

Auras Technology (3324.TW/3324 TT)

2Q25 EPS missed; slower 2025 sales growth on NT dollar appreciation & delayed GB300 ramp-ups

Outperform · Maintained

Price as of August 8 (NT\$)	743
12M target price (NT\$)	888
Previous target price (NT\$)	791
Revised up (%)	12.3
Upside (%)	19.5

Key message

1. 2Q25 EPS was NT\$1.75, shy of consensus and our forecast due to forex losses.
2. 3Q25F sales will grow by 5-10% QoQ, and 4Q25F sales will be the annual peak. However, Auras lowered 2025F sales growth guidance to 35-40% YoY, to reflect NT dollar appreciation and a delayed ramp-up of GB300 liquid cooling products.
3. We expect liquid-cooling sales to comprise for 29% of 2025F sales and 55% of 2026F sales, the main sales & EPS growth driver.

Trading data

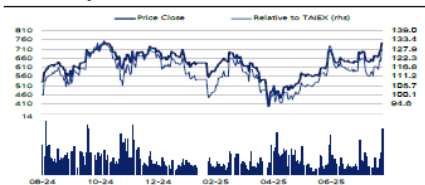
Mkt cap (NT\$bn/US\$mn)	68.44 / 2,291
Outstanding shares (mn)	92.12
Foreign ownership (mn)	17.23
3M avg. daily trading (mn)	2.05
52-week trading range (NT\$)	397.0 – 751

Performance	3M	6M	12M
Absolute (%)	42.9	25.7	45.7
Relative (%)	26	23.4	30.6

Quarterly EPS

NT\$	1Q	2Q	3Q	4Q
2023	3.22A	2.78A	5.71A	2.59A
2024	4.51A	7.24A	4.43A	5.18A
2025	5.66A	1.75A	7.03F	8.62F

Share price chart



Source: TEJ

Event

Auras Technology reported 2Q25 EPS of NT\$1.75, shy of our estimate on higher operating expenses and forex losses. Management guides 3Q25 sales to grow by 5-10% QoQ and sales to peak in 4Q25F, but lowers 2025 sales growth guidance to 35-40% from 50% on a delayed ramp-up of GB300 liquid cooling products and a strong NT dollar.

Impact

2Q25F EPS missed consensus. Auras reported 2Q25 EPS of NT\$1.75, down 69% QoQ and 76% YoY, below our estimate and consensus due to higher operating expenses and forex losses. Gross margin of 26.1% was down QoQ and YoY on strong NT dollar appreciation, despite a better product mix. Liquid cooling sales were 23% of 2Q25 sales, up from 17% in 1Q25, which was the main positive for the product mix offsetting NT dollar appreciation. The server sales weighting accordingly rose to 45% in 2Q25 from 44% in 1Q25, and grew by 23% QoQ and 21% YoY. However, rising R&D expenses for upcoming projects caused higher operating expenses in 2Q25, and thus operating margin of 11.9% missed our estimate. Along with forex losses of NT\$440mn, shaving pretax EPS by NT\$4.6, 2Q25 EPS missed. The firm's 1H25 EPS was NT\$7.41, down 37% YoY.

Positive 2H25F outlook despite downward revision to 2025 sales growth guidance. The company expects high-single-digit sales growth in 3Q25F, and a sales peak in 4Q25F, as 3Q25 graphics card sales will trend down QoQ given GPU supply constraints, but GB300 liquid cooling sales to CSP clients will ramp up in 4Q25F. Given the strength of the NT dollar against the US dollar, and delays to the GB300 liquid cooling ramp-up in 4Q25-1Q26F, server sales growth will be lower than we had previously expected. We lower our server sales growth forecast to 70-75% YoY in 2025F, with a sales weighting close to 50%, versus Auras' target of 60%, and revise the liquid cooling sales weighting down to 28-30% for 2025F, up from the 20% in 1H25, but down from previous guidance of 45-50%. We expect Auras to ship GB300 liquid cooling cold plates and rack manifolds to CSP clients such as Amazon Web Services (AWS, US) and Meta (US), aside from Super Micro Computer (US) and Oracle (US), for HGX and GB200 rack manifolds, currently. We thus forecast the liquid cooling sales weighting to grow to 55% in 2026F from 29% in 2025F, boosting total server sales to growth of 55-60% YoY in 2026F and comprising 60% of total sales, with some potential upside if H20/ B30 shipments are cleared for the China market. This should widen gross margin. To reflect lower 2Q25 earnings and the firm's 2H25F outlook, we revise down 2025F EPS to NT\$23.07, up 9% YoY. Our 2026F EPS is also revised to NT\$42.28, up 83% YoY.

Valuation & Action

We maintain Outperform on solid EPS growth and growing liquid-cooling sales, but our target price is raised from NT\$791 to NT\$888, based on 22x 2026F fully diluted EPS.

Risks

Material price hikes; weak notebook, graphics card, or server demand.

Key financials and valuations

	Dec-22A	Dec-23A	Dec-24A	Dec-25F	Dec-26F
Revenue (NT\$mn)	13,857	12,713	15,779	21,421	27,868
Gross profit (NT\$mn)	2,722	3,005	4,026	5,873	7,851
Operating profit (NT\$mn)	1,173	1,376	1,911	2,933	4,784
Net profit (NT\$mn)	1,264	1,232	1,893	2,083	3,820
EPS (NT\$)	14.68	14.28	21.23	23.07	42.28
Cash DPS (NT\$)	6.50	6.50	10.00	10.86	19.90
EPS growth (%)	11.9	(2.7)	48.7	8.6	83.3
PE (x)	50.6	52.0	35.0	32.2	17.6
PB (x)	11.8	9.9	7.6	6.8	5.6
EV/EBITDA (x)	38.3	34.7	26.9	19.0	12.1
Net debt to equity (%)	4.6	Net cash	Net cash	3.9	Net cash
Dividend yield (%)	0.9	0.9	1.3	1.5	2.7
Return on average equity (%)	24.5	20.2	24.3	21.9	34.6

Source: Company data; KGI Research estimates

Figure 1: Breakdown of 2Q25 results & 3Q25 forecast revisions vs. consensus

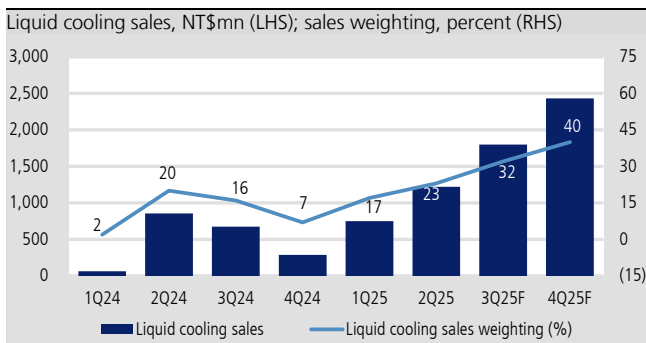
NT\$m	2Q25							3Q25F						
	Actual	KGI forecast	Diff. (%)	QoQ (%)	YoY (%)	Consensus	Diff. (%)	Revision	Previous	Chg. (%)	QoQ (%)	YoY (%)	Consensus	Diff. (%)
Sales	5,306	5,165	2.7	20.2	23.9	5,312	(0.1)	5,625	6,197	(9.2)	6.0	33.3	5,974	(5.8)
Gross profits	1,387	1,394	(0.6)	14.8	14.1	1,416	(2.1)	1,547	1,735	(10.9)	11.5	39.2	1,677	(7.8)
Operating income	634	749	(15.4)	12.5	(7.7)	760	(16.6)	782	1,066	(26.7)	23.4	43.9	988	(20.9)
Pretax income	211	603	(65.0)	(68.4)	(73.1)	627	(66.4)	781	1,070	(27.0)	270.5	52.0	1,048	(25.5)
Net income	158	489	(67.7)	(69.1)	(75.0)	482	(67.2)	635	872	(27.2)	301.9	59.6	854	(25.6)
EPS (NT\$)	1.75	5.43	(67.8)	(69.1)	(75.8)	5.34	(67.2)	7.03	9.68	(27.3)	301.9	58.8	9.45	(25.6)
Gross margin (%)	26.1	27.0	(0.9)ppts	(1.2)ppts	(2.3)ppts	26.7	(0.6)ppts	27.5	28.0	(0.5)ppts	1.4 ppts	1.2 ppts	28.1	(0.6)ppts
OP margin (%)	11.9	14.5	(2.6)ppts	(0.8)ppts	(4.1)ppts	14.3	(2.4)ppts	13.9	17.2	(3.3)ppts	2.0 ppts	1.0 ppts	16.5	(2.6)ppts
Net margin (%)	3.0	9.5	(6.5)ppts	(8.6)ppts	(11.8)ppts	9.1	(6.1)ppts	11.3	14.1	(2.8)ppts	8.3 ppts	1.9 ppts	14.3	(3.0)ppts

Source: Bloomberg; KGI Research estimates

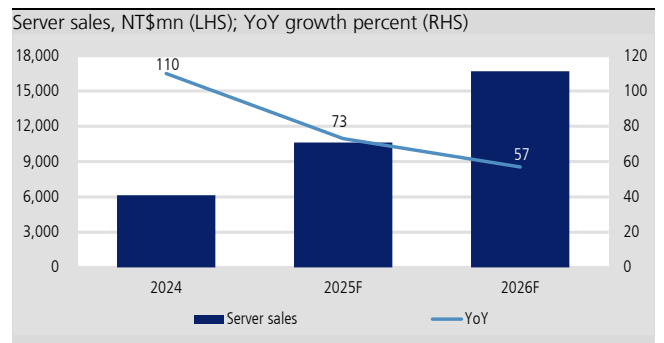
Figure 2: Breakdown of 2025-26 forecast revisions vs. consensus

NT\$m	2025F						2026F					
	Revision	Previous	Chg. (%)	YoY (%)	Consensus	Diff. (%)	Revision	Previous	Chg. (%)	YoY (%)	Consensus	Diff. (%)
Sales	21,421	23,337	(8.2)	35.8	22,147	(3.3)	27,868	30,355	(8.2)	30.1	27,258	2.2
Gross profit	5,873	6,514	(9.8)	45.9	6,157	(4.6)	7,851	8,513	(7.8)	33.7	7,687	2.1
Operating income	2,933	3,901	(24.8)	53.5	3,459	(15.2)	4,784	5,568	(14.1)	63.1	4,604	3.9
Pretax income	2,629	3,806	(30.9)	11.1	3,526	(25.4)	4,800	5,596	(14.2)	82.5	4,736	1.3
Net income	2,083	3,025	(31.1)	10.1	2,697	(22.8)	3,820	4,456	(14.3)	83.3	3,745	2.0
EPS (NT\$)	23.07	33.56	(31.1)	8.6	29.86	(22.8)	42.28	49.44	(14.3)	83.3	41.45	2.0
Gross margin (%)	27.4	27.9	(0.5)ppts	1.9 ppts	27.8	(0.4)ppts	28.2	28.0	0.1 ppts	0.8 ppts	28.2	(0.0)ppts
OP margin (%)	13.7	16.7	(3.0)ppts	1.6 ppts	15.6	(1.9)ppts	17.2	18.3	(1.2)ppts	3.5 ppts	16.9	0.3 ppts
Net margin (%)	9.7	13.0	(3.2)ppts	(2.3)ppts	12.2	(2.5)ppts	13.7	14.7	(1.0)ppts	4.0 ppts	13.7	0.0 ppts

Source: Bloomberg; KGI Research estimates

Figure 3: Liquid cooling sales maintain growth


Source: Auras; KGI Research estimates

Figure 4: Server sales price increases triggered by liquid cooling sales growth in 2025-26F


Source: Auras; KGI Research estimates

Figure 5: The server sales weighting continues growing

Sales weighting (%)	2022	2023	2024	2025F	2026F	1Q23	2Q23	3Q23	4Q23	1Q24	2Q24	3Q24	4Q24	1Q25	2Q25	1H25
NB & DT	42	46	39	29	23	41	50	48	45	44	34	39	40	35	31	33
Graphics cards & Motherboards	29	26	17	17	14	33	21	23	27	24	15	14	16	17	21	19
Server	22	23	39	50	60	23	23	25	21	25	46	42	39	44	45	45
Auto/others	7	5	5	5	3	3	6	4	7	7	5	5	5	4	3	3
Total	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100
Sales (NT\$mnn)																
NB & DT	5,844	5,848	6,138	6,323	6,449	1,345	1,298	1,676	1,505	1,387	1,456	1,646	1,650	1,545	1,645	3,190
Graphics cards & Motherboards	4,036	3,305	2,650	3,709	3,895	1,082	545	803	903	756	642	591	660	751	1,114	1,865
Server	3,042	2,924	6,139	10,620	16,674	754	597	873	702	788	1,970	1,772	1,609	1,943	2,388	4,330
Auto/others	935	636	852	768	850	98	156	140	234	221	214	211	206	177	159	336
Total	13,857	12,713	15,779	21,421	27,868	3,280	2,596	3,492	3,344	3,152	4,283	4,219	4,125	4,415	5,306	9,721
Sales YoY (%)																
NB & DT	0	0	5	3	2	(11)	(11)	16	5	3	12	(2)	10	11	13	93
Graphics cards & Motherboards	(20)	(18)	(20)	40	5	(16)	(43)	(4)	(5)	(30)	18	(26)	(27)	(1)	73	183
Server	32	(4)	110	73	57	17	(10)	5	(22)	4	230	103	129	147	21	169
Others	(13)	(32)	34	(10)	11	(71)	(33)	(37)	65	124	37	51	(12)	(20)	(26)	171
Total	(3)	(8)	24	36	30	(13)	(22)	5	(2)	(4)	65	21	23	40	24	83
Sales QoQ (%)																
NB & DT						(6)	(3)	29	(10)	(8)	5	13	0	(6)	6	
Graphics cards & Motherboards						13	(50)	47	12	(16)	(15)	(8)	12	14	48	
Server						(16)	(21)	46	(20)	12	150	(10)	(9)	21	23	
Auto/others						(31)	58	(10)	68	(6)	(3)	(1)	(2)	(14)	(10)	
Total						(4)	(21)	35	(4)	(6)	36	(1)	(2)	7	20	

Source: Company data; KGI Research estimates

Figure 6: Peer comparison – Valuations

Sector	Company	Ticker	Market cap. (US\$mnn)	Share price (LCY)	Rating	Target Price (LCY)	EPS (LCY)			EPS YoY (%)			PE (x)			PB (x)			ROE (%)			Cash yield (%)	
							2024	2025F	2026F	2024	2025F	2026F	2024	2025F	2026F	2024	2025F	2026F	2024	2025F	2026F	2024	2025F
Cooling fan	Sunonwealth	2421 TT	1,205	131.5	Outperform	150.0	5.46	7.05	8.80	5.7	29.2	24.9	24.1	18.7	14.9	4.5	4.2	3.9	19.7	23.5	27.3	2.8	3.8
	Nidec Corp*	6594 JP	23,270	2,882.0	Not rated	N.A.	145.95	158.28	171.84	354.2	8.4	8.6	19.7	18.2	16.8	1.9	1.9	1.8	10.0	10.8	11.0	1.3	1.4
	Sun Max Tech*	6591 TT	92	70.9	Not rated	N.A.	3.21	N.M.	N.M.	(5.6)	N.A.	N.A.	22.1	N.A.	N.A.	1.4	N.A.	N.A.	8.5	N.M.	N.M.	3.4	N.A.
	Minebea Mitsumi*	6479 JP	7,473	2,584.5	Not rated	N.A.	147.58	142.18	172.83	(17.2)	(3.7)	21.6	17.5	18.2	15.0	1.4	1.4	1.3	7.6	8.1	8.9	1.5	1.8
Thermal module /cooling fan	AVC	3017 TT	14,178	1090.0	Outperform	1220.0	21.21	42.77	55.41	50.4	101.6	29.6	51.4	25.5	19.7	14.7	11.4	8.8	32.1	50.3	50.5	0.9	2.0
	Delta Elec	2308 TT	55,445	637.0	Outperform	686.0	13.56	20.43	24.51	5.5	50.7	20.0	47.0	31.2	26.0	7.2	6.9	6.0	16.4	22.5	24.6	1.1	1.6
	Vertiv	VRT US	53,228	139.4	Neutral	150.0	2.85	3.86	4.97	61.0	35.3	28.8	48.9	36.1	28.0	19.9	15.4	12.1	49.5	45.1	36.2	0.1	0.1
	Dover Corporation	DOV US	23,857	174.0	Not rated	N.A.	19.58	9.47	10.39	159.0	(51.7)	9.8	8.9	18.4	16.7	3.3	3.2	2.9	35.8	16.7	16.3	1.2	1.2
Thermal module	Nidec CCI*	6230 TT	373	129.0	Not rated	N.A.	1.48	N.M.	N.M.	(78.9)	N.A.	N.A.	87.2	N.A.	N.A.	1.8	N.A.	N.A.	0.3	N.M.	N.M.	0.2	N.A.
	Auras	3324 TT	2,285	743.0	Outperform	888.0	21.23	23.07	42.28	48.7	8.6	83.3	35.0	32.2	17.6	7.6	6.8	5.6	24.3	21.9	34.6	1.3	1.5
	Foxconn Tech*	2354 TT	3,289	69.4	Not rated	N.A.	2.53	3.06	3.67	(15.9)	20.9	19.9	27.4	22.7	18.9	0.9	0.6	0.6	3.4	4.0	4.7	2.0	2.0
	Fujikura Ltd*	5803 JP	22,225	11,095.0	Not rated	N.A.	330.32	283.77	385.23	122.8	(14.1)	35.8	33.6	39.1	28.8	7.5	7.7	6.5	26.5	20.9	25.0	0.5	0.7
	Furukawa Elect*	5801 JP	3,904	8,159.0	Not rated	N.A.	473.49	407.39	541.75	86.1	(14.0)	33.0	17.2	20.0	15.1	1.7	1.6	1.6	10.5	8.8	10.6	0.7	1.4

Source: KGI Research; *Bloomberg consensus

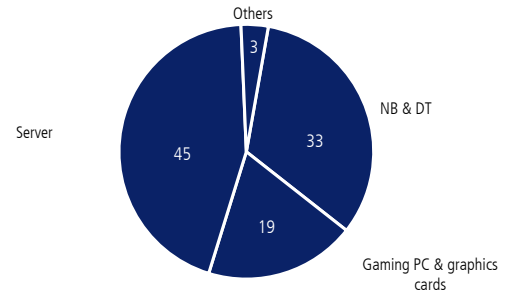
Figure 7: Company profile

Established in 1998, Auras Technology is a top-three thermal solution maker in Taiwan, serving the NB/DT, graphics card, gaming PC, server, and smartphone industries. Top clients include MSI (2377 TT, NT\$150.5, Outperform), Dell (US), HP (US), Asustek (2357 TT, NT\$680, Outperform), and Apple (US). 2024 application sales mix was NB (30%), DT (9%), graphics cards/ gaming PCs (17%), server (39%), smartphone (3%), and others (3%). 2024-25F sales growth will be driven by server sales.

Source: KGI Research

Figure 8: The server sales weighting rose to 45% in 1H25

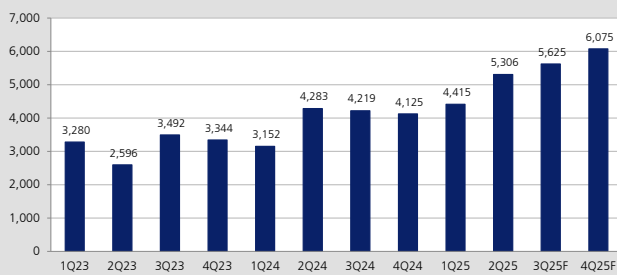
Sales weighting in 1H25, percent



Source: Company data; KGI Research

Figure 9: Sales

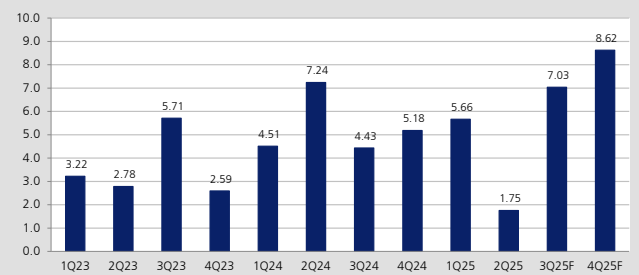
Sales, NT\$m



Source: KGI Research

Figure 10: EPS

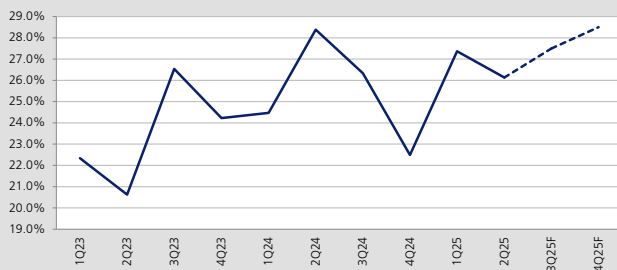
EPS, NT\$



Source: KGI Research

Figure 11: Gross Margin

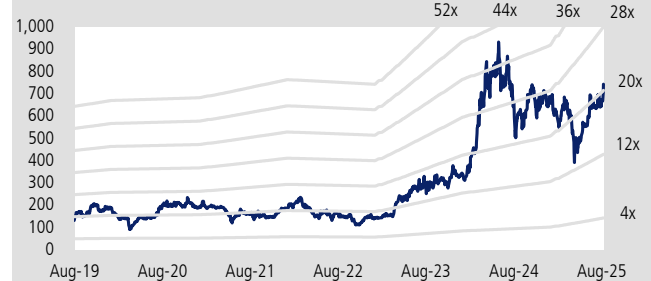
Gross margin, percent



Source: KGI Research

Figure 12: 12M forward PE band

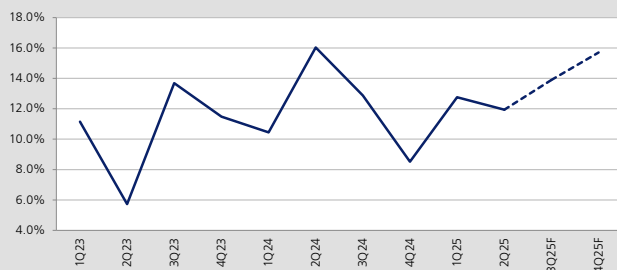
Share price, NT\$ (LHS); PE ratio, x (RHS)



Source: TEJ; KGI Research estimates

Figure 13: Operating Margin

Operating margin, percent



Source: KGI Research

Figure 14: 12M forward PB band

Share price, NT\$ (LHS); PB ratio, x (RHS)



Source: TEJ; KGI Research estimates

Income statement

	Quarterly								Annually		
	Mar-24A	Jun-24A	Sep-24A	Dec-24A	Mar-25A	Jun-25A	Sep-25F	Dec-25F	Dec-24A	Dec-25F	Dec-26F
Income statement (NT\$m)											
Revenue	3,152	4,283	4,219	4,125	4,415	5,306	5,625	6,075	15,779	21,421	27,868
Cost of goods sold	(2,380)	(3,067)	(3,108)	(3,197)	(3,207)	(3,920)	(4,078)	(4,343)	(11,753)	(15,548)	(20,017)
Gross profit	771	1,216	1,111	928	1,208	1,387	1,547	1,731	4,026	5,873	7,851
Operating expenses	(442)	(529)	(568)	(576)	(645)	(753)	(765)	(778)	(2,115)	(2,940)	(3,068)
Operating profit	329	687	543	352	563	634	782	954	1,911	2,933	4,784
Depreciation of fixed assets	(106)	(112)	(122)	(132)	(142)	(147)	(137)	(123)	(471)	(549)	(641)
Amortisation of intangible assets	(8)	(9)	(10)	(11)	(11)	(12)	(9)	(6)	(38)	(38)	(38)
EBITDA	443	808	675	494	717	792	928	1,082	2,420	3,519	5,463
Interest income	7	10	8	15	8	13	9	6	40	36	34
Investment income	3	-	-	-	-	-	3	8	3	10	10
Other non-op income	163	95	54	220	110	69	10	11	533	200	110
Non-operating income	173	105	62	235	118	83	21	24	576	246	154
Interest expense	(6)	(7)	(9)	(8)	(12)	(14)	(11)	(7)	(31)	(44)	(53)
Investment loss	-	(1)	(3)	(6)	(4)	(4)	(1)	4	(10)	(5)	(5)
Other non-op expenses	-	0	(79)	-	-	(487)	(10)	(3)	(79)	(500)	(80)
Non-operating expenses	(6)	(8)	(91)	(14)	(15)	(506)	(22)	(6)	(120)	(549)	(138)
Pre-tax profit	496	783	514	573	666	211	781	971	2,366	2,629	4,800
Current taxation	(92)	(149)	(103)	(90)	(137)	(47)	(141)	(201)	(434)	(526)	(960)
Minorities	(8)	(2)	(13)	(15)	(18)	(6)	(5)	9	(39)	(20)	(20)
Normalised net profit	396	632	398	467	511	158	635	779	1,893	2,083	3,820
Extraordinary items	(0)	0	0	0	0	0	-	(0)	-	-	-
Net profit	396	632	398	467	511	158	635	779	1,893	2,083	3,820
EPS (NT\$)	4.51	7.24	4.43	5.18	5.66	1.75	7.03	8.62	21.23	23.07	42.28
Margins (%)											
Gross profit margin	24.5	28.4	26.3	22.5	27.4	26.1	27.5	28.5	25.5	27.4	28.2
Operating margin	10.4	16.0	12.9	8.5	12.8	11.9	13.9	15.7	12.1	13.7	17.2
EBITDA margin	14.1	18.9	16.0	12.0	16.2	14.9	16.5	17.8	15.3	16.4	19.6
Pretax profit margin	15.7	18.3	12.2	13.9	15.1	4.0	13.9	16.0	15.0	12.3	17.2
Net profit margin	12.6	14.8	9.4	11.3	11.6	3.0	11.3	12.8	12.0	9.7	13.7
Sequential growth (%)											
Revenue growth	(5.8)	35.9	(1.5)	(2.2)	7.0	20.2	6.0	8.0			
Gross profit growth	(4.8)	57.6	(8.6)	(16.5)	30.2	14.8	11.5	11.9			
Operating profit growth	(14.3)	108.6	(20.9)	(35.3)	60.3	12.5	23.4	22.0			
EBITDA growth	(11.0)	82.3	(16.5)	(26.8)	45.1	10.4	17.2	16.5			
Pretax profit growth	56.6	57.9	(34.4)	11.5	16.4	(68.4)	270.5	24.4			
Net profit growth	77.0	59.7	(37.0)	17.2	9.5	(69.1)	301.9	22.6			
YoY growth (%)											
Revenue growth	(3.9)	65.0	20.8	23.3	40.1	23.9	33.3	47.3	24.1	35.8	30.1
Gross profit growth	5.3	127.0	19.9	14.5	56.6	14.1	39.2	86.6	34.0	45.9	33.7
Operating profit growth	(9.9)	361.8	13.6	(8.5)	71.1	(7.7)	43.9	171.3	38.8	53.5	63.1
EBITDA growth	(9.0)	201.9	13.7	(0.8)	61.8	(2.0)	37.6	118.9	31.1	45.4	55.2
Pretax profit growth	40.7	161.5	(14.2)	80.7	34.3	(73.1)	52.0	69.6	50.9	11.1	82.5
Net profit growth	42.7	164.1	(19.0)	108.8	29.2	(75.0)	59.6	66.8	53.6	10.1	83.3

Source: Company data; KGI Research estimates

Balance sheet

NT\$m	Dec-22A	Dec-23A	Dec-24A	Dec-25F	Dec-26F
Total assets	11,743	12,612	16,926	20,091	25,514
Current assets	8,420	8,653	11,680	14,227	19,145
Cash & ST securities	1,492	1,450	2,933	2,602	4,225
Inventory	2,072	2,307	2,810	3,727	4,798
Accounts receivable	4,490	4,419	5,429	7,390	9,614
Other current assets	365	477	508	508	508
Non-current assets	3,323	3,959	5,246	5,864	6,369
LT investments	128	215	393	459	506
Net fixed assets	2,715	3,126	4,083	4,634	5,093
Other assets	480	618	770	770	770
Total liabilities	5,933	5,745	7,638	9,693	13,098
Current liabilities	5,620	4,787	5,902	7,500	9,919
Accounts payable	2,848	3,157	3,775	5,007	6,446
Interest bearing ST liabilities	1,498	232	475	750	902
Other current liabilities	1,273	1,398	1,651	1,742	2,570
Non-current liabilities	313	959	1,736	2,193	3,179
Long-term debt	255	916	1,675	2,132	3,117
Other L-T liabilities	-	(0)	17	17	17
Total equity	5,810	6,866	9,288	10,398	12,416
Share capital	884	884	915	915	915
Retained earnings reserve	3,304	3,926	5,121	6,211	8,209
Minority interests	244	231	327	347	367
Preferred shareholders funds	-	-	-	-	-

Key ratios

	Dec-22A	Dec-23A	Dec-24A	Dec-25F	Dec-26F
Growth					
Revenue growth	(2.8%)	(8.3%)	24.1%	35.8%	30.1%
Operating profit growth	(14.9%)	17.3%	38.8%	53.5%	63.1%
EBITDA growth	(10.0%)	8.0%	31.1%	45.4%	55.2%
Net profit growth	11.6%	(2.5%)	53.6%	10.1%	83.3%
EPS growth	11.9%	(2.7%)	48.7%	8.6%	83.3%
Profitability					
Gross profit margin	19.6%	23.6%	25.5%	27.4%	28.2%
Operating margin	8.5%	10.8%	12.1%	13.7%	17.2%
EBITDA margin	12.3%	14.5%	15.3%	16.4%	19.6%
Net profit margin	9.1%	9.7%	12.0%	9.7%	13.7%
Return on average assets	10.7%	10.1%	12.8%	11.3%	16.8%
Return on average equity	24.5%	20.2%	24.3%	21.9%	34.6%
Stability					
Gross debt to equity	30.2%	16.7%	23.1%	27.7%	32.4%
Net debt to equity	4.6%	Net cash	Net cash	3.9%	Net cash
Interest coverage (x)	43.4	57.2	77.1	60.2	91.2
Interest & ST debt coverage (x)	0.5	0.9	0.8	0.8	0.8
Cash flow interest coverage(x)	32.3	70.6	52.8	22.9	49.6
Cash flow/int. & ST debt (x)	0.8	7.6	3.2	1.3	2.8
Current ratio (x)	1.5	1.8	2.0	1.9	1.9
Quick ratio (x)	1.1	1.3	1.5	1.4	1.4
Net debt (NT\$m)	269	(218)	(659)	404	(81)
Per share data					
EPS (NT\$)	14.68	14.28	21.23	23.07	42.28
CFPS (NT\$)	14.41	22.85	18.43	11.28	29.20
BVPS (NT\$)	62.97	75.04	97.91	109.81	131.65
Adj BVPS (NT\$)	64.67	76.92	100.51	111.28	133.37
SPS (NT\$)	160.99	147.37	176.99	237.15	308.47
EBITDA/share (NT\$)	19.86	21.41	27.14	38.96	60.47
Cash DPS (NT\$)	6.50	6.50	10.00	10.86	19.90
Activity					
Sales / avg assets	1.17	1.04	1.07	1.16	1.22
Days receivable	118.3	126.9	125.9	125.9	125.9
Days inventory	67.9	86.7	87.5	87.5	87.5
Days payable	93.4	118.7	117.6	117.6	117.6
Cash cycle	92.8	94.9	95.9	95.9	95.9

Source: Company data; KGI Research estimates

Profit & loss

NT\$m	Dec-22A	Dec-23A	Dec-24A	Dec-25F	Dec-26F
Revenue	13,857	12,713	15,779	21,421	27,868
Cost of goods sold	(11,135)	(9,708)	(11,753)	(15,548)	(20,017)
Gross profit	2,722	3,005	4,026	5,873	7,851
Operating expenses	(1,549)	(1,629)	(2,115)	(2,940)	(3,068)
Operating profit	1,173	1,376	1,911	2,933	4,784
Non-operating income	550	368	576	246	154
Interest income	10	23	40	36	34
Investment income	10	0	3	10	10
Other non-op income	529	345	533	200	110
Non-operating expenses	(95)	(177)	(120)	(549)	(138)
Interest expense	(38)	(28)	(31)	(44)	(53)
Investment loss	(1)	(2)	(10)	(5)	(5)
Other non-op expenses	(55)	(146)	(79)	(500)	(80)
Pre-tax profit	1,628	1,568	2,366	2,629	4,800
Current taxation	(341)	(329)	(434)	(526)	(960)
Minorities	(23)	(7)	(39)	(20)	(20)
Extraordinary items	(0)	(0)	0	-	-
Net profit	1,264	1,232	1,893	2,083	3,820
EBITDA	1,709	1,847	2,420	3,519	5,463
EPS (NT\$)	14.68	14.28	21.23	23.07	42.28

Cash flow

NT\$m	Dec-22A	Dec-23A	Dec-24A	Dec-25F	Dec-26F
Operations cash flow	1,241	1,971	1,643	1,019	2,638
Net profit	1,264	1,232	1,893	2,083	3,820
Depreciation & amortisation	536	470	509	587	679
Decrease in working capital	(758)	151	(825)	(1,646)	(1,856)
Other operating cash flow	199	117	67	(5)	(5)
Investing cash flow	(633)	(1,053)	(1,567)	(1,199)	(1,179)
Sale of ST investment	-	(89)	(44)	-	-
New investments	-	(100)	(22)	(61)	(41)
Capital expenditure	(615)	(835)	(1,436)	(1,100)	(1,100)
Others investing cashflow	(18)	(30)	(65)	(38)	(38)
Free cash flow	61	843	(230)	149	1,512
Financing cash flow	(629)	(1,007)	1,364	(151)	164
Increase in short term debt	(71)	(305)	65	-	-
Increase in long term loans	10	(81)	1,544	731	1,138
New ordinary shares issued	-	-	-	-	-
Ordinary dividends paid	(517)	(577)	(571)	(903)	(994)
Other financing cashflow	(52)	(43)	160	20	20
Forex effects	12	(29)	3	-	-
Total cash generated	(10)	(118)	1,443	(331)	1,622

ROIC

	Dec-22A	Dec-23A	Dec-24A	Dec-25F	Dec-26F
1 - COGS/revenue					
- Operating exp./revenue	11.2%	12.8%	13.4%	13.7%	11.0%
= Operating margin	8.5%	10.8%	12.1%	13.7%	17.2%
1 / (Working capital/revenue	0.2	0.2	0.2	0.2	0.2
+ Net PPE/revenue	0.2	0.2	0.3	0.2	0.2
+ Other assets/revenue)	0.0	0.0	0.0	0.0	0.0
= Capital turnover	2.5	2.1	2.0	2.2	2.5
Operating margin	8.5%	10.8%	12.1%	13.7%	17.2%
x Capital turnover	2.5	2.1	2.0	2.2	2.5
x (1 - tax rate)	79.0%	79.0%	81.6%	80.0%	80.0%
= After-tax ROIC	16.5%	18.2%	20.1%	23.8%	33.8%

Source: Company data; KGI Research estimates

Auras – Recommendation & target price history



Date	Rating	Target	Price
2025-06-27	Outperform	791	650
2025-05-07	Outperform	640	510
2025-02-25	Outperform	800	637
2025-02-04	Outperform	800	556
2025-02-04	Outperform	800	556
2024-11-14	Outperform	990	700
2024-10-29	Outperform	990	652
2024-07-30	Outperform	920	671
2024-04-30	Outperform	920	800
2024-03-09	Outperform	660	571

Source: TEJ; KGI Research

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