	0.0%	0.9%	0.3	0.3	6%	-1%	-18%	-80%	
Seazen Group	1030.HK	N	2.28	2,114	8.3	-	-	-	-	0.3	0.3	7%	12%	19%	-77%	
POEs					16.4	-	-	0.0%	0.7%	0.3	0.3	6%	1%	-10%	-79%	
China Vanke - H	2202.HK	UW	3.15	6,609	11.8	-	-	-	-	0.3	0.4	11%	-4%	-41%	-90%	
Country Garden	2007.HK	UW	0.27	1,522	13.2	-	-	-	-	-	-	-2%	-35%	-36%	-98%	
Sunac China	1918.HK	UW	1.17	2,487	25.6	-	-	-	-	0.6	1.3	9%	-11%	-21%	-97%	
Shimao	0813.HK	UW	0.16	204	0.9	-	-	-	-	-	-	1%	-14%	-80%	-100%	
Agile	3383.HK	NC	0.25	161	0.1	-	-	-	-	-	-	9%	-6%	-45%	-98%	
Logan	3380.HK	NC	1.25	907	1.1	-	-	-	-	-	-	2%	-30%	51%	-91%	
CIFI	884.HK	NC	0.07	161	1.1	-	-	-	-	-	-	0%	-57%	-69%	-99%	
Hopson	754.HK	NC	2.64	1,278	0.6	-	-	-	-	-	-	0%	-12%	-12%	-88%	
R&F	2777.HK	NC	0.36	172	0.4	-	-	-	-	-	-	-1%	-29%	-64%	-98%	
Distressed					12.2	-	-	-	-	0.3	0.5	7%	-12%	-29%	-92%	
Mainland China Developers (Overall HK-Listed)						10.5	8.4	2.5%	2.8%	0.5	0.5	14%	17%	15%	-37%	
Mainland China Property Management																
China Resources Mixc	1209.HK	OW	48.70	14,186	17.5	22.5	21.0	4.5%	5.0%	6.2	6.1	5%	13%	39%	-3%	
China Overseas PH	2669.HK	UW	4.03	1,689	4.4	8.6	8.8	5.3%	5.3%	1.7	1.6	2%	-11%	-24%	-60%	
Poly Property Services	6049.HK	OW	31.50	2,224	3.4	9.3	8.9	5.4%	5.6%	1.3	1.2	2%	-2%	5%	-62%	
Greentown Service	2869.HK	OW	4.71	1,885	1.5	12.2	10.9	5.9%	6.3%	1.5	1.4	4%	0%	10%	-60%	
Backed by SOE developers					13.3	18.9	17.7	4.8%	5.2%	4.8	4.8	4%	8%	27%	-20%	
Country Garden Services	6098.HK	N	6.29	2,614	5.6	7.0	6.6	8.4%	8.4%	0.5	0.5	2%	4%	-6%	-91%	
A-Living	3319.HK	UW	2.18	395	0.6	3.1	3.2	3.0%	2.7%	0.3	0.3	8%	-5%	-24%	-95%	
Sunac Services	1516.HK	UW	1.09	424	1.9	5.8	6.1	4.9%	3.0%	0.5	0.5	15%	-24%	-35%	-95%	
Backed by POE developers					4.6	6.4	6.2	7.3%	7.1%	0.5	0.5	4%	-1%	-12%	-92%	
Property Management (Overall)						12.0	17.1	16.0	5.2%	5.5%	4.2	4.1	4%	7%	22%	-31%

Source: Company data, Bloomberg Finance L.P., J.P. Morgan estimates., as of close of 6 May 2026

Note: Companies marked with "NC" are not covered by J.P. Morgan; all such estimates are based on Bloomberg consensus estimates.

Overweight

1109.HK, 1109 HK

Price (06 May 26): HK\$35.34

▲ **Price Target (Jun-27): HK\$44.00**
 Prior (Dec-26): HK\$37.00

China

Mainland China/Hong Kong Property & Conglomerates

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J.P. Morgan Securities (Asia Pacific) Limited/

J.P. Morgan Broking (Hong Kong) Limited

China Resources Land (1109)

High scarcity value to support valuation premium

We roll over our price target to 30 Jun 2027, and raise it to HK\$44 (from HK\$37). Our new price target is based on a higher P/B of 0.9x to factor in (1) stronger sales momentum; (2) signs of home price stabilization; (3) CR Land's high quality investment portfolio and recurring income stream.

Style Exposure

Quant Factors	Current	Hist %Rank (1=Top)			
	%Rank	6M	1Y	3Y	5Y
Value	1	2	3	18	16
Growth	94	89	88	58	57
Momentum	65	52	48	48	70
Quality	62	54	49	29	28
Low Vol	32	59	70	58	31
ESGQ	20	14	91	17	8

Sources for: Style Exposure – J.P. Morgan Global Markets Strategy; all other tables are company data and J.P. Morgan estimates.

Price Performance



— 1109.HK Price (HK\$) - R-CHIP (rebased)

	YTD	1m	3m	12m
Abs	29.9%	23.0%	11.6%	33.9%
Rel	20.2%	17.4%	10.5%	17.6%

Company Data

Shares O/S (mn)	7,131
52-week range (HK\$)	35.74-24.25
Market cap (\$ mn)	32,160
Exchange rate	7.84
Free float (%)	40.4%
3M ADV (mn)	16.23
3M ADV (\$ mn)	63.9
Volatility (90 Day)	34
Index	HSCCI
BBG ANR (Buy Hold Sell)	35 0 0

Key Metrics (FYE Dec)

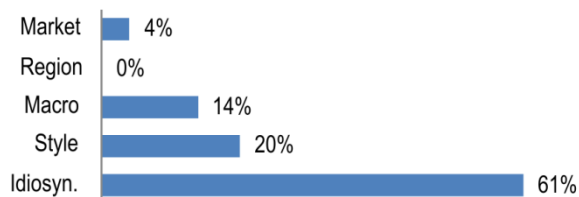
Rmb in millions	FY25A	FY26E	FY27E	FY28E
Financial Estimates				
Revenue	281,438	232,704	213,174	214,633
Adj. EBITDA	49,226	42,887	41,412	43,197
Adj. EBIT	47,695	41,356	39,881	41,666
Adj. net income	22,480	21,325	21,565	23,315
Adj. EPS	3.15	2.99	3.02	3.27
BBG EPS	3.33	3.34	3.51	3.81
Cashflow from operations	(19,936)	53,222	74,900	77,245
FCFF	(48,601)	23,002	51,568	53,861
Margins and Growth				
Revenue Growth Y/Y (%)	0.9%	(17.3%)	(8.4%)	0.7%
EBITDA margin	17.5%	18.4%	19.4%	20.1%
EBITDA Growth Y/Y (%)	(14.5%)	(12.9%)	(3.4%)	4.3%
EBIT margin	16.9%	17.8%	18.7%	19.4%
Net margin	8.0%	9.2%	10.1%	10.9%
Adj. EPS growth	(11.6%)	(5.1%)	1.1%	8.1%
Ratios				
Adj. tax rate	38.9%	37.3%	35.8%	34.7%
Interest cover	69.3	69.4	78.3	97.8
Net debt/Equity	0.4	0.3	0.3	0.2
Net debt/EBITDA	3.4	3.6	2.9	1.9
ROCE	5.3%	4.5%	4.4%	4.5%
ROE	8.0%	7.2%	6.9%	7.0%
Valuation				
FCFF yield	(22.1%)	10.5%	23.5%	24.5%
Dividend yield	3.9%	3.6%	3.6%	3.9%
EV/Revenue	1.6	1.8	1.8	1.6
EV/EBITDA	9.0	9.9	9.2	7.8
Adj. P/E	9.8	10.3	10.2	9.4

Summary Investment Thesis and Valuation

CR Land has scarcity value among developers for the following reasons: (1) its SOE status; (2) its being a top 10 developer; (3) its attractive investment property portfolio; (4) its likely outperforming sales growth; and (5) its relatively good track record. We believe CR Land will be one of the main consolidators in the next few years, while its retail malls should enjoy a trend of rising domestic consumption.

Our Jun-27 price target of HK\$44.00 is based on a target P/B of 0.9x, the highest among HK-listed Chinese developers, to take into account its pure-SOE status and strong investment property portfolio.

Performance Drivers



Factors	6M Corr	1Y Corr
Market: MSCI Asia Pac ex JP	0.29	0.17
Region: China	-0.02	0.08
Macro:		
Citi Economic Surprise - EM	-0.10	-0.28
JPM Global Equity Sentiment	-0.35	-0.23
Markit EM Composite PMI SA	0.22	0.21
Quant Styles:		
Growth	-0.43	-0.42
DivYld	0.38	0.27
Value	0.32	0.22

Investment Thesis, Valuation and Risks

China Resources Land Limited (*Overweight; Price Target: HK\$44.00*)

Investment Thesis

CR Land has scarcity value among developers for the following reasons: (1) its SOE status; (2) its being a top 10 developer; (3) its attractive investment property portfolio; (4) its likely outperforming sales growth; and (5) its relatively good track record. We believe CR Land will be one of the main consolidators in the next few years, while its retail malls should enjoy a trend of rising domestic consumption.

Valuation

Our Jun-27 price target of HK\$44.00 is based on a target P/B of 0.9x, the highest among HK-listed Chinese developers, to take into account its pure-SOE status and strong investment property portfolio.

Risks to Rating and Price Target

Downside risks include: (1) completion slippage; (2) lower-than-expected contracted sales; and (3) a significant slowdown in the retail market in China.

China Resources Land (1109): Summary of Financials

Income Statement					Cash Flow Statement						
	FY24A	FY25A	FY26E	FY27E	FY28E	FY24A	FY25A	FY26E	FY27E	FY28E	
Revenue	278,905	281,438	232,704	213,174	214,633	Cash flow from operating activities	36,234	(19,936)	53,222	74,900	77,245
COGS	(218,549)	(221,693)	(175,695)	(157,640)	(157,314)	o/w Depreciation & amortization	1,397	1,459	1,587	1,949	2,360
Gross profit	60,356	59,744	57,009	55,534	57,319	o/w Changes in working capital	12,535	(36,345)	36,036	57,181	57,074
SG&A	(13,840)	(14,528)	(14,122)	(14,122)	(14,122)	Cash flow from investing activities	(22,421)	(26,725)	(31,376)	(31,519)	(31,647)
Adj. EBITDA	57,554	49,226	42,887	41,412	43,197	o/w Capital expenditure	(15,866)	(22,162)	(23,672)	(23,672)	(23,672)
D&A	(1,536)	(1,531)	(1,531)	(1,531)	(1,531)	as % of sales	5.7%	7.9%	10.2%	11.1%	11.0%
Adj. EBIT	56,018	47,695	41,356	39,881	41,666	Cash flow from financing activities	4,660	8,833	(16,518)	(15,303)	(15,028)
Net Interest	(236)	(711)	(618)	(529)	(442)	o/w Dividends paid	(11,947)	(10,109)	(9,289)	(8,601)	(8,802)
Adj. PBT	56,170	48,944	42,266	40,687	42,535	o/w Shares issued/(repurchased)	0	(2,409)	0	0	0
Tax	(22,649)	(19,061)	(15,746)	(14,586)	(14,765)	o/w Net debt issued/(repaid)	18,980	21,351	(7,229)	(6,702)	(6,226)
Minority Interest	(8,101)	(7,402)	(5,195)	(4,537)	(4,455)	Net change in cash	18,472	(37,828)	5,329	28,079	30,569
Adj. Net Income	25,420	22,480	21,325	21,565	23,315	Adj. Free cash flow to firm	13,572	(48,601)	23,002	51,568	53,861
Reported EPS	3.58	3.56	3.61	3.64	3.89	y/y Growth	144.6%	(458.1%)	(147.3%)	124.2%	4.4%
Adj. EPS	3.56	3.15	2.99	3.02	3.27						
DPS	1.33	1.21	1.11	1.12	1.21						
Payout ratio	37.2%	33.9%	30.6%	30.7%	31.1%						
Shares outstanding	7,131	7,131	7,131	7,131	7,131						
Balance Sheet					Ratio Analysis						
Cash and cash equivalents	133,295	116,989	122,318	150,397	180,966	Gross margin	21.6%	21.2%	24.5%	26.1%	26.7%
Accounts receivable	52,938	41,674	37,506	33,756	30,380	EBITDA margin	20.6%	17.5%	18.4%	19.4%	20.1%
Inventories	425,450	381,388	377,634	373,918	370,238	EBIT margin	20.1%	16.9%	17.8%	18.7%	19.4%
Other current assets	99,005	105,733	89,924	76,930	67,521	Net profit margin	9.1%	8.0%	9.2%	10.1%	10.9%
Current assets	710,687	645,784	627,383	635,000	649,106	ROE	9.5%	8.0%	7.2%	6.9%	7.0%
PP&E	15,015	14,738	16,151	17,203	17,842	ROA	2.2%	2.0%	2.0%	1.9%	2.0%
LT investments	24,893	19,872	18,443	17,157	16,000	ROCE	6.4%	5.3%	4.5%	4.4%	4.5%
Other non current assets	403,800	418,179	454,871	491,512	528,258	SG&A/Sales	5.0%	5.2%	6.1%	6.6%	6.6%
Total assets	1,129,501	1,078,701	1,098,405	1,143,714	1,195,206	Net debt/Equity	0.3	0.4	0.3	0.3	0.2
Short term borrowings	69,446	50,506	45,455	40,910	36,819	Net debt/EBITDA	2.2	3.4	3.6	2.9	1.9
Payables	164,799	145,751	148,129	150,745	153,623	Sales/Assets (x)	0.2	0.3	0.2	0.2	0.2
Other short term liabilities	269,673	192,437	193,154	217,896	246,080	Assets/Equity (x)	4.3	3.9	3.7	3.6	3.5
Current liabilities	503,918	388,694	386,738	409,551	436,522	Interest cover (x)	243.8	69.3	69.4	78.3	97.8
Long-term debt	192,298	232,406	230,228	228,071	225,937	Operating leverage	(12.8%)	(1636.5%)	76.7%	42.5%	654.0%
Other long term liabilities	36,333	38,285	40,476	43,214	46,487	Tax rate	40.3%	38.9%	37.3%	35.8%	34.7%
Total liabilities	732,549	659,385	657,442	680,836	708,945	Revenue y/y Growth	11.1%	0.9%	(17.3%)	(8.4%)	0.7%
Shareholders' equity	272,720	289,484	305,935	323,314	342,241	EBITDA y/y Growth	(1.0%)	(14.5%)	(12.9%)	(3.4%)	4.3%
Minority interests	124,232	129,832	135,027	139,564	144,019	EPS y/y Growth	(8.5%)	(11.6%)	(5.1%)	1.1%	8.1%
Total liabilities & equity	1,129,501	1,078,701	1,098,405	1,143,714	1,195,206						
BVPS	38.24	40.60	42.90	45.34	47.99	Valuation					
y/y Growth	3.0%	6.1%	5.7%	5.7%	5.9%	FY24A	FY25A	FY26E	FY27E	FY28E	
RNAV/Share	-	-	61.02	-	-	P/E (x)	8.6	9.8	10.3	10.2	9.4
Net debt/(cash)	128,449	165,922	153,365	118,584	81,789	P/BV (x)	0.8	0.8	0.7	0.7	0.6
						EV/EBITDA (x)	6.9	9.0	9.9	9.2	7.8
						Dividend Yield	4.3%	3.9%	3.6%	3.6%	3.9%

Source: Company reports and J.P. Morgan estimates.

Note: Rmb in millions (except per-share data). Fiscal year ends Dec. o/w - out of which

China Overseas Land & Investment (0688)

Overweight

0688.HK, 688 HK

Price (06 May 26): HK\$14.97

▲ **Price Target (Jun-27): HK\$19.50**
 Prior (Dec-26): HK\$16.50

China

Mainland China/Hong Kong Property & Conglomerates

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J.P. Morgan Broking (Hong Kong) Limited

A laggard poised to outperform

We roll over our price target to 30 June 2027, and raise it to HK\$19.5 (from HK\$16.5), based on a higher adjusted P/B of 0.7x to factor in the outperformance in COLI's contracted sales & signs of home price stabilization. Note that, for adjustment, we assume a 6.0% cap rate for COLI's investment properties, instead of the implied 3.5% cap rate. On reported P/B basis, our price target implies a 0.5x P/B.

Style Exposure

Quant Factors	Current	Hist %Rank (1=Top)			
	%Rank	6M	1Y	3Y	5Y
Value	3	3	3	13	3
Growth	94	91	94	92	79
Momentum	90	77	75	91	77
Quality	80	64	80	67	42
Low Vol	29	56	65	61	18
ESGQ	24	17	5	17	3

Sources for: Style Exposure – J.P. Morgan Global Markets Strategy; all other tables are company data and J.P. Morgan estimates.

Price Performance



— 0688.HK Price (HK\$) - R-CHIP (rebased)

	YTD	1m	3m	12m
Abs	22.2%	28.3%	3.9%	9.6%
Rel	12.5%	22.6%	2.8%	-6.7%

Company Data

Shares O/S (mn)	10,945
52-week range (HK\$)	15.10-11.36
Market cap (\$ mn)	20,909
Exchange rate	7.84
Free float (%)	43.8%
3M ADV (mn)	22.39
3M ADV (\$ mn)	37.1
Volatility (90 Day)	34
Index	HSCCI
BBG ANR (Buy Hold Sell)	24 4 0

Key Metrics (FYE Dec)

Rmb in millions	FY25A	FY26E	FY27E	FY28E
Financial Estimates				
Revenue	168,089	153,023	152,525	149,506
Adj. EBITDA	20,057	18,034	18,808	19,577
Adj. EBIT	20,026	18,000	18,772	19,538
Adj. net income	13,010	11,939	13,191	13,968
Adj. EPS	1.19	1.09	1.21	1.28
BBG EPS	1.32	1.15	1.18	1.27
Cashflow from operations	(31,991)	4,529	2,808	(113)
FCFF	(34,797)	1,628	(200)	(3,232)
Margins and Growth				
Revenue Growth Y/Y (%)	(9.2%)	(9.0%)	(0.3%)	(2.0%)
EBITDA margin	11.9%	11.8%	12.3%	13.1%
EBITDA Growth Y/Y (%)	(22.2%)	(10.1%)	4.3%	4.1%
EBIT margin	11.9%	11.8%	12.3%	13.1%
Net margin	7.7%	7.8%	8.6%	9.3%
Adj. EPS growth	(17.2%)	(8.2%)	10.5%	5.9%
Ratios				
Adj. tax rate	34.1%	33.6%	32.2%	31.7%
Interest cover	NM	NM	NM	NM
Net debt/Equity	0.2	0.2	0.2	0.2
Net debt/EBITDA	4.0	4.5	4.4	4.5
ROCE	2.3%	2.1%	2.2%	2.2%
ROE	3.4%	3.0%	3.3%	3.4%
Valuation				
FCFF yield	(24.4%)	1.1%	(0.1%)	(2.3%)
Dividend yield	3.8%	3.6%	3.9%	4.2%
EV/Revenue	1.1	1.2	1.2	1.2
EV/EBITDA	8.8	9.8	9.4	9.0
Adj. P/E	11.0	12.0	10.8	10.2

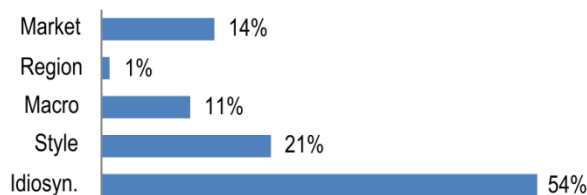
Summary Investment Thesis and Valuation

COLI is a leading developer with a long track record, a healthy balance sheet and prudent management. We expect COLI to continue to gain market share in the coming few years and become one of the few developers with positive sales growth. We rate the stock OW.

Our Jun-27 price target of HK\$19.50 is based on a target one-year forward adjusted P/B of 0.7x, in line with SOE peers.

For adjustment, we assume a 6.0% cap rate for COLI's investment properties, instead of the implied 3.5% cap rate.

Performance Drivers



Factors	6M Corr	1Y Corr
Market: MSCI Asia Pac ex JP	0.32	0.33
Region: China	0.00	0.14
Macro:		
JPM Global Equity Sentiment	-0.29	-0.25
HSI Volatility Index	0.39	0.23
Citi Economic Surprise - EM	-0.28	-0.23
Quant Styles:		
Growth	-0.47	-0.41
Value	0.34	0.22
DivYld	0.31	0.21

Investment Thesis, Valuation and Risks

China Overseas Land & Investment Ltd. *(Overweight; Price Target: HK\$19.50)*

Investment Thesis

COLI is a leading developer with a long track record, a healthy balance sheet and prudent management. We expect COLI to continue to gain market share in the coming few years and become one of the few developers with positive sales growth. We rate the stock OW.

Valuation

Our Jun-27 price target of HK\$19.50 is based on a target one-year forward adjusted P/B of 0.7x, in line with SOE peers.

For adjustment, we assume a 6.0% cap rate for COLI's investment properties, instead of the implied 3.5% cap rate.

Risks to Rating and Price Target

Downside risks include slower-than-expected sales momentum, slow landbanking and slippages of the completion schedule.

China Overseas Land & Investment (0688): Summary of Financials

Income Statement						Cash Flow Statement					
	FY24A	FY25A	FY26E	FY27E	FY28E	FY24A	FY25A	FY26E	FY27E	FY28E	
Revenue	185,154	168,089	153,023	152,525	149,506	Cash flow from operating activities	37,425	(31,991)	4,529	2,808	(113)
COGS	(152,389)	(142,024)	(130,715)	(129,456)	(125,667)	o/w Depreciation & amortization	460	32	34	36	39
Gross profit	42,288	46,237	22,308	23,069	23,838	o/w Changes in working capital	(3,090)	(9,479)	17,953	17,041	17,469
SG&A	(6,813)	(6,807)	(6,197)	(6,177)	(6,054)	Cash flow from investing activities	1,842	(4,386)	(1,956)	(1,841)	(1,716)
Adj. EBITDA	25,776	20,057	18,034	18,808	19,577	o/w Capital expenditure	(198)	(2,600)	(2,600)	(2,600)	(2,600)
D&A	(460)	(32)	(34)	(36)	(39)	as % of sales	0.1%	1.5%	1.7%	1.7%	1.7%
Adj. EBIT	25,316	20,026	18,000	18,772	19,538	Cash flow from financing activities	(20,768)	131	1,718	1,897	1,853
Net Interest	423	313	453	602	761	o/w Dividends paid	(8,207)	(5,571)	(4,674)	(4,809)	(5,199)
Adj. PBT	26,388	20,860	18,953	20,476	21,502	o/w Shares issued/(repurchased)	0	0	0	0	0
Tax	(8,516)	(7,110)	(6,363)	(6,598)	(6,808)	o/w Net debt issued/(repaid)	(17,551)	5,811	7,482	7,905	8,370
Minority Interest	(2,152)	(740)	(651)	(688)	(726)	Net change in cash	18,498	(36,247)	4,291	2,863	25
Adj. Net Income	15,720	13,010	11,939	13,191	13,968	Adj. Free cash flow to firm	36,940	(34,797)	1,628	(200)	(3,232)
Reported EPS	1.43	1.16	1.11	1.22	1.29	y/y Growth	51.1%	(194.2%)	(104.7%)	(112.3%)	1515.2%
Adj. EPS	1.44	1.19	1.09	1.21	1.28						
DPS	0.60	0.50	0.47	0.51	0.54						
Payout ratio	42.0%	43.1%	41.9%	42.0%	42.0%						
Shares outstanding	10,945	10,945	10,945	10,945	10,945						
Balance Sheet						Ratio Analysis					
	FY24A	FY25A	FY26E	FY27E	FY28E	FY24A	FY25A	FY26E	FY27E	FY28E	
Cash and cash equivalents	123,892	103,351	107,643	110,506	110,531	Gross margin	22.8%	27.5%	14.6%	15.1%	15.9%
Accounts receivable	3,406	4,065	4,471	4,918	5,410	EBITDA margin	13.9%	11.9%	11.8%	12.3%	13.1%
Inventories	454,274	491,000	516,480	543,396	574,311	EBIT margin	13.7%	11.9%	11.8%	12.3%	13.1%
Other current assets	57,611	47,208	49,119	51,457	54,239	Net profit margin	8.5%	7.7%	7.8%	8.6%	9.3%
Current assets	639,184	645,624	677,713	710,277	744,492	ROE	4.2%	3.4%	3.0%	3.3%	3.4%
PP&E	7,301	7,138	7,204	7,268	7,329	ROA	1.7%	1.4%	1.3%	1.4%	1.4%
LT investments	-	-	-	-	-	ROCE	3.1%	2.3%	2.1%	2.2%	2.2%
Other non current assets	262,150	262,935	266,639	270,945	275,353	SG&A/Sales	3.7%	4.0%	4.0%	4.0%	4.0%
Total assets	908,634	915,697	951,556	988,490	1,027,173	Net debt/Equity	0.1	0.2	0.2	0.2	0.2
Short term borrowings	28,590	42,316	46,548	51,203	56,323	Net debt/EBITDA	2.1	4.0	4.5	4.4	4.5
Payables	55,718	52,285	49,670	47,187	44,827	Sales/Assets (x)	0.2	0.2	0.2	0.2	0.1
Other short term liabilities	180,923	167,989	190,860	213,100	236,072	Assets/Equity (x)	2.4	2.4	2.4	2.4	2.5
Current liabilities	265,232	262,589	287,078	311,489	337,222	Interest cover (x)	NM	NM	NM	NM	NM
Long-term debt	149,523	142,194	142,194	142,194	142,194	Operating leverage	327.3%	226.7%	112.9%	(1317.0%)	(206.3%)
Other long term liabilities	92,049	91,015	94,265	97,515	100,765	Tax rate	32.3%	34.1%	33.6%	32.2%	31.7%
Total liabilities	506,804	495,798	523,536	551,198	580,181	Revenue y/y Growth	(8.6%)	(9.2%)	(9.0%)	(0.3%)	(2.0%)
Shareholders' equity	380,611	387,948	395,417	404,002	412,975	EBITDA y/y Growth	(27.6%)	(22.2%)	(10.1%)	4.3%	4.1%
Minority interests	21,219	31,951	32,602	33,290	34,016	EPS y/y Growth	(33.5%)	(17.2%)	(8.2%)	10.5%	5.9%
Total liabilities & equity	908,634	915,697	951,556	988,490	1,027,173						
BVPS	34.78	35.45	36.13	36.91	37.73	Valuation					
y/y Growth	2.0%	1.9%	1.9%	2.2%	2.2%	FY24A	FY25A	FY26E	FY27E	FY28E	
RNAV/Share	-	-	24.27	-	-	P/E (x)	9.1	11.0	12.0	10.8	10.2
Net debt/(cash)	54,221	81,158	81,098	82,890	87,985	P/BV (x)	0.4	0.4	0.4	0.4	0.3
						EV/EBITDA (x)	6.9	8.8	9.8	9.4	9.0
						Dividend Yield	4.6%	3.8%	3.6%	3.9%	4.2%

Source: Company reports and J.P. Morgan estimates.

Note: Rmb in millions (except per-share data). Fiscal year ends Dec. o/w - out of which

China Jinmao (0817)

Overweight

0817.HK, 817 HK

Price (06 May 26): HK\$1.81

▲ **Price Target (Jun-27): HK\$2.05**
 Prior (Dec-26): HK\$1.75

China

Mainland China/Hong Kong Property & Conglomerates

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J.P. Morgan Securities (Asia Pacific) Limited/

J.P. Morgan Broking (Hong Kong) Limited

A multi-year rerating story

We roll over our price target to June 2027, and raise it to HK\$2.05 (from HK\$1.75), based on a higher target P/B of 0.6x, to factor in the outperformance in Jinmao's contracted sales & signs of home price stabilization.

Style Exposure

Quant Factors	Current	Hist %Rank (1=Top)			
	%Rank	6M	1Y	3Y	5Y
Value	7	8	4	3	11
Growth	99	100	98	92	47
Momentum	87	57	16	92	97
Quality	88	81	96	77	61
Low Vol	79	97	98	90	49

Sources for: Style Exposure – J.P. Morgan Global Markets Strategy; all other tables are company data and J.P. Morgan estimates.

Price Performance



— 0817.HK Price (HK\$) - R-CHIP (rebased)

	YTD	1m	3m	12m
Abs	49.6%	36.1%	4.6%	60.2%
Rel	39.9%	30.4%	3.6%	43.9%

Company Data

Shares O/S (mn)	13,512
52-week range (HK\$)	1.83-0.99
Market cap (\$ mn)	3,121
Exchange rate	7.84
Free float (%)	48.2%
3M ADV (mn)	37.88
3M ADV (\$ mn)	7.3
Volatility (90 Day)	50
Index	HSCCI
BBG ANR (Buy Hold Sell)	18 3 0

Key Metrics (FYE Dec)

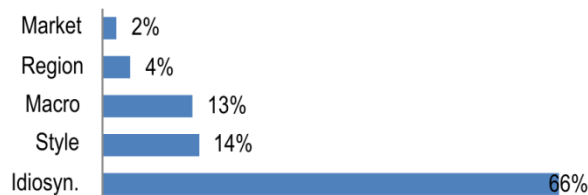
Rmb in millions	FY25A	FY26E	FY27E	FY28E
Financial Estimates				
Revenue	54,844	55,648	57,746	61,594
Adj. EBITDA	6,627	6,941	7,411	8,173
Adj. EBIT	6,036	6,356	6,833	7,602
Adj. net income	696	746	940	1,278
Adj. EPS	0.05	0.06	0.07	0.09
BBG EPS	0.11	0.10	0.12	0.14
Cashflow from operations	(6,856)	5,000	5,150	3,770
FCFF	(6,095)	5,201	5,344	3,916
Margins and Growth				
Revenue Growth Y/Y (%)	0.4%	1.5%	3.8%	6.7%
EBITDA margin	12.1%	12.5%	12.8%	13.3%
EBITDA Growth Y/Y (%)	27.4%	4.7%	6.8%	10.3%
EBIT margin	11.0%	11.4%	11.8%	12.3%
Net margin	1.3%	1.3%	1.6%	2.1%
Adj. EPS growth	(9.6%)	7.1%	26.0%	35.9%
Ratios				
Adj. tax rate	54.8%	56.1%	55.9%	55.7%
Interest cover	5.0	5.0	5.5	6.6
Net debt/Equity	0.8	0.8	0.7	0.7
Net debt/EBITDA	14.6	13.4	12.0	10.6
ROCE	1.7%	1.7%	1.8%	2.0%
ROE	1.8%	2.0%	2.4%	3.3%
Valuation				
FCFF yield	(28.6%)	24.4%	25.1%	18.4%
Dividend yield	1.9%	1.9%	2.0%	2.7%
EV/Revenue	2.7	2.6	2.4	2.3
EV/EBITDA	22.1	20.7	19.0	17.0
Adj. P/E	30.6	28.6	22.7	16.7

Summary Investment Thesis and Valuation

With new management and impairment behind us, we believe Jinmao may finally be back to a growth track (22% earnings CAGR over FY25-28E). Jinmao has also become more aggressive in land acquisitions, and this should narrow its gap with other SOEs. We expect a continual market share gain with positive growth in contracted sales in FY26E. We think Jinmao may offer more upside among SOEs for investors looking for a turnaround story amid property market stabilization.

Our Jun-27 price target of HK\$2.05 is based on a one-year forward P/B of 0.6x, still below the SOE average to discount Jinmao's higher leverage.

Performance Drivers



Factors	6M Corr	1Y Corr
Market: MSCI Asia Pac ex JP	0.23	0.10
Region: China	0.16	0.27
Macro:		
Citi Economic Surprise - EM	-0.18	-0.30
JPM Global Equity Sentiment	-0.26	-0.28
Generic 1st 'CO' Future	-0.28	-0.13
Quant Styles:		
Growth	-0.41	-0.35
DivYld	0.37	0.23
Value	0.37	0.21

Investment Thesis, Valuation and Risks

China Jinmao Holdings Group Limited (*Overweight; Price Target: HK\$2.05*)

Investment Thesis

With new management and impairment behind us, we believe Jinmao may finally be back to a growth track (22% earnings CAGR over FY25-28E). Jinmao has also become more aggressive in land acquisitions, and this should narrow its gap with other SOEs. We expect a continual market share gain with positive growth in contracted sales in FY26E. We think Jinmao may offer more upside among SOEs for investors looking for a turnaround story amid property market stabilization.

Valuation

Our Jun-27 price target of HK\$2.05 is based on a one-year forward P/B of 0.6x, still below the SOE average to discount Jinmao's higher leverage.

Risks to Rating and Price Target

Downside risks include: (1) worse-than-expected primary land development; (2) worse-than-expected contracted sales momentum; and (3) worse-than-expected margin.

Upside catalysts include: (1) better-than-expected primary land development; (2) better-than-expected contracted sales momentum; (3) better-than-expected margin.

China Jinmao (0817): Summary of Financials

Income Statement						Cash Flow Statement					
	FY24A	FY25A	FY26E	FY27E	FY28E	FY24A	FY25A	FY26E	FY27E	FY28E	
Revenue	54,646	54,844	55,648	57,746	61,594	Cash flow from operating activities	(11,403)	(6,856)	5,000	5,150	3,770
COGS	(50,456)	(50,150)	(50,558)	(52,252)	(55,333)	o/w Depreciation & amortization	757	727	584	578	571
Gross profit	-	-	-	-	-	o/w Changes in working capital	(4,341)	(7,356)	4,043	4,006	2,295
SG&A	(5,204)	(4,724)	(5,075)	(5,456)	(5,868)	Cash flow from investing activities	1,811	(4,023)	(1,244)	(1,244)	(1,244)
Adj. EBITDA	5,202	6,627	6,941	7,411	8,173	o/w Capital expenditure	(985)	(599)	(403)	(403)	(403)
D&A	(587)	(591)	(584)	(578)	(571)	as % of sales	1.8%	1.1%	0.7%	0.7%	0.7%
Adj. EBIT	4,614	6,036	6,356	6,833	7,602	Cash flow from financing activities	9,477	8,483	1,590	1,676	1,766
Net Interest	(1,415)	(1,331)	(1,376)	(1,353)	(1,240)	o/w Dividends paid	(1,705)	(1,421)	(1,030)	(1,017)	(1,029)
Adj. PBT	4,507	5,072	5,348	5,848	6,730	o/w Shares issued/(repurchased)	0	0	(65)	(71)	(79)
Tax	(2,238)	(2,779)	(3,000)	(3,270)	(3,749)	o/w Net debt issued/(repaid)	(8,139)	8,419	1,737	1,780	1,824
Minority Interest	(1,135)	(935)	(949)	(984)	(1,050)	Net change in cash	(116)	(2,396)	5,345	5,582	4,292
Adj. Net Income	770	696	746	940	1,278	Adj. Free cash flow to firm	(11,483)	(6,095)	5,201	5,344	3,916
Reported EPS	0.05	0.04	0.05	0.06	0.09	y/y Growth	(19385.4%)	(46.9%)	(185.3%)	2.7%	(26.7%)
Adj. EPS	0.06	0.05	0.06	0.07	0.09						
DPS	0.03	0.03	0.03	0.03	0.04						
Payout ratio	57.8%	68.5%	63.7%	50.4%	48.7%						
Shares outstanding	13,501	13,507	13,512	13,512	13,512						
Balance Sheet						Ratio Analysis					
	FY24A	FY25A	FY26E	FY27E	FY28E	FY24A	FY25A	FY26E	FY27E	FY28E	
Cash and cash equivalents	34,856	32,389	37,734	43,316	47,608	Gross margin	-	-	-	-	
Accounts receivable	46,160	51,483	56,631	62,294	68,524	EBITDA margin	9.5%	12.1%	12.5%	12.8%	13.3%
Inventories	39,836	37,683	41,452	45,597	50,156	EBIT margin	8.4%	11.0%	11.4%	11.8%	12.3%
Other current assets	72,204	100,212	108,409	117,362	127,142	Net profit margin	1.4%	1.3%	1.3%	1.6%	2.1%
Current assets	193,056	221,767	244,226	268,569	293,431	ROE	2.0%	1.8%	2.0%	2.4%	3.3%
PP&E	13,581	13,604	13,423	13,248	13,080	ROA	0.2%	0.2%	0.2%	0.2%	0.3%
LT investments	-	-	-	-	-	ROCE	1.4%	1.7%	1.7%	1.8%	2.0%
Other non current assets	202,619	206,363	208,186	210,016	211,852	SG&A/Sales	9.5%	8.6%	9.1%	9.4%	9.5%
Total assets	409,256	441,734	465,835	491,833	518,363	Net debt/Equity	0.8	0.8	0.8	0.7	0.7
Short term borrowings	21,607	28,125	27,843	27,565	27,289	Net debt/EBITDA	16.9	14.6	13.4	12.0	10.6
Payables	22,858	24,219	25,430	26,701	28,036	Sales/Assets (x)	0.1	0.1	0.1	0.1	0.1
Other short term liabilities	128,864	151,260	171,206	192,701	214,230	Assets/Equity (x)	10.5	11.1	11.9	12.4	12.9
Current liabilities	173,329	203,603	224,479	246,968	269,556	Interest cover (x)	3.7	5.0	5.0	5.5	6.6
Long-term debt	101,194	100,887	102,905	104,963	107,063	Operating leverage	2762.5%	8470.4%	362.2%	199.0%	168.9%
Other long term liabilities	26,455	17,682	17,682	17,682	17,682	Tax rate	49.7%	54.8%	56.1%	55.9%	55.7%
Total liabilities	300,978	322,172	345,066	369,613	394,300	Revenue y/y Growth	(20.9%)	0.4%	1.5%	3.8%	6.7%
Shareholders' equity	38,379	38,041	38,300	38,767	39,559	EBITDA y/y Growth	(1550.9%)	27.4%	4.7%	6.8%	10.3%
Minority interests	69,899	81,520	82,469	83,453	84,503	EPS y/y Growth	(110.8%)	(9.6%)	7.1%	26.0%	35.9%
Total liabilities & equity	409,256	441,734	465,835	491,833	518,363						
BVPS	2.88	2.82	2.83	2.87	2.93	Valuation					
y/y Growth	(1.0%)	(2.3%)	0.7%	1.2%	2.0%	FY24A	FY25A	FY26E	FY27E	FY28E	
RNAV/Share	-	-	-	-	-	P/E (x)	27.7	30.6	28.6	22.7	16.7
Net debt/(cash)	87,945	96,623	93,014	89,212	86,743	P/BV (x)	0.5	0.6	0.6	0.5	0.5
						EV/EBITDA (x)	24.7	22.1	20.7	19.0	17.0
						Dividend Yield	1.9%	1.9%	1.9%	2.0%	2.7%

Source: Company reports and J.P. Morgan estimates.

Note: Rmb in millions (except per-share data). Fiscal year ends Dec. o/w - out of which

Overweight

600048.SS,600048 CH

Price (06 May 26): Rmb6.40

▲ **Price Target (Jun-27): Rmb9.50**
 Prior (Dec-26): Rmb8.20

China

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J.P. Morgan Broking (Hong Kong) Limited

Poly Developments & Holdings - A

Largest SOE developers

We update our earnings forecast to factor in FY25 earnings. We roll over our price target end date to June 2027 and raise our price target to Rmb9.5 (from Rmb8.2), based on a higher target P/B of 0.6x, due to the improvement in the physical market with signs of home price stabilization.

Style Exposure

Quant Factors	Current	Hist %Rank (1=Top)			
	%Rank	6M	1Y	3Y	5Y
Value	7	5	9	24	10
Growth	48	97	95	77	41
Momentum	91	91	99	94	87
Quality	93	86	82	63	24
Low Vol	20	41	48	55	15
ESGQ	22	13	85	25	96

Sources for: Style Exposure – J.P. Morgan Global Markets Strategy; all other tables are company data and J.P. Morgan estimates.

Price Performance



— 600048.SS Price (Rmb) SHCOMP (rebased)

	YTD	1m	3m	12m
Abs	4.9%	16.2%	-8.3%	-23.4%
Rel	0.1%	8.9%	-10.6%	-48.8%

Company Data

Shares O/S (mn)	11,970
52-week range (Rmb)	8.71-5.47
Market cap (\$ mn)	11,218
Exchange rate	6.83
Free float (%)	53.4%
3M ADV (mn)	132.71
3M ADV (\$ mn)	124.4
Volatility (90 Day)	33
Index	SSE
BBG ANR (Buy Hold Sell)	23 4 1

Key Metrics (FYE Dec)

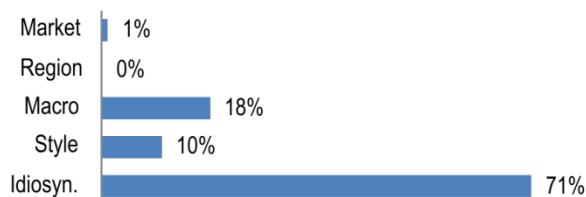
Rmb in millions	FY25A	FY26E	FY27E	FY28E
Financial Estimates				
Revenue	308,144	290,922	275,219	259,313
Adj. EBITDA	20,608	20,035	19,797	18,250
Adj. EBIT	17,558	16,986	16,747	15,200
Adj. net income	659	757	873	856
Adj. EPS	0.06	0.06	0.07	0.07
BBG EPS	0.20	0.17	0.23	0.27
Cashflow from operations	26,167	2,580	(3,104)	(61)
FCFF	26,424	1,853	(3,844)	(893)
Margins and Growth				
Revenue Growth Y/Y (%)	(1.1%)	(5.6%)	(5.4%)	(5.8%)
EBITDA margin	6.7%	6.9%	7.2%	7.0%
EBITDA Growth Y/Y (%)	(13.9%)	(2.8%)	(1.2%)	(7.8%)
EBIT margin	5.7%	5.8%	6.1%	5.9%
Net margin	0.2%	0.3%	0.3%	0.3%
Adj. EPS growth	(84.5%)	14.9%	15.4%	(2.0%)
Ratios				
Adj. tax rate	65.6%	60.0%	54.5%	51.2%
Interest cover	5.6	6.3	7.1	7.6
Net debt/Equity	0.7	0.7	0.7	0.7
Net debt/EBITDA	10.6	11.0	11.7	13.0
ROCE	1.1%	1.3%	1.4%	1.4%
ROE	0.3%	0.4%	0.5%	0.4%
Valuation				
FCFF yield	34.5%	2.4%	(5.0%)	(1.2%)
Dividend yield	0.5%	0.4%	0.5%	0.4%
EV/Revenue	1.4	1.5	1.6	1.7
EV/EBITDA	21.0	21.8	22.5	24.8
Adj. P/E	116.3	101.2	87.7	89.5

Summary Investment Thesis and Valuation

Poly offers scarcity value as the largest pure-SOE developer (by sales) with a strong balance sheet and a market share gain story, so we believe Poly's share price will outperform among Chinese developers.

Our Jun-27 price target of Rmb9.5 is based on a target one-year forward P/B of 0.6x, slightly lower than the average of SOE peers to discount for Poly's higher margin uncertainty.

Performance Drivers



Factors	6M Corr	1Y Corr
Market: MSCI Asia Pac ex JP	0.11	0.07
Region: China	-0.11	-0.05
Macro:		
JPM China A-shares Sentiment	0.36	0.30
JPM EM Currency(EMCI) Fixing	0.30	0.22
JPM Forecast Revision EM	-0.15	-0.22
Quant Styles:		
Size	-0.31	-0.30
Quality	-0.06	-0.25
Growth	-0.13	-0.25

Investment Thesis, Valuation and Risks

Poly Developments & Holdings Group Co., Ltd - A

(Overweight; Price Target: Rmb9.50)

Investment Thesis

Poly offers scarcity value as the largest pure-SOE developer (by sales) with a strong balance sheet and a market share gain story, so we believe Poly's share price will outperform among Chinese developers.

Valuation

Our Jun-27 price target of Rmb9.5 is based on a target one-year forward P/B of 0.6x, slightly lower than the average of SOE peers to discount for Poly's higher margin uncertainty.

Risks to Rating and Price Target

Downside risks include worse-than-expected margins and worse-than-expected contracted sales.

Poly Developments & Holdings - A: Summary of Financials

Income Statement						Cash Flow Statement					
	FY24A	FY25A	FY26E	FY27E	FY28E	FY24A	FY25A	FY26E	FY27E	FY28E	
Revenue	311,666	308,144	290,922	275,219	259,313	Cash flow from operating activities	6,257	26,167	2,580	(3,104)	(61)
COGS	(268,260)	(268,857)	(251,807)	(236,330)	(221,959)	o/w Depreciation & amortization	2,297	3,050	3,050	3,050	3,050
Gross profit	41,368	37,676	37,756	37,504	35,943	o/w Changes in working capital	(13,825)	26,156	(14,313)	(18,668)	(13,813)
SG&A	(13,974)	(13,242)	(20,770)	(20,757)	(20,743)	Cash flow from investing activities	(1,331)	(16,150)	(1,847)	(1,847)	(1,847)
Adj. EBITDA	23,922	20,608	20,035	19,797	18,250	o/w Capital expenditure	(179)	(1,000)	(2,000)	(2,000)	(2,000)
D&A	(2,297)	(3,050)	(3,050)	(3,050)	(3,050)	as % of sales	0.1%	0.3%	0.7%	0.7%	0.8%
Adj. EBIT	21,625	17,558	16,986	16,747	15,200	Cash flow from financing activities	(18,990)	(18,089)	(8,046)	(8,392)	(8,175)
Net Interest	(3,996)	(3,651)	(3,187)	(2,769)	(2,394)	o/w Dividends paid	(845)	(5,606)	(4,539)	(5,061)	(5,010)
Adj. PBT	18,702	13,491	13,356	13,535	12,363	o/w Shares issued/(repurchased)	7,728	189	0	0	0
Tax	(9,708)	(8,844)	(8,017)	(7,376)	(6,330)	o/w Net debt issued/(repaid)	3,373	(12,672)	(3,507)	(3,331)	(3,165)
Minority Interest	(4,737)	(3,987)	(4,582)	(5,285)	(5,178)	Net change in cash	(14,118)	(8,072)	(7,313)	(13,344)	(10,083)
Adj. Net Income	4,257	659	757	873	856	Adj. Free cash flow to firm	8,000	26,424	1,853	(3,844)	(893)
Reported EPS	0.42	0.09	0.06	0.07	0.07	y/y Growth	(49.5%)	230.3%	(93.0%)	(307.4%)	(76.8%)
Adj. EPS	0.36	0.06	0.06	0.07	0.07						
DPS	0.11	0.04	0.03	0.03	0.03						
Payout ratio	25.6%	40.5%	40.1%	40.1%	40.1%						
Shares outstanding	11,970	11,970	11,970	11,970	11,970						
Balance Sheet						Ratio Analysis					
	FY24A	FY25A	FY26E	FY27E	FY28E		FY24A	FY25A	FY26E	FY27E	FY28E
Cash and cash equivalents	134,167	122,906	115,914	102,923	93,228	Gross margin	13.3%	12.2%	13.0%	13.6%	13.9%
Accounts receivable	148,611	138,347	83,008	49,805	29,883	EBITDA margin	7.7%	6.7%	6.9%	7.2%	7.0%
Inventories	798,559	668,175	671,573	674,631	677,384	EBIT margin	6.9%	5.7%	5.8%	6.1%	5.9%
Other current assets	85,731	78,205	65,759	55,801	47,835	Net profit margin	1.4%	0.2%	0.3%	0.3%	0.3%
Current assets	1,167,068	1,007,633	936,254	883,160	848,330	ROE	2.1%	0.3%	0.4%	0.5%	0.4%
PP&E	5,586	7,553	6,503	5,453	4,404	ROA	0.3%	0.1%	0.1%	0.1%	0.1%
LT investments	162,454	173,107	173,498	173,890	174,281	ROCE	1.9%	1.1%	1.3%	1.4%	1.4%
Other non current assets	162,454	173,107	173,498	173,890	174,281	SG&A/Sales	4.5%	4.3%	7.1%	7.5%	8.0%
Total assets	1,335,108	1,188,292	1,116,255	1,062,503	1,027,015	Net debt/Equity	0.6	0.7	0.7	0.7	0.7
Short term borrowings	84,081	70,133	66,627	63,295	60,130	Net debt/EBITDA	9.0	10.6	11.0	11.7	13.0
Payables	147,274	128,311	141,142	155,256	170,782	Sales/Assets (x)	0.2	0.2	0.3	0.3	0.2
Other short term liabilities	491,243	385,355	303,192	237,560	188,688	Assets/Equity (x)	7.0	6.5	6.0	5.7	5.4
Current liabilities	722,599	583,799	510,961	456,112	419,600	Interest cover (x)	6.0	5.6	6.3	7.1	7.6
Long-term debt	264,205	270,535	270,535	270,535	270,535	Operating leverage	372.0%	1664.1%	58.3%	26.0%	159.8%
Other long term liabilities	5,774	4,322	4,322	4,322	4,322	Tax rate	51.9%	65.6%	60.0%	54.5%	51.2%
Total liabilities	992,578	858,657	785,819	730,969	694,458	Revenue y/y Growth	(10.2%)	(1.1%)	(5.6%)	(5.4%)	(5.8%)
Shareholders' equity	197,596	191,889	192,231	192,800	193,305	EBITDA y/y Growth	(35.6%)	(13.9%)	(2.8%)	(1.2%)	(7.8%)
Minority interests	144,933	137,747	138,205	138,734	139,252	EPS y/y Growth	(63.9%)	(84.5%)	14.9%	15.4%	(2.0%)
Total liabilities & equity	1,335,108	1,188,292	1,116,255	1,062,503	1,027,015						
BVPS	16.08	16.03	16.05	16.10	16.14	Valuation					
y/y Growth	(0.5%)	(0.3%)	0.2%	0.3%	0.3%		FY24A	FY25A	FY26E	FY27E	FY28E
RNAV/Share	16.14	-	-	-	-	P/E (x)	18.0	116.3	101.2	87.7	89.5
Net debt/(cash)	214,119	217,762	221,248	230,907	237,438	P/BV (x)	0.4	0.4	0.4	0.4	0.4
						EV/EBITDA (x)	18.2	21.0	21.8	22.5	24.8
						Dividend Yield	1.7%	0.5%	0.4%	0.5%	0.4%

Source: Company reports and J.P. Morgan estimates.

Note: Rmb in millions (except per-share data). Fiscal year ends Dec. o/w - out of which

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China Resources Land (1109) (1109.HK, 1109 HK) Price Chart



Date	Rating	Price (HK\$)	Price Target (HK\$)
18-Mar-24	OW	25.20	35
10-Aug-24	OW	23.00	30
23-Jul-25	OW	29.20	35
07-Apr-26	OW	28.72	37

Source: Bloomberg Finance L.P. and J.P. Morgan; price data adjusted for stock splits and dividends. Initiated coverage May 12, 2003. All share prices are as of market close on the previous business day.

China Overseas Land & Investment (0688) (0688.HK, 688 HK) Price Chart



Date	Rating	Price (HK\$)	Price Target (HK\$)
28-Jul-23	OW	18.18	22
18-Mar-24	OW	10.98	15
14-Mar-25	OW	14.30	16.5

Source: Bloomberg Finance L.P. and J.P. Morgan; price data adjusted for stock splits and dividends. Initiated coverage May 13, 2003. All share prices are as of market close on the previous business day.

China Jinmao (0817) (0817.HK, 817 HK) Price Chart



Date	Rating	Price (HK\$)	Price Target (HK\$)
28-Jul-23	N	1.23	1.25
18-Mar-24	N	0.62	0.58
09-Apr-24	UW	0.50	0.4
04-Sep-24	UW	0.70	0.46
14-Mar-25	OW	1.13	1.55
28-Aug-25	OW	1.45	1.75

Source: Bloomberg Finance L.P. and J.P. Morgan; price data adjusted for stock splits and dividends. Initiated coverage Nov 13, 2009. All share prices are as of market close on the previous business day.

Poly Developments & Holdings - A (600048.SS, 600048 CH) Price Chart



Date	Rating	Price (Rmb)	Price Target (Rmb)
28-Jul-23	OW	13.71	17.5
18-Mar-24	OW	9.69	12.5
24-Apr-24	OW	8.04	10.8
04-Sep-24	OW	7.89	10
21-Jan-26	OW	6.53	8.2

Source: Bloomberg Finance L.P. and J.P. Morgan; price data adjusted for stock splits and dividends. Initiated coverage May 28, 2015. All share prices are as of market close on the previous business day.

China Merchants Shekou Industrial Zone Holdings - A (001979.SZ, 001979 CH) Price Chart



Date	Rating	Price (Rmb)	Price Target (Rmb)
18-Mar-24	OW	9.40	12
10-Aug-24	OW	9.07	10.5

Source: Bloomberg Finance L.P. and J.P. Morgan; price data adjusted for stock splits and dividends.
Initiated coverage Nov 26, 2018. All share prices are as of market close on the previous business day.

The chart(s) show J.P. Morgan's continuing coverage of the stocks; the current analysts may or may not have covered it over the entire period.

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J.P. Morgan Equity Research Ratings Distribution, as of April 04, 2026

	Overweight (buy)	Neutral (hold)	Underweight (sell)
J.P. Morgan Global Equity Research Coverage*	51%	37%	12%
IB clients**	83%	79%	74%
JPMS Equity Research Coverage*	49%	39%	13%
IB clients**	94%	93%	85%

*Please note that the percentages may not add to 100% because of rounding.

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