2 Nov 2026

CMB International Global Markets | Equity Research | Company Update

Naura Technology (002371 CH)

3Q earnings: Strong orders, supply constrained

BUY (Maintain)

Target Price	**RMB750.00**
(Previous TP	RMB814.00)
Up/Downside	**56.7%**
Current Price	**RMB478.74**

NAURA reported 3Q26 revenue of RMB11.3bn (+1.3% YoY/14.9% QoQ) and net profit of RMB2.0bn (+5.2% YoY/16.5% QoQ). The YoY deceleration in revenue (2Q26 growth: +24% YoY) reflected material shortages in select product categories as mgmt. noted that orders continued to grow and shipments increased significantly, suggesting that delivery constraints, rather than demand weakness, were the main bottleneck. GPM fell 2.0ppts YoY and 1.0ppt QoQ to 38.3% in 3Q26, reflecting higher component iteration and upgrade costs during new-product validation and discounts for certain high-volume customers. **Maintain BUY. As China's leading platform-based semi manufacturing equipment supplier, NAURA remains a key beneficiary of the structural localization of the SPE sector.** We trim our TP to RMB750 based on 50x 2027E P/E (52x prev.), slightly above its one-year historical forward average of 48x.

- **Order momentum remains firm, but material availability is constraining delivery.** AI-related semi demand, domestic capacity expansion and equipment localization continued to support market-share gains across etching, thin-film deposition, thermal processing, wet cleaning, ion implantation, track and bonding equipment in 9M26. Mgmt. noted continued order growth and a significant increase in shipments, although shortages of certain materials limited revenue conversion. Inventory rose 11.1% QoQ to RMB33.9bn by 3Q26, while contract liabilities remained broadly stable at RMB5.3bn. The inventory build supports future deliveries but highlights the importance of supply-chain execution and customer acceptance. **We lower our FY26E/27E revenue forecasts by 4.1%/2.3%.**
- **Higher R&D investment and GPM pressure continued to constrain operating leverage.** In 9M26, R&D expenses increased 17.2% YoY to RMB3.85bn, while selling expenses rose 41.4% to RMB1.21bn as NAURA expanded its market-development and customer-service resources. Meanwhile, 9M26 GPM declined 2.0ppts YoY to 39.4%, mainly due to higher component iteration and upgrade costs during new-product validation and commercial discounts for selected high-volume customers. **Accordingly, we reduce our FY26E/27E GPM assumptions by 0.1ppt/0.4ppt.**
- **Revenue visibility remains solid, with execution and margin recovery now the key variables.** NAURA's broad product portfolio, growing order base and increasing process coverage should support its medium-term outlook. Near-term performance will however depend on improved material availability, faster product validation and customer acceptance. **Key risks** include prolonged supply-chain constraints, slower customer acceptance, intensifying price competition, etc.

Earnings Summary

(YE 31 Dec)	FY24A	FY25A	FY26E	FY27E	FY28E
Revenue (RMB mn)	30,075	39,353	48,621	62,766	79,535
YoY growth (%)	36.2	30.9	23.6	29.1	26.7
Gross margin (%)	42.9	40.1	39.7	41.3	42.6
Net profit (RMB mn)	5,621.8	5,522.0	7,160.5	10,887.8	15,417.1
YoY growth (%)	44.2	(1.8)	29.7	52.1	41.6
EPS (Reported) (RMB)	7.83	7.64	9.87	15.00	21.24
P/E (x)	61.1	62.6	48.5	31.9	22.5

Source: Company data, Bloomberg, CMBIGM estimates

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Stock Data

Mkt Cap (RMB mn)	347,421.6
Avg 3 mths t/o (RMB mn)	4,983.6
52w High/Low (RMB)	935.36/386.86
Total Issued Shares (mn)	725.7

Source: FactSet

Shareholding Structure

Beijing Sevenstar Huadian Technology Gro	33.2%
Beijing Electronics Holding	7.3%

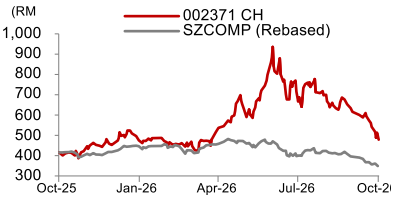
Source: Bloomberg

Share Performance

	Absolute	Relative
1-mth	-22.3%	-9.2%
3-mth	-28.3%	-17.4%
6-mth	-10.8%	20.3%

Source: FactSet

12-mth Price Performance



Source: FactSet

Figure 1: Earnings revision

	New			Old			Diff (%)		
RMBmn	FY26E	FY27E	FY28E	FY26E	FY27E	FY28E	FY26E	FY27E	FY28E
Revenue	48,621	62,766	79,535	50,677	64,217	80,124	-4.1%	-2.3%	-0.7%
Gross profit	19,289	25,916	33,891	20,155	26,751	34,573	-4.4%	-3.2%	-1.9%
Net profit	7,161	10,888	15,417	7,500	11,354	15,926	-4.5%	-4.1%	-3.2%
EPS (RMB)	9.87	15.00	21.24	10.34	15.65	21.95	-4.6%	-4.1%	-3.2%
Gross margin	39.7%	41.3%	42.6%	39.8%	41.7%	43.1%	-0.1 ppt	-0.4 ppt	-0.5 ppt
Net margin	14.7%	17.3%	19.4%	14.8%	17.7%	19.9%	-0.1 ppt	-0.3 ppt	-0.5 ppt

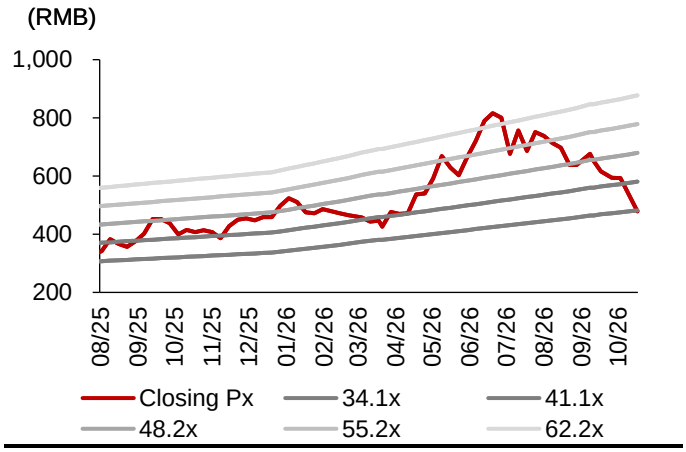
Source: Company data, CMBIGM estimates

Figure 2: CMBIGM estimates vs. BBG consensus

	CMBI estimates			Consensus			Diff (%)		
RMBmn	FY26E	FY27E	FY28E	FY26E	FY27E	FY28E	FY26E	FY27E	FY28E
Revenue	48,621	62,766	79,535	49,638	66,078	86,764	-2.0%	-5.0%	-8.3%
Gross profit	19,289	25,916	33,891	19,905	26,930	36,351	-3.1%	-3.8%	-6.8%
Net profit	7,161	10,888	15,417	7,288	11,053	15,314	-1.7%	-1.5%	0.7%
EPS (RMB)	9.87	15.00	21.24	10.07	15.19	20.98	-2.0%	-1.2%	1.2%
Gross margin	39.7%	41.3%	42.6%	40.1%	40.8%	41.9%	-0.4 ppt	0.5 ppt	0.7 ppt
Net margin	14.7%	17.3%	19.4%	14.7%	16.7%	17.7%	0 ppt	0.6 ppt	1.7 ppt

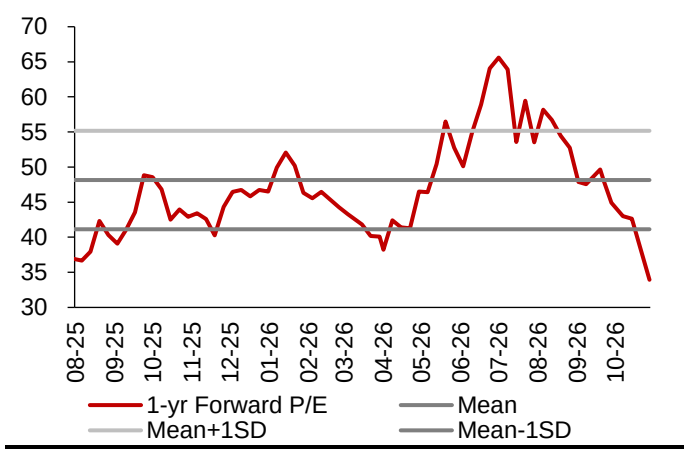
Source: Bloomberg consensus, CMBIGM estimates

Figure 3: P/E chart



Source: Company data, CMBIGM estimates

Figure 4: P/E band



Source: Company data, CMBIGM estimates

Financial Summary

INCOME STATEMENT	2023A	2024A	2025A	2026E	2027E	2028E
YE 31 Dec (RMB mn)						
Revenue	**22,079**	**30,075**	**39,353**	**48,621**	**62,766**	**79,535**
Cost of goods sold	(13,005)	(17,162)	(23,571)	(29,332)	(36,851)	(45,644)
Gross profit	**9,075**	**12,913**	**15,782**	**19,289**	**25,916**	**33,891**
Operating expenses	**(4,627)**	**(6,366)**	**(9,980)**	**(11,592)**	**(14,189)**	**(17,286)**
Selling expense	(167)	(179)	(237)	(268)	(315)	(360)
SG&A expense	(2,836)	(3,265)	(5,069)	(5,543)	(6,528)	(7,635)
R&D expense	(2,475)	(3,699)	(5,435)	(6,710)	(8,662)	(10,976)
Others	852	777	762	929	1,316	1,685
Operating profit	**4,448**	**6,546**	**5,802**	**7,697**	**11,727**	**16,605**
Other income	22	22	51	0	0	0
Other expense	(4)	(35)	(8)	0	0	0
Pre-tax profit	**4,466**	**6,533**	**5,845**	**7,697**	**11,727**	**16,605**
Income tax	(433)	(819)	(436)	(770)	(1,173)	(1,661)
Others	0	0	0	0	0	0
After tax profit	**4,033**	**5,714**	**5,409**	**6,928**	**10,554**	**14,945**
Minority interest	134	92	(113)	(233)	(334)	(472)
Net profit	**3,899**	**5,622**	**5,522**	**7,161**	**10,888**	**15,417**

BALANCE SHEET	2023A	2024A	2025A	2026E	2027E	2028E
YE 31 Dec (RMB mn)						
Current assets	**38,226**	**46,669**	**59,321**	**65,615**	**80,302**	**98,896**
Cash & equivalents	12,451	12,396	17,337	17,839	19,347	27,435
Account receivables	3,767	6,236	8,217	10,432	13,643	19,043
Inventories	16,992	23,635	28,627	32,448	40,244	44,791
Prepayment	1,480	909	863	959	1,148	1,388
Other current assets	3,535	3,494	4,277	3,938	5,921	6,239
Non-current assets	**15,399**	**19,696**	**30,480**	**34,150**	**39,144**	**45,468**
PP&E	3,352	6,314	7,568	7,730	7,981	8,361
Right-of-use assets	215	241	268	212	195	194
Deferred income tax	450	712	1,239	1,376	1,648	1,991
Intangibles	2,547	4,710	10,520	12,814	15,571	18,903
Goodwill	27	38	2,386	2,386	2,386	2,386
Other non-current assets	8,808	7,681	8,498	9,632	11,364	13,633
Total assets	**53,625**	**66,366**	**89,801**	**99,765**	**119,446**	**144,364**
Current liabilities	**19,083**	**23,805**	**26,180**	**31,504**	**37,743**	**41,286**
Short-term borrowings	23	94	319	568	734	546
Account payables	6,117	10,276	11,803	17,127	19,219	20,798
Tax payable	209	384	586	651	779	941
Other current liabilities	3,418	5,577	7,491	6,514	9,055	9,386
Contract liabilities	8,317	6,220	4,291	4,767	5,708	6,898
Accrued expenses	999	1,253	1,690	1,878	2,248	2,717
Non-current liabilities	**9,717**	**10,021**	**19,693**	**17,975**	**21,629**	**29,195**
Long-term borrowings	5,835	3,946	12,973	10,599	12,956	18,881
Bond payables	0	0	0	0	0	0
Deferred income	4	1	487	487	487	487
Other non-current liabilities	3,877	6,074	6,233	6,890	8,186	9,827
Total liabilities	**28,800**	**33,826**	**45,873**	**49,480**	**59,371**	**70,481**
Share capital	530	534	725	725	725	725
Retained earnings	8,776	13,895	18,802	25,361	35,485	49,764
Other reserves	15,061	16,653	18,200	18,231	18,231	18,231
Total shareholders equity	**24,367**	**31,082**	**37,726**	**44,317**	**54,440**	**68,720**
Minority interest	458	1,458	6,202	5,969	5,635	5,163
Total equity and liabilities	**53,625**	**66,366**	**89,801**	**99,765**	**119,446**	**144,364**

CASH FLOW	2023A	2024A	2025A	2026E	2027E	2028E
YE 31 Dec (RMB mn)						
Operating						
Profit before taxation	**4,466**	**6,533**	**5,845**	**7,697**	**11,727**	**16,605**
Depreciation & amortization	730	1,071	1,567	2,445	3,029	3,771
Tax paid	(433)	(819)	(436)	(770)	(1,173)	(1,661)
Change in working capital	(3,409)	(6,364)	(6,766)	(1,426)	(8,394)	(8,314)
Others	1,012	1,152	1,923	(1,525)	(1,357)	(1,799)
Net cash from operations	**2,365**	**1,572**	**2,133**	**6,422**	**3,833**	**8,603**
Investing						
Capital expenditure	(1,980)	(2,082)	(2,262)	(4,099)	(5,103)	(6,228)
Acquisition of subsidiaries/ investments	(81)	(173)	(2,792)	0	0	0
Net proceeds from disposal of short-term investments	3	0	275	0	0	0
Others	0	8	850	1,237	1,388	1,592
Net cash from investing	**(2,058)**	**(2,248)**	**(3,929)**	**(2,862)**	**(3,715)**	**(4,636)**
Financing						
Dividend paid	(388)	(617)	(908)	(921)	(1,090)	(1,573)
Net borrowings	1,888	133	7,156	(2,125)	2,523	5,737
Proceeds from share issues	212	1,280	485	0	0	0
Others	(66)	(66)	(126)	(17)	(48)	(48)
Net cash from financing	**1,647**	**729**	**6,607**	**(3,063)**	**1,385**	**4,115**
Net change in cash						
Cash at the beginning of the year	10,261	12,347	12,385	17,183	17,685	19,193
Exchange difference	14	5	(14)	5	6	7
Cash at the end of the year	**12,347**	**12,385**	**17,183**	**17,685**	**19,193**	**27,282**

GROWTH	2023A	2024A	2025A	2026E	2027E	2028E
YE 31 Dec						
Revenue	50.3%	36.2%	30.9%	23.6%	29.1%	26.7%
Gross profit	40.9%	42.3%	22.2%	22.2%	34.4%	30.8%
Operating profit	55.1%	47.2%	(11.4%)	32.7%	52.4%	41.6%
Net profit	65.7%	44.2%	(1.8%)	29.7%	52.1%	41.6%

PROFITABILITY	2023A	2024A	2025A	2026E	2027E	2028E
YE 31 Dec						
Gross profit margin	41.1%	42.9%	40.1%	39.7%	41.3%	42.6%
Operating margin	20.1%	21.8%	14.7%	15.8%	18.7%	20.9%
Return on equity (ROE)	17.7%	20.3%	16.1%	17.5%	22.0%	25.0%

GEARING/LIQUIDITY/ACTIVITIES	2023A	2024A	2025A	2026E	2027E	2028E
YE 31 Dec						
Current ratio (x)	2.0	2.0	2.3	2.1	2.1	2.4

VALUATION	2023A	2024A	2025A	2026E	2027E	2028E
YE 31 Dec						
P/E	87.8	61.1	62.6	48.5	31.9	22.5

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

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