NOMURA

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Global Markets Research
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EQUITY: Machinery and Equipment

Expanding beyond PCBs into semiconductors

High-end PCB growth continues while semiconductors emerge as a second growth driver

Initiate at Buy with TP of CNY524.66, implying 49.1% upside

CFMEE is a leading domestic supplier of direct imaging lithography equipment. Considering that continued penetration in high-end PCBs and overseas expansion should support solid growth in the core PCB business, while advanced packaging and IC substrates ramp up, we forecast a revenue CAGR of 51% over 2026-28F. We also expect a higher contribution from high-end products and lower operating expense ratios as scale increases to support profitability, and forecast a net profit CAGR of 75% over the same period. We value CFMEE at 69x 2027F P/E, broadly in line with the peer average. While our 2026-28F earnings CAGR is below the peer average (Wind consensus), we believe CFMEE's competitive strength in PCB direct imaging lithography and progress in advanced packaging and IC substrates should support a valuation in line with peers. Based on 2027F EPS of CNY7.60, we derive a TP of CNY524.66, implying 49.1% upside; initiate at Buy. Over the past month as of 12 Oct 2026, the stock underperformed the CSI 300 by 5.2pp, which we believe may be attributable to broader volatility in the semiconductor equipment sector. The stock currently trades at 46.3x 2027F P/E. **Key catalysts**: further progress in advanced-packaging direct imaging equipment and stronger IC substrate equipment shipments. **Key downside risks:** slower product development and commercialization, weaker downstream demand, slower overseas expansion, weaker receivables collection and inventory write-downs.

PCB upgrades and overseas expansion support growth

According to CFMEE's 2026 interim report, its direct imaging lithography equipment is gaining traction in high-end PCBs, supporting further penetration of domestic equipment into high-end manufacturing. Its laser drilling equipment achieved stable volume deliveries in 1H26, adding another source of growth. Overseas, the company continues to develop high-end PCB customers in Vietnam and Malaysia, while high-end LDI equipment has achieved stable volume shipments to Japan and Korea. We expect PCB revenue to grow at a 47% CAGR over 2026-28F. Based on CIC market size forecasts, we expect market share to rise from 29% in 2026F to 42% in 2028F. A higher mix of high-end PCB equipment should also lift PCB gross margin from 35.6% in 2025 to 41% in 2028F, according to our estimates.

Advanced packaging opens a second growth curve

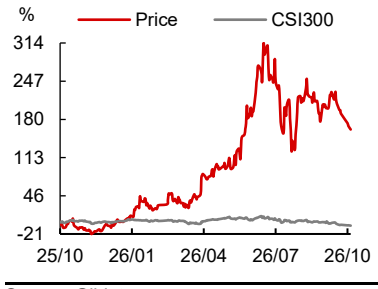
CFMEE is making progress across multiple semiconductor applications. According to its 2026 interim report, wafer-level direct imaging lithography equipment has entered volume supply to leading domestic OSATs and passed reliability validation on CoWoS-L production lines. Its self-developed panel-level packaging direct imaging lithography equipment has also secured an order from a major advanced packaging customer. Meanwhile, mSAP substrate LDI equipment has entered volume delivery, while continued product upgrades in photomasks, power semiconductors, new displays and research applications are broadening its addressable market. We expect a semiconductor revenue CAGR of 70% over 2026-28F, with its revenue contribution rising from 17% in 2025 to 24% in 2028F. Given the higher technological barriers and product value of semiconductor LDI equipment, we forecast segment gross margin to remain at c.55% over 2026-28F, making the rising revenue mix a key driver of overall profitability.

Year-end 31 Dec	FY25		FY26F		FY27F		FY28F
Currency (CNY)	Actual	Old	New	Old	New	Old	New
Revenue (mn)	1,408		2,568		3,760		4,845
Reported net profit (mn)	290		676		1,114		1,553
Normalised net profit (mn)	276		672		1,114		1,549
FD normalised EPS	1.89		4.59		7.60		10.57
FD norm. EPS growth (%)	86.0		143.1		65.8		39.1
FD normalised P/E (x)	186.5		76.7		46.3		33.3
EV/EBITDA (x)	52.0		63.0		39.8		28.1
Price/book (x)	7.7		9.3		8.2		7.0
Dividend yield (%)	0.2		0.4		0.7		0.9
ROE (%)	12.6		12.2		17.7		21.1
Net debt/equity (%)	net cash		net cash		net cash		net cash

Source: Wind, company data, Nomura estimates

Rating Starts at	**Buy**
Target price Starts at	**CNY 524.66**
Closing price 12 Oct 2026	**CNY 351.77**
Implied upside	**+49.1%**
Market Cap (USD mn)	7,555.6
ADT (USD mn)	310.7

Relative performance chart



Source: Gildata

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See Appendix A-1 for analyst certification, important disclosures and the status of non-US analysts.

Key data on CFMEE

Performance

(%)	1M	3M	12M		
Absolute (CNY)	-12.6	-24.4	157.0	M cap (USDmn)	7,555.6
Absolute (USD)	-12.0	-23.6	171.2	Free float (%)	56.1
Rel to CSI 300	-5.2	-14.0	164.1	3-mth ADT (USDmn)	310.7

Source: Gildata

Income statement (CNYmn)

Year-end 31 Dec	FY24	FY25	FY26F	FY27F	FY28F
Revenue	954	1,408	2,568	3,760	4,845
Cost of goods sold	-601	-843	-1,451	-2,105	-2,662
Gross profit	353	566	1,118	1,655	2,182
SG&A	-201	-247	-400	-518	-575
Employee share expense					
Operating profit	170	330	752	1,248	1,736
EBITDA	164	332	771	1,223	1,717
Depreciation	-17	-18	-28	-34	-40
Amortisation					
EBIT	147	314	742	1,189	1,677
Net interest expense	18	3	9	59	58
Associates & JCEs	0	0	0	0	0
Other income	2	8	25	52	70
Earnings before tax	171	330	752	1,248	1,735
Income tax	-10	-40	-76	-134	-182
Net profit after tax	161	290	676	1,114	1,553
Minority interests	0	0	0	0	0
Other items	0	0	0	0	0
Preferred dividends					
Normalised NPAT	149	276	672	1,114	1,549
Extraordinary items	12	14	4	0	4
Reported NPAT	161	290	676	1,114	1,553
Dividends	-49	-92	-211	-350	-488
Transfer to reserves	112	198	464	764	1,065
Valuations and ratios					
Reported P/E (x)	47.3	61.1	76.3	46.3	33.2
Normalised P/E (x)	51.2	64.1	76.7	46.3	33.3
FD normalised P/E (x)	346.9	186.5	76.7	46.3	33.3
Dividend yield (%)	0.1	0.2	0.4	0.7	0.9
Price/cashflow (x)	-	561.0	2,221.2	128.5	58.8
Price/book (x)	3.7	7.7	9.3	8.2	7.0
EV/EBITDA (x)	42.3	52.0	63.0	39.8	28.1
EV/EBIT (x)	345.8	162.5	65.4	40.9	28.8
Gross margin (%)	37.0	40.2	43.5	44.0	45.0
EBITDA margin (%)	17.2	23.6	30.0	32.5	35.4
EBIT margin (%)	15.4	22.3	28.9	31.6	34.6
Net margin (%)	16.8	20.6	26.3	29.6	32.1
Effective tax rate (%)	6.1	12.1	10.1	10.7	10.5
Dividend payout (%)	30.2	31.8	31.3	31.5	31.4
ROE (%)	7.8	12.6	12.2	17.7	21.1
ROA (pretax %)	5.6	10.6	14.9	15.9	18.9
Growth (%)					
Revenue	15.1	47.6	82.4	46.4	28.9
EBITDA	-14.4	102.3	132.3	58.6	40.4
Normalised EPS	-6.1	86.0	118.6	65.8	39.1
Normalised FDEPS	-5.9	86.0	143.1	65.8	39.1

Source: Wind, company data, Nomura estimates

Cashflow statement (CNYmn)

Year-end 31 Dec	FY24	FY25	FY26F	FY27F	FY28F
EBITDA	164	332	771	1,223	1,717
Change in working capital	-261	-231	-682	-746	-710
Other operating cashflow	25	-9	-65	-76	-131
Cashflow from operations	-72	92	23	401	876
Capital expenditure	-65	-87	-61	-72	-68
Free cashflow	-137	5	-38	329	808
Reduction in investments	318	201	-24	-25	-24
Net acquisitions	0	0	0	0	0
Dec in other LT assets	0	0	0	0	0
Inc in other LT liabilities	0	0	0	0	0
Adjustments	14	9	0	21	27
CF after investing acts	196	215	-61	326	811
Cash dividends	-49	-92	-211	-350	-488
Equity issue	8	36	2,773	0	0
Debt issue	-13	10	-4	0	0
Convertible debt issue					
Others	-87	29	-4	0	0
CF from financial acts	-141	-16	2,553	-351	-488
Net cashflow	55	198	2,492	-25	323
Beginning cash	190	245	443	2,935	2,910
Ending cash	245	443	2,935	2,910	3,233
Ending net debt	-242	-434	-2,926	-2,901	-3,224

Balance sheet (CNYmn)

As at 31 Dec	FY24	FY25	FY26F	FY27F	FY28F
Cash & equivalents	245	443	2,935	2,910	3,233
Marketable securities	528	321	331	341	351
Accounts receivable	907	963	1,602	2,278	2,950
Inventories	578	771	1,239	1,763	2,189
Other current assets	167	166	249	285	325
Total current assets	2,424	2,664	6,356	7,576	9,047
LT investments	0	0	0	0	0
Fixed assets	242	297	330	368	397
Goodwill	0	0	0	0	0
Other intangible assets	13	13	13	13	13
Other LT assets	109	143	143	157	172
Total assets	2,789	3,117	6,841	8,115	9,628
Short-term debt	3	9	9	9	9
Accounts payable	522	527	925	1,309	1,658
Other current liabilities	122	208	300	426	526
Total current liabilities	648	744	1,234	1,744	2,192
Long-term debt	0	0	0	0	0
Convertible debt					
Other LT liabilities	79	65	66	66	66
Total liabilities	726	808	1,300	1,811	2,259
Minority interest	0	0	0	0	0
Preferred stock					
Common stock	132	132	147	147	147
Retained earnings	562	804	1,268	2,032	3,097
Proposed dividends					
Other equity and reserves	1,368	1,373	4,126	4,126	4,126
Total shareholders' equity	2,063	2,308	5,541	6,304	7,370
Total equity & liabilities	2,789	3,117	6,841	8,115	9,628

Liquidity (x)

Current ratio	3.74	3.58	5.15	4.34	4.13
Interest cover	-	-	-	-	-
Leverage					
Net debt/EBITDA (x)	net cash	net cash	net cash	net cash	net cash
Net debt/equity (%)	net cash	net cash	net cash	net cash	net cash

Per share

Reported EPS (CNY)	1.23	2.21	4.61	7.60	10.60
Norm EPS (CNY)	1.13	2.10	4.59	7.60	10.57
FD norm EPS (CNY)	1.01	1.89	4.59	7.60	10.57
BVPS (CNY)	15.66	17.52	37.82	43.03	50.30
DPS (CNY)	0.37	0.70	1.44	2.39	3.33
Activity (days)					
Days receivable	311.9	239.1	179.8	185.8	194.2
Days inventory	265.4	288.2	249.4	256.8	267.2
Days payable	232.4	224.0	180.2	191.1	200.6
Cash cycle	344.9	303.2	249.1	251.4	260.8

Source: Wind, company data, Nomura estimates

Company profile

Circuit Fabology Microelectronics Equipment (CFMEE) is a leading domestic supplier of direct imaging lithography equipment, serving customers in the PCB and semiconductor industries. In PCBs, the company's equipment is mainly used for exposure of circuit and solder-mask layers. Its product portfolio has expanded from lower-end PCB applications such as single-layer, multilayer and flexible boards into higher-end applications including HDI, substrate-like PCBs and IC substrates. In semiconductor applications, the company serves IC packaging, advanced packaging, FPD display panels and photomask manufacturing, with an increasingly diversified product portfolio.

Valuation Methodology

We derive our target price of CNY524.66 based on a 69x target P/E and 2027F EPS of CNY7.60. Our target multiple is broadly in line with the peer valuation average. The stock's benchmark index is the CSI 300 Index.

Risks that may impede the achievement of the target price

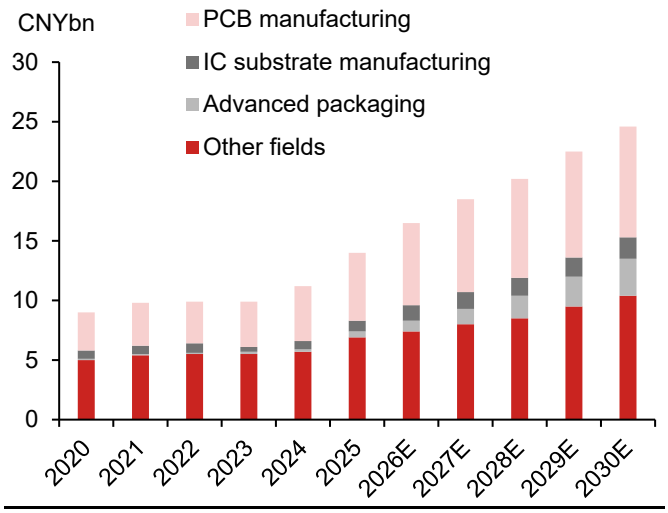
Key downside risks include slower-than-expected product development and commercialization, weaker-than-expected downstream demand, slower overseas expansion, weak receivables collection and inventory write-downs.

ESG

According to the company's 2025 annual report, CFMEE, as a listed domestic high-end equipment manufacturer, has introduced MES modules into its production equipment and developed horizontal inline automated production lines based on its existing standalone equipment. This reduces downstream customers' reliance on manual operations and improves production automation and intelligence. Its core laser imaging technology also consumes less power than conventional exposure methods, while greater automation and intelligent manufacturing can reduce workers' direct exposure to ink and improve the working environment.

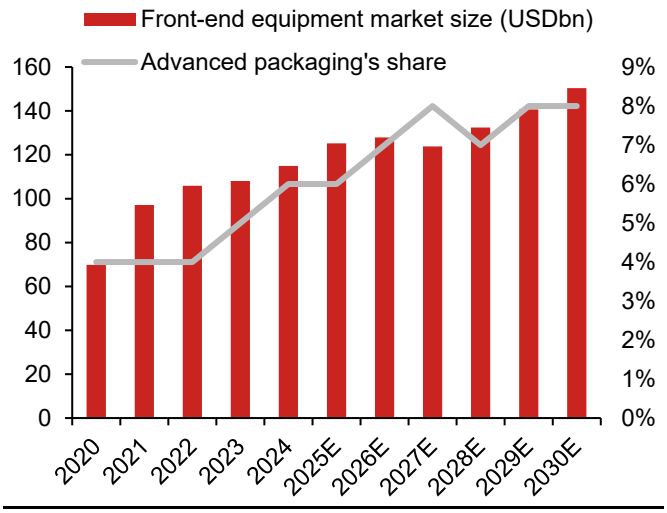
Focus charts

Fig. 1: Global direct imaging lithography equipment market expected to continue expanding



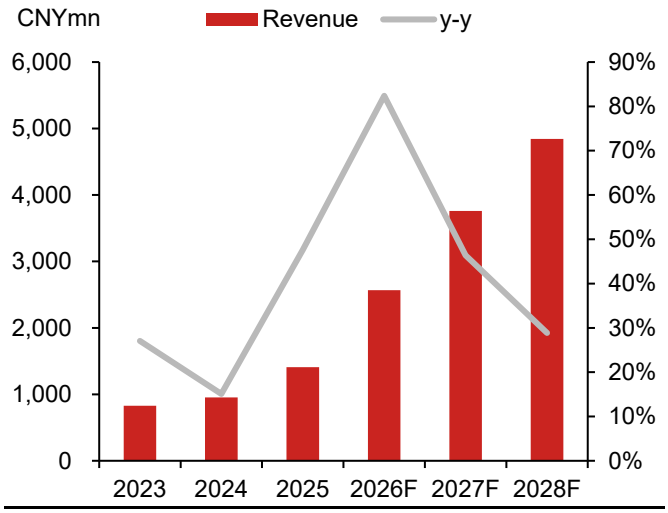
Source: SEMI, IEA, Prismark, Yole, CIC forecasts, CFMEE H-share prospectus, Nomura

Fig. 2: Advanced packaging gaining share in the global front-end equipment market



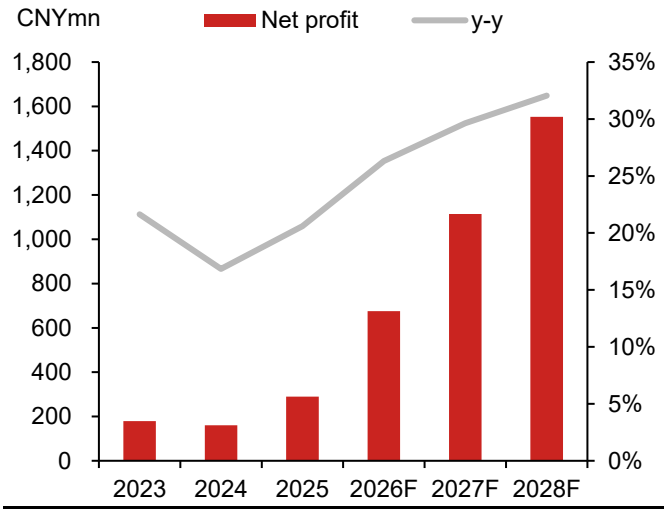
Source: *Status of the Wafer Fab Equipment Industry 2025*, Yole Group , Nomura

Fig. 3: CFMEE – We expect PCB growth and semiconductor breakthroughs to drive a 51% revenue CAGR over 2026-28F



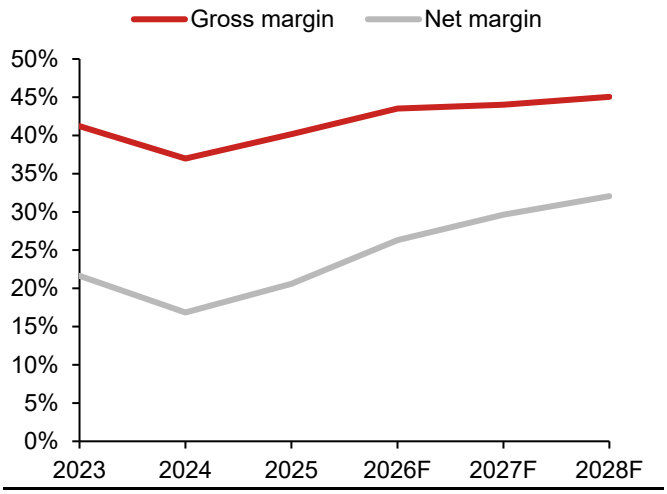
Source: iFinD, CFMEE 2023-25 annual reports, Nomura estimates

Fig. 4: CFMEE – We expect higher-end product mix and operating leverage to drive a 75% profit CAGR over 2026-28F



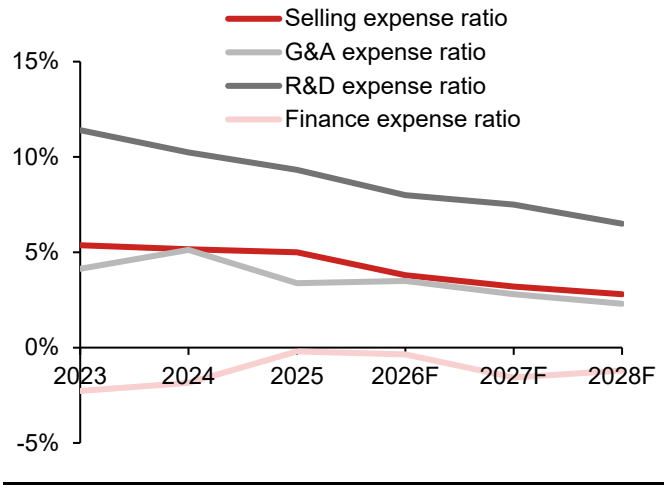
Source: iFinD, CFMEE 2023-25 annual reports, Nomura estimates

Fig. 5: CFMEE – We expect gross margin expansion and operating leverage to support net margin



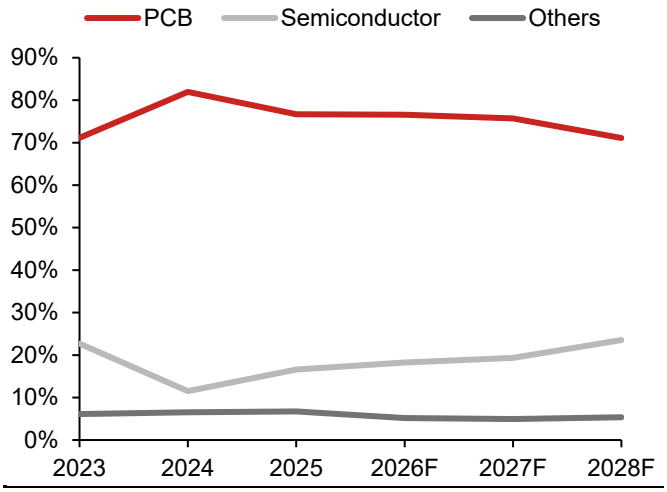
Source: iFinD, CFMEE 2023-25 annual reports, Nomura estimates

Fig. 6: CFMEE – We expect scale benefits to lower the operating expense ratio



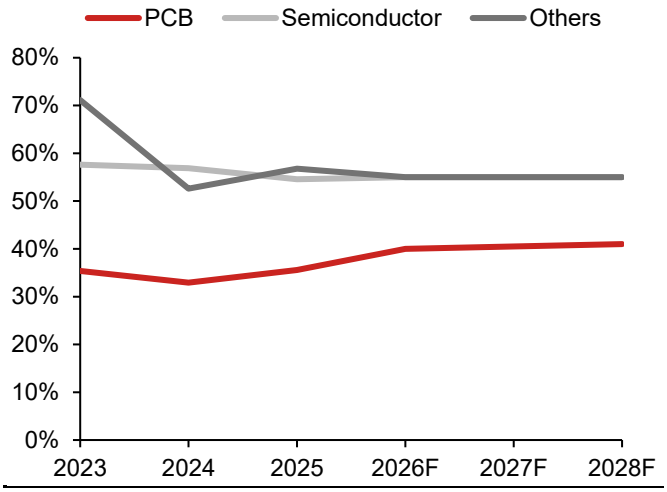
Source: iFinD, CFMEE 2023-25 annual reports, Nomura estimates

Fig. 7: CFMEE – Broader semiconductor revenue contribution set to rise



Source: iFinD, CFMEE 2023–25 annual reports, Nomura estimates

Fig. 8: CFMEE – We expect gross margins of semiconductor and other businesses to be higher than that of PCB



Source: iFinD, CFMEE 2023–25 annual reports, Nomura estimates

Financial analysis

Results review

According to the company's 2026 interim report, revenue reached CNY1,106mn, up 68.95% y-y, while net profit rose 98.13% y-y to CNY281mn. In 2Q26, revenue was CNY591mn, up 43.36% y-y and 14.78% q-q, while net profit increased 91.89% y-y and 59.62% q-q to CNY173mn. Gross margin/net margin were 44.87%/29.29%, improving by 2.32pp/7.41pp y-y and by 3.93pp/8.23pp q-q.

The company delivered strong revenue/earnings growth in 1H26. We believe strong revenue growth was mainly supported by robust orders across its product portfolio, while the phase-two production base continued to ramp up and utilization remained high. The marked improvement in 2Q profitability was, in our view, mainly driven by a higher contribution from high-end direct imaging lithography equipment in both PCB and semiconductor applications, together with operating leverage as revenue expanded.

Key financial assumptions and earnings forecasts

We forecast revenue of CNY2,568mn/CNY3,760mn/CNY4,845mn in 2026/27/28F, implying a 51% CAGR, supported by continued growth in the PCB business and rapid expansion in semiconductor applications. We forecast net profit of CNY676mn/CNY1,114mn/ CNY1,553mn in 2026/27/28F, implying a 75% CAGR.

We expect a higher contribution from high-end products and lower operating expense ratios as scale increases to support profitability. We forecast overall gross margin to rise from 40.2% in 2025 to 43.5%/44.0%/45.0% in 2026/27/28F, reflecting a higher contribution from high-end PCB direct imaging lithography equipment and higher-margin semiconductor products. Together with operating leverage on expenses, this should support faster earnings growth. Our key assumptions are as follows:

PCB direct imaging equipment and automation system

Currently high-end PCB manufacturers continue to expand capacity on demand from AI servers, optical modules and 5G base stations. CFMEE continues to deepen its presence in the high-end market and gain share among leading domestic and overseas customers, supporting further import substitution in high-end PCB equipment. The ramp-up of its phase-two production base and continued overseas expansion should provide additional support for growth. We forecast revenue of CNY1,967mn/CNY2,847mn/CNY3,445mn for the PCB business in 2026/27/28F, implying a 47% CAGR. Based on CIC's global market size forecasts, we expect the company's market share to rise from 29% in 2026F to 42% in 2028F. As the product mix shifts toward high-end PCB equipment, we forecast segment gross margin to rise from 35.6% in 2025 to 40.0%/40.5%/41.0% in 2026-28F.

Semiconductor direct-writing lithography equipment and automation system

The company continues to make progress across multiple semiconductor applications. We expect direct imaging lithography equipment for advanced packaging and IC substrates to become the main sources of incremental growth, while photomasks, power semiconductors and new displays should further broaden the addressable market. We forecast segment revenue of CNY469mn/CNY727mn/CNY1,140mn in 2026/27/28F, implying a 70% CAGR, with its contribution to total revenue rising from 17% in 2025 to 24% in 2028F. Given the relatively high technological barriers and product value of its direct imaging lithography equipment for semiconductor applications, we forecast segment gross margin to remain at 55.0% in 2026-28F. We expect its increasing revenue contribution to become an important driver of overall profitability.

Others

This segment mainly comprises equipment maintenance services, rental income and sales of ancillary materials. As the company's overall sales scale expands, we expect related maintenance and ancillary-material demand to increase accordingly. We forecast segment revenue of CNY133mn/CNY186mn/CNY260mn in 2026/27/28F, implying a 40% CAGR, with gross margin remaining at 55.0%.

Expenses

We expect scale benefits to become increasingly visible as revenue expands. We forecast the company's total operating expense ratio, including selling, G&A, R&D and finance expenses, at 14.9%/11.9%/10.4% in 2026/27/28F, implying a gradual decline over the forecast period.

Fig. 9: CFMEE – Key financial forecasts

CNYmn	2025	2026F	2027F	2028F	2026-28F CAGR
PCB business					
Revenue	1,080	1,967	2,847	3,445	47%
y-y growth	38%	82%	45%	21%	–
Gross margin	35.6%	40.0%	40.5%	41.0%	–
Semiconductor business					
Revenue	233	469	727	1,140	70%
y-y growth	113%	101%	55%	57%	–
Gross margin	54.6%	55.0%	55.0%	55.0%	–
Others					
Revenue	95	133	186	260	40%
y-y growth	52%	40%	40%	40%	–
Gross margin	56.8%	55.0%	55.0%	55.0%	–
Total revenue	1,408	2,568	3,760	4,845	51%
y-y growth	48%	82%	46%	29%	–
Gross profit	566	1,118	1,655	2,182	57%
Gross margin	40.2%	43.5%	44.0%	45.0%	–
Selling expenses	63	98	120	136	–
Selling expense ratio	5%	4%	3%	3%	–
G&A expenses	48	90	105	111	–
G&A expense ratio	3%	4%	3%	2%	–
R&D expenses	131	205	282	315	–
R&D expense ratio	9%	8%	8%	7%	–
Finance expenses	-3	-9	-59	-58	–
Finance expense ratio	0%	0%	-2%	-1%	–
Operating profit	330	752	1,248	1,736	74%
Operating margin	23%	29%	33%	36%	–
Net profit	290	676	1,114	1,553	75%
y-y growth	80%	133%	65%	39%	–

Source: CFMEE 2025 annual report, iFinD, Nomura estimates

Our 2026F revenue forecast is 3% above Wind consensus, but our 2027/28F forecasts are 3%/9% below consensus. Our relatively optimistic 2026F forecast reflects solid equipment acceptance progress in 1H26, which underpins our positive view on the acceptance pace for the full year. Our 2026/27/28F net profit forecasts are 9%/12%/9% above Wind consensus. We expect a rising contribution from higher-margin semiconductor products and high-end PCB equipment, together with operating leverage as revenue scales, to support stronger profitability.

Fig. 10: CFMEE – Nomura estimates vs. Wind consensus

	Nomura estimates			Wind consensus			Diff. (%)		
CNYmn	2026F	2027F	2028F	2026E	2027E	2028E	2026F	2027F	2028F
Revenue	2,568	3,760	4,845	2,495	3,858	5,296	3%	-3%	-9%
Net profit	676	1,114	1,553	618	994	1,420	9%	12%	9%

Note: Wind consensus data as of 12 Oct 2026.
Source: Wind, Nomura estimates

Valuation methodology and risks

Initiate at Buy with TP of CNY524.66

Given our expectation of continued earnings growth, we value CFMEE using a P/E-based approach. Our peer group comprises Han's CNC (301200 CH, Not rated) and Dtech Technology (301377 CH, Not rated), which operate in PCB-focused equipment and consumables, as well as Kingsemi (688037 CH, Not rated), Zhengzhou GL Tech (300480 CH, Not rated) and Piotech (688072 CH, Not rated), which operate in advanced packaging and semiconductor equipment. These companies have comparable exposure to the company's key downstream markets and equipment segments.

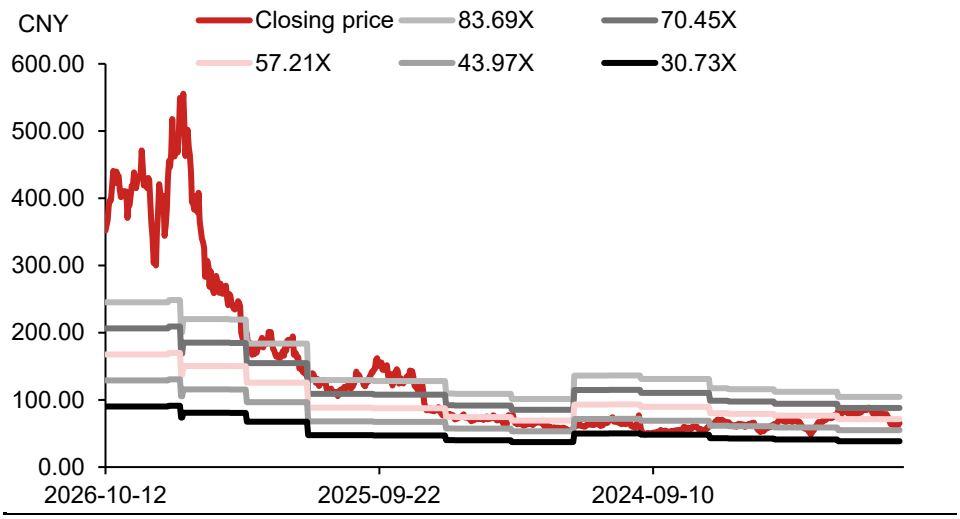
Although our forecasts imply a lower 2026-28F earnings CAGR for CFMEE than that reflected in Wind consensus for its peers, we believe its strong competitive position in PCB direct imaging lithography and continued progress in advanced packaging and IC substrates support a valuation broadly in line with peers. We therefore apply a 69x target P/E for valuation, broadly in line with the peer average 2027E P/E. Applying this multiple to 2027F EPS of CNY7.60, we derive a target price of CNY524.66, implying 49.1% upside. We initiate coverage at Buy. The stock currently trades at 46.3x 2027F P/E.

Fig. 11: CFMEE – Valuation comparables

Ticker	Company name	Rating	TP (LC)	CP (LC)	Mkt cap (USDmn)	P/E (x)			Net profit CAGR	ROE (%)		
						2026F	2027F	2028F	2026-28F	2026F	2027F	2028F
688630 CH	**CFMEE**	**Buy**	**524.66**	**351.77**	**7,654**	**76.3**	**46.3**	**33.2**	**75.0%**	**12.2**	**17.7**	**21.1**
301200 CH	Han's CNC	Not Rated	-	202.90	14,078	48.5	30.8	22.3	75.3%	21.5	26.8	29.1
301377 CH	Dtech Technology	Not Rated	-	299.73	19,353	88.9	46.0	29.9	114.1%	30.0	40.6	45.2
688037 CH	Kingsemi	Not Rated	-	313.68	9,768	315.4	151.3	90.4	113.9%	6.8	12.7	18.2
300480 CH	Zhengzhou GL Tech	Not Rated	-	28.25	1,611	84.6	48.8	31.8	101.5%	9.2	14.2	19.5
688072 CH	Piotech	Not Rated	-	633.00	28,496	92.4	66.5	48.2	60.6%	19.8	21.2	22.9
Average						**126.0**	**68.7**	**44.5**	**93.1%**	**17.5**	**23.1**	**27.0**

Note: Priced as of 12 Oct 2026; Nomura estimates for rated stocks and Wind consensus estimates for not rated stocks. The average excludes CFMEE.
Source: Wind, Nomura estimates

Fig. 12: CFMEE – Historical TTM P/E band



Note: Priced as of 12 Oct 2026
Source: iFinD, Nomura

Key downside risks

1) **Slower-than-expected product development and commercialization:** The company develops and upgrades products based on micro- and nanoscale direct imaging lithography technology. Expansion into new applications requires substantial R&D investment, lengthy development cycles and cross-disciplinary integration, creating inherent technology and execution risks. The PCB and semiconductor equipment industries are also characterized by rapid technological change and evolving industry standards. Failure to keep pace with technological advances, or R&D investments that do not generate the expected results, could adversely affect the company's operations and competitive position, in our view.

2) **Weaker-than-expected downstream demand:** Demand for PCB and semiconductor direct imaging lithography equipment is closely linked to downstream markets including servers and storage, automotive electronics and consumer electronics. Weaker-than-expected end-market growth, adverse policy changes or cyclical downturns in downstream industries could negatively affect the company's revenue and profitability, in our view.

3) **Slower-than-expected overseas expansion:** The company is deepening its presence in Southeast Asia while expanding into Japan and Korea. Overseas operations are exposed to risks including foreign-exchange controls and currency fluctuations, higher local marketing and after-sales service costs, staffing and management challenges, changes in economic conditions and regulation, and shifts in international trade policy. Such developments could adversely affect the company's overseas operations, in our view.

4) **Receivables collection and inventory write-down risks:** Deterioration in the financial condition of major customers could delay receivables collection or result in bad-debt losses, weighing on earnings. Adverse changes in market demand or pricing could also lead to excess or impaired inventory, increasing working-capital pressure and negatively affecting operating performance, in our view.

Appendix A-1

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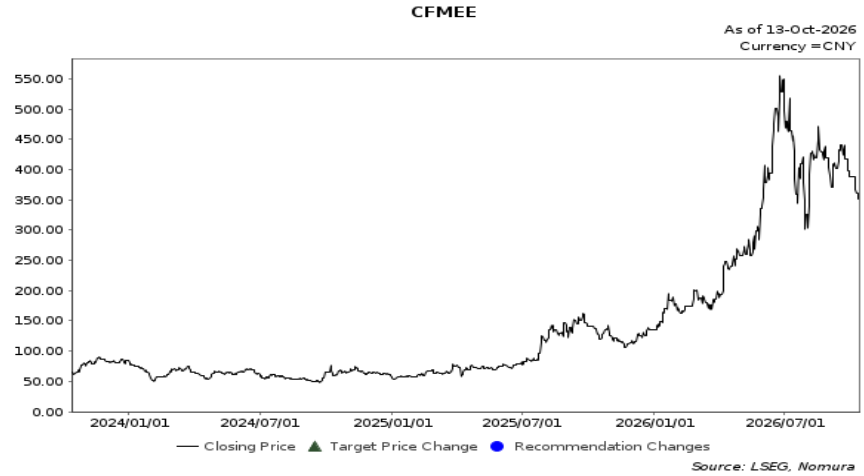
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Issuer	Ticker	Price	Price date	Stock rating	Sector rating	Disclosures
CFMEE	688630 CH	CNY 351.77	12-Oct-2026	Buy	N/A	

CFMEE (688630 CH) **CNY 351.77 (12-Oct-2026) Buy** (Sector rating：N/A)

Rating and target price chart (three year history)



Date	Rating	Target Price	Closing price

For explanation of ratings refer to the stock rating keys located after chart(s)

Valuation Methodology We derive our target price of CNY524.66 based on a 69x target P/E and 2027F EPS of CNY7.60. Our target multiple is broadly in line with the peer valuation average. The stock's benchmark index is the CSI 300 Index.
Risks that may impede the achievement of the target price Key downside risks include slower-than-expected product development and commercialization, weaker-than-expected downstream demand, slower overseas expansion, weak receivables collection and inventory write-downs.

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