NAURA (002371.SZ): AI capex ramp-up in China drives growth ahead; advanced node SPE and new products in expansion; Buy

Allen Chang
+852-2978-2930 |
allen.k.chang@gs.com
Goldman Sachs (Asia) L.L.C.

Verena Jeng
+852-2978-1681 | verena.jeng@gs.com
Goldman Sachs (Asia) L.L.C.

Ting Song
+852-2978-6466 | ting.song@gs.com
Goldman Sachs (Asia) L.L.C.

We remain constructive on NAURA as the leading local SPE supplier offering comprehensive products while expanding into new categories and advanced node applications. The IC production volume in China was up 21% YoY in Mar 2026 (Link), per NBS, driven by the generative AI trend in China's market with increasing capex spending plans. With the accelerated adoption of local GPU chipsets in AI foundation models (e.g. BABA Qwen3.6-35B-A3B, SenseNova U1, etc.), we are positive on rising client demand for advanced node applications, benefiting local SPE suppliers including NAURA due to their strong R&D capabilities. Maintain Buy.

Advanced node SPE in expansion: NAURA has continued releasing new products and enhancing its advanced node tools, including ion implanters/ plating tools in Mar 2025, 12" LPCVD (low-pressure CVD)/ MOCVD in Jul 2025, a new generation of ICP (inductively coupled plasma) tools and hybrid bonding tools in Mar 2026. The new 12" ICP etcher, NMC612H, which was introduced during SEMICON 2026, focuses on fulfilling key etching process requirements in advanced logic and memory. We expect the company's enhanced product specifications to align with clients' rising technical and manufacturing requirements.

Earnings revisions: We raise NAURA earnings by 1%/ 4%/ 4% in 2026-28E mainly due to higher revenues driven by the company's rising contribution from new products and a product mix upgrade towards advanced nodes, as well as a higher GM by 0.2ppts/ 0.1ppts in 2027/ 28E.

Exhibit 1: Earnings revisions

	2026E			2027E			2028E		
Rmb mn	New	Old	Diff(%)	New	Old	Diff(%)	New	Old	Diff(%)
Revenue	51,454	51,163	1%	65,142	63,056	3%	78,296	75,752	3%
Gross profit	20,422	20,294	1%	26,303	25,379	4%	31,947	30,822	4%
Op. income	8,028	7,903	2%	14,632	14,082	4%	17,997	17,327	4%
Net income	7,754	7,648	1%	13,123	12,663	4%	16,086	15,542	4%
Margins									
GM	39.7%	39.7%		40.4%	40.2%		40.8%	40.7%	
OPM	15.6%	15.4%		22.5%	22.3%		23.0%	22.9%	
NM	15.1%	14.9%		20.1%	20.1%		20.5%	20.5%	

Source: Company data, Goldman Sachs Global Investment Research

Valuation: We increase our 12-month target price to Rmb719.0 (vs. previously at Rmb638.0), still derived from near-term P/E. Our target 2027E P/E is set at 39.7x (vs. previously at 36.5x), supported by the re-rating of China SPE on advanced node expansion and rising AI demand driving advanced tool demand. Our target P/E is derived from global SPEs' regression of P/E and forward-year earnings growth.

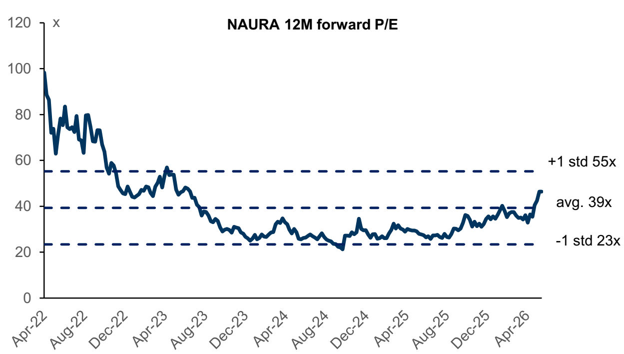
Maintain Buy.

Exhibit 2: NAURA P&L Summary

(Rmb m)	1Q25	2Q25	3Q25	4Q25	1Q26	2Q26E	3Q26E	4Q26E	2022	2023	2024	2025	2026E	2027E	2028E
Revenue	8,206	7,936	11,160	12,052	10,323	10,495	14,735	15,901	14,688	22,079	29,838	39,353	51,454	65,142	78,296
Gross profit	3,530	3,277	4,498	4,477	4,209	4,091	5,816	6,306	6,438	9,075	12,787	15,782	20,422	26,303	31,947
Operating expense	1,843	1,849	2,483	4,567	2,656	2,054	2,740	4,943	4,204	5,479	7,043	10,742	12,394	11,671	13,949
Operating income	1,687	1,428	2,015	(90)	1,553	2,037	3,076	1,363	2,234	3,596	5,743	5,040	8,028	14,632	17,997
Pre tax profit	1,813	1,527	1,963	542	1,815	2,298	3,337	1,624	2,854	4,466	6,511	5,845	9,074	15,451	18,970
Net income	1,581	1,627	1,922	392	1,635	1,929	2,953	1,331	2,353	3,899	5,621	5,522	7,754	13,123	16,086
Margins / ratio															
Gross margin	43.0%	41.3%	40.3%	37.2%	40.8%	39.0%	39.5%	39.7%	43.8%	41.1%	42.9%	40.1%	39.7%	40.4%	40.8%
Opex ratio	22.5%	23.3%	22.2%	37.9%	25.7%	19.6%	18.6%	31.1%	28.6%	24.8%	23.6%	27.3%	24.1%	17.9%	17.8%
Operating margin	20.6%	18.0%	18.1%	-0.7%	15.0%	19.4%	20.9%	8.6%	15.2%	16.3%	19.2%	12.8%	15.6%	22.5%	23.0%
Net margin	19.3%	20.5%	17.2%	3.2%	15.8%	18.4%	20.0%	8.4%	16.0%	17.7%	18.8%	14.0%	15.1%	20.1%	20.5%
QoQ															
Revenue	-13%	-3%	41%	8%	-14%	2%	40%	8%							
Gross profit	-7%	-7%	37%	0%	-6%	-3%	42%	8%							
Operating income	40%	-15%	41%	nm	nm	31%	51%	-56%							
Pre tax profit	23%	-16%	29%	-72%	235%	27%	45%	-51%							
Net income	36%	3%	18%	-80%	317%	18%	53%	-55%							
YoY															
Revenue	40%	23%	39%	27%	26%	32%	32%	32%	52%	50%	35%	32%	31%	27%	20%
Gross profit	39%	7%	33%	18%	19%	25%	29%	41%	69%	41%	41%	23%	29%	29%	21%
Operating income	55%	-17%	16%	nm	-8%	43%	53%	nm	206%	61%	60%	-12%	59%	82%	23%
Pre tax profit	36%	-19%	8%	-63%	0%	50%	70%	200%	128%	56%	46%	-10%	55%	70%	23%
Net income	40%	-2%	14%	-66%	3%	19%	54%	240%	118%	66%	44%	-2%	40%	69%	23%

Source: Company data, Goldman Sachs Global Investment Research

Exhibit 3: NAURA 12M forward P/E



Source: Refinitiv Eikon

Price Target Risks and Methodology - NAURA

Valuation: We are Buy-rated on NAURA with a 12-month target price of Rmb719, which is based on a 39.7x 2027E P/E. Our target P/E is derived from global SPEs' regression of P/E and forward-year earnings growth.

Key downside risks: 1) Further US export restrictions on China semiconductor firms, which could delay their capacity expansion schedule and therefore reduce the demand for NAURA's equipment; 2) Slower-than-expected capacity expansion progress at NAURA's matured nodes customers, which could lead to slower revenue growth than we expect and therefore lower earnings vs. our current estimates.

002371.SZ	12m Price Target: **Rmb719.00**	Price: **Rmb573.19**	Upside: **25.4%**

Buy

Market cap: Rmb411.4bn / $60.5bn
Enterprise value: Rmb413.1bn / $60.8bn
3m ADTV: Rmb4.3bn / $626.4mn
China
Greater China Technology
M&A Rank: 3
Leases incl. in net debt & EV?: No

GS Forecast

	12/25	12/26E	12/27E	12/28E
Revenue (Rmb mn) New	**39,353.1**	**51,454.3**	**65,141.5**	**78,296.1**
Revenue (Rmb mn) Old	39,353.1	51,163.3	63,056.0	75,751.8
EBITDA (Rmb mn)	6,462.1	10,760.5	17,103.0	20,280.3
EPS (Rmb) New	**7.64**	**10.70**	**18.12**	**22.21**
EPS (Rmb) Old	7.64	10.56	17.48	21.46
P/E (X)	46.6	53.5	31.6	25.8
P/B (X)	NM	NM	NM	NM
Dividend yield (%)	0.2	0.2	0.4	0.6
CROCI (%)	21.9	25.4	31.3	31.5

	3/26	6/26E	9/26E	12/26E
EPS (Rmb)	2.13	2.66	4.08	1.84

Source: Company data, Goldman Sachs Research estimates, FactSet. Price as of 11 May 2026 close.