

Quanta Computer (2382.TW/2382 TT)

4Q25 EPS a beat; no slow season in 1Q26F, with AI driving

FTSE4Good TIP Taiwan ESG Index stock

Outperform · Maintained

Price as of February 26 (NT\$)	291.5
12M target price (NT\$)	405.0
Previous target price (NT\$)	385.0
Revised up (%)	5.2
Upside (%)	38.9

Key message

- 4Q25 EPS of NT\$5.76 was a beat on higher sales and forex gains, while margins were largely in line.
- We expect 1Q26F sales to grow QoQ on higher GB300 shipments, though 1Q26F margins will decline QoQ.
- The firm expects AI server to contribute over 80% of server sales in 2026F, up from 70% last year, with AI server sales to grow by triple digits, boosting EPS. Capex will increase to support strong demand.

Trading data

Mkt cap (NT\$bn/US\$mn)	1,126 / 35,950
Outstanding shares (mn)	3,863
Foreign ownership (mn)	936
3M avg. daily trading (mn)	12.86
52-week trading range (NT\$)	178.5 –309.5

Performance	3M	6M	12M
Absolute (%)	4.3	10	12.1
Relative (%)	-24.9	-35.7	-39.2

Quarterly EPS

NT\$	1Q	2Q	3Q	4Q
2024	3.13A	3.92A	4.32A	4.12A
2025	5.06A	4.37A	4.26A	5.76F
2026	4.43F	4.87F	5.59F	7.60F

Share price chart



Source: TEJ

Event

4Q25 EPS reached NT\$5.76, beating market consensus and our estimate on stronger sales and non-operating income. We expect the GB300 AI server ramp-up to drive 1Q26F sales growth QoQ, while AI server sales will continue to be the full-year catalyst, growing by triple digits YoY.

Impact

4Q25 EPS beat. 4Q25 EPS of NT\$5.76 was up 35% QoQ and 40% YoY, beating our forecast and consensus. Gross margin of 6.3% and operating margin of 3.8% were largely in line with our estimates, with GB300 shipments ramping up. The server sales weighting rose to 75-80% (vs. 70% in 3Q25), while AI server accounted for 75-80% of server sales (vs. 70% in 3Q25), mostly GB shipments. We think this implies a GB AI server gross margin of around 5% in 4Q25, largely in line with our original forecast. With a stable operating expenses ratio but higher forex gains of NT\$3.55bn, 4Q25 EPS was a beat. 2025 EPS reached NT\$19.45, up 26% YoY, also better than we expected. Quanta plans a cash dividend of NT\$15.6 per share, for a payout ratio of 80%.

GB300 ramp to boost 1Q26F sales; AI server will continue to drive full-year sales & earnings.

On GB300 shipments expansion in 1Q26F, we expect 1Q26F sales to grow QoQ, despite a NB shipments decline of 20-30% QoQ. With GB AI sales contribution rising further, we predict a gross and operating margin squeeze QoQ in 1Q26F. The company remains positive on AI server sales growth for 2026F, guiding for triple-digit YoY growth (unchanged), with GB, VR and ASIC sales all expanding significantly. Hence, the server sales contribution looks to increase to over 80% this year, with AI server rising to over 80% of total server sales. General server sales grew 30-50% last year, and it expects sales to be only stable this year, as more resources are allocated to the AI business. For NB, Quanta maintains guidance that 2026F shipments will track industry trends, likely declining YoY on high consumer model exposure amid memory price hikes, which are hindering demand. For EV, sales fell by double digits last year, with contribution down to low single digits. Management expects stable sales in 2026F. On strong AI demand, it guides AI-related capacity to double by 4Q26F, and 2026F capex has been raised further to NT\$30bn from NT\$17.8bn last year, with Thailand and the US taking the lion's share.

As we expect a higher ASP for AI server this year, we revise up 2026F sales growth. But with gross margin dilution on GB AI server sales expansion this year, we estimate a margin decline to 6% in 1Q26F and 5.7% in 2026F, vs. 7% in 2025. We forecast a more moderate decline for operating margin this year to 3.5%, vs. 4.1% in 2025. Our 2026F EPS estimate is revised up to NT\$22.49 (up 16% YoY).

Valuation & Action

We raise our target price from NT\$385 to NT\$405, based on 18x 2026F EPS, and maintain our Outperform rating on growing AI server sales and EPS in 2026F.

Risks

Weak NB demand; low AI server margin; weak EV and auto sales.

Key financials and valuations

	Dec-22A	Dec-23A	Dec-24A	Dec-25F	Dec-26F
Revenue (NT\$mn)	1,280,429	1,085,611	1,410,756	2,123,689	3,228,128
Gross profit (NT\$mn)	70,915	84,883	110,760	148,332	184,983
Operating profit (NT\$mn)	31,189	43,550	61,622	87,396	111,955
Net profit (NT\$mn)	28,957	39,676	59,702	74,988	86,692
EPS (NT\$)	7.51	10.29	15.49	19.45	22.49
Cash DPS (NT\$)	6.00	9.00	13.00	15.60	17.96
EPS growth (%)	(14.0)	37.0	50.5	25.6	15.6
PE (x)	38.8	28.3	18.8	15.0	13.0
PB (x)	6.7	6.0	5.1	4.8	4.4
EV/EBITDA (x)	28.9	20.5	16.2	11.5	10.2
Net debt to equity (%)	28.0	Net cash	28.9	19.7	81.5
Dividend yield (%)	2.1	3.1	4.5	5.4	6.2
Return on average equity (%)	17.5	22.3	29.2	32.7	35.3

Source: Company data, KGI Research estimates

Figure 1: Breakdown of 4Q25 results & 1Q26 forecast revisions vs. consensus

NT\$m	4Q25							1Q26F						
	Actual	KGI forecast	Diff. (%)	QoQ (%)	YoY (%)	Consensus	Diff. (%)	Revision	Previous	Chg. (%)	QoQ (%)	YoY (%)	Consensus	Diff. (%)
Sales	638,637	559,642	14.1	29.0	53.0	570,425	12.0	651,410	570,835	14.1	2.0	34.1	623,637	4.5
Gross profits	40,398	35,817	12.8	19.1	30.0	36,285	11.3	39,085	34,250	14.1	(3.3)	1.6	38,547	1.4
Operating income	24,019	20,427	17.6	30.7	58.4	20,138	19.3	22,148	19,979	10.9	(7.8)	(10.0)	22,204	(0.3)
Pretax Income	27,478	22,516	22.0	31.4	54.7	21,110	30.2	22,130	20,233	9.4	(19.5)	(12.4)	22,964	(3.6)
Net income	22,197	16,872	31.6	35.1	39.8	16,490	34.6	17,061	15,582	9.5	(23.1)	(12.5)	17,880	(4.6)
EPS (NT\$)	5.76	4.38	31.6	35.1	39.8	4.28	34.6	4.43	4.04	9.5	(23.1)	(12.5)	4.64	(4.6)
Gross margin (%)	6.3	6.4	(0.1)ppts	(0.5)ppts	(1.1)ppts	6.4	(0.0)ppts	6.0	6.0	0.0 ppts	(0.3)ppts	(1.9)ppts	6.2	(0.2)ppts
OP margin (%)	3.8	3.7	0.1 ppts	0.1 ppts	0.1 ppts	3.5	0.2 ppts	3.4	3.5	(0.1)ppts	(0.4)ppts	(1.7)ppts	3.6	(0.2)ppts
Net margin (%)	3.5	3.0	0.5 ppts	0.2 ppts	(0.3)ppts	2.9	0.6 ppts	2.6	2.7	(0.1)ppts	(0.9)ppts	(1.4)ppts	2.9	(0.2)ppts

Source: Bloomberg; KGI Research estimates

Figure 2: Breakdown of 2025 results & 2026 forecast revisions vs. consensus

NT\$m	2025						2026F					
	Actual	KGI forecast	Diff. (%)	YoY (%)	Consensus	Diff. (%)	Revision	Previous	Chg. (%)	YoY (%)	Consensus	Diff. (%)
Sales	2,123,689	2,158,096	(1.6)	50.5	2,052,579	3.5	3,228,128	3,021,852	6.8	52.0	2,899,181	11.3
Gross profit	148,332	143,076	3.7	33.9	143,947	3.0	184,983	160,784	15.1	24.7	176,154	5.0
Operating income	87,396	82,259	6.2	41.8	83,588	4.6	111,955	96,017	16.6	28.1	104,679	7.0
Pretax Income	95,273	83,657	13.9	30.2	89,016	7.0	111,882	96,789	15.6	17.4	108,622	3.0
Net income	74,988	64,502	16.3	25.6	69,458	8.0	86,692	74,889	15.8	15.6	84,725	2.3
EPS (NT\$)	19.45	16.73	16.3	25.6	18.02	8.0	22.49	19.43	15.8	15.6	21.98	2.3
Gross margin (%)	7.0	6.6	0.4 ppts	(0.9)ppts	7.0	(0.0)ppts	5.7	5.3	0.4 ppts	(1.3)ppts	6.1	(0.3)ppts
OP margin (%)	4.1	3.8	0.3 ppts	(0.3)ppts	4.1	0.0 ppts	3.5	3.2	0.3 ppts	(0.6)ppts	3.6	(0.1)ppts
Net margin (%)	3.5	3.0	0.5 ppts	(0.7)ppts	3.4	0.1 ppts	2.7	2.5	0.2 ppts	(0.8)ppts	2.9	(0.2)ppts

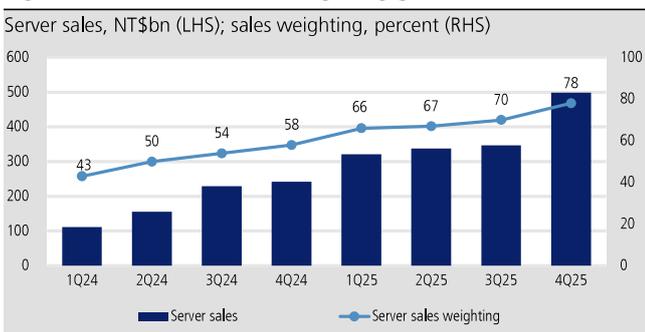
Source: Bloomberg; KGI Research estimates

Figure 3: Server sales weighting growing in 2026F

Sales weighting (%)	2019	2020	2021	2022	2023	2024	2025	2026F
NB / Chromebook	43	53	54	48	41	29	22	13
Cloud server	23	24	26	27	35	52	71	82
EV	1	2	3	6	8	8	3	2
Wearable / IoT / Others	32	21	18	19	16	11	3	3

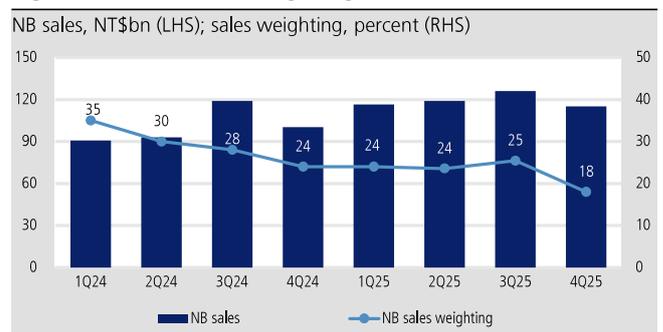
Source: KGI Research estimates

Figure 4: The server sales weighting grew to 78% in 4Q25



Source: Company data; KGI Research

Figure 5: The NB sales weighting down to 18% in 4Q25



Source: Company data; KGI Research

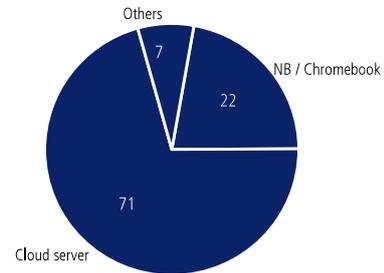
Figure 6: Company profile

Established in 1988, Quanta Computer is the world's second largest NB ODM, with shipment volume of 45.9mn units and global market share of 24-25% in 2024. Its major clients include the top six global NB brands, such as Apple (US) and HP (US). The company has over 30k employees worldwide. It is currently expanding into other businesses, including servers, all-in-one (AIO) PCs, wearables, and AI. Cloud business is expected to be a long-term sales growth driver. In 2025, server accounted for 70% of sales, while NB sales fell to 20-25% and EV to 0-5%.

Source: KGI Research

Figure 7: 2025 NB sales weighting fell to 20-25%; server rose to around 70%

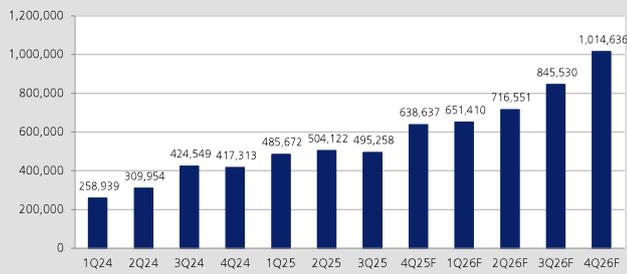
2025 sales weighting, percent



Source: Company data; KGI Research

Figure 8: Sales

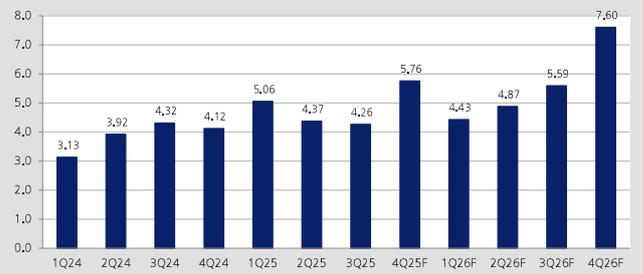
Sales, NT\$m



Source: KGI Research

Figure 9: EPS

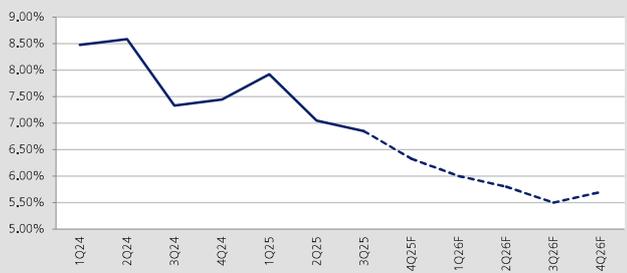
EPS, NT\$



Source: KGI Research

Figure 10: Gross Margin

Gross margin, percent



Source: KGI Research

Figure 11: 12M forward PE band

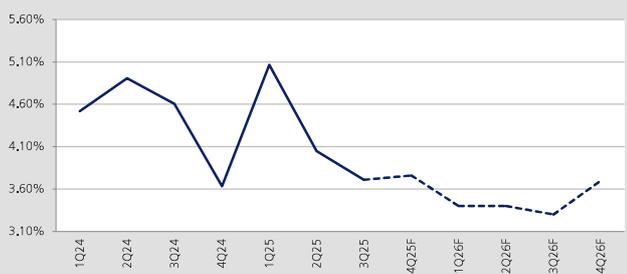
Share price, NT\$ (LHS); PE ratio, x (RHS)



Source: TEI; KGI Research estimates

Figure 12: Operating Margin

Operating margin, percent



Source: KGI Research

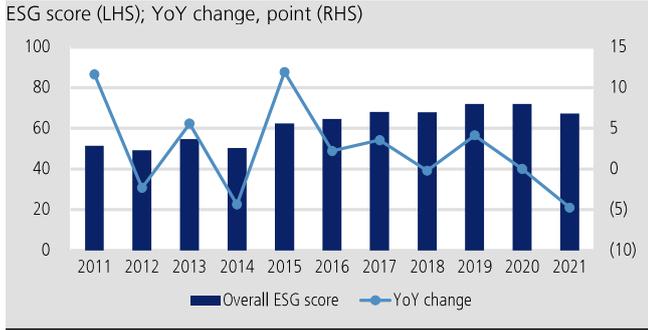
Figure 13: 12M forward PB band

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



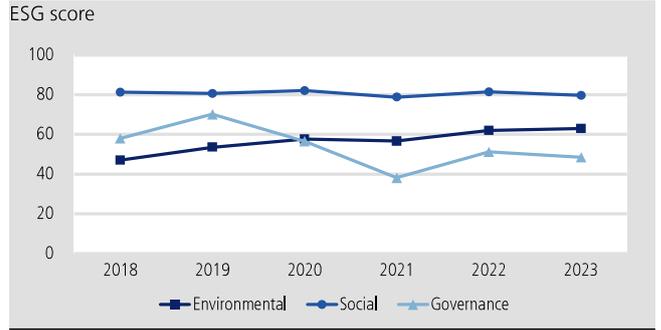
Source: TEI; KGI Research estimates

Figure 14: Overall ESG score



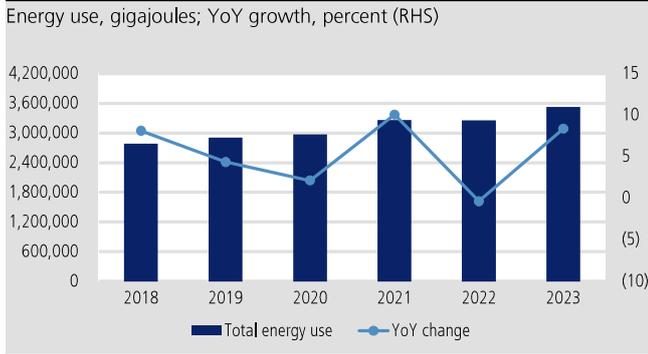
Source: Refinitiv; KGI Research; Company data

Figure 15: ESG scores



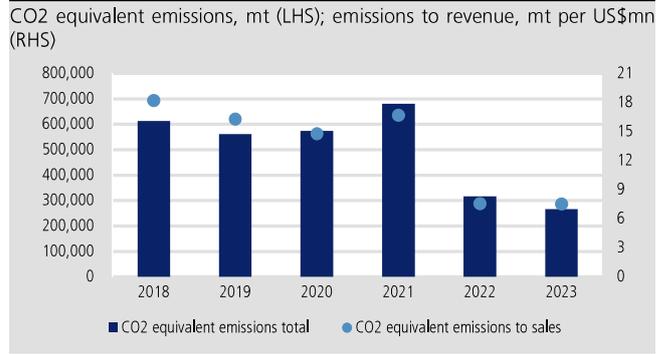
Source: Refinitiv; KGI Research; Company data

Figure 16: Energy Use



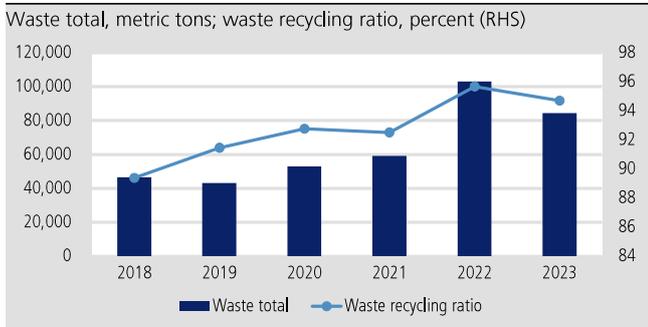
Source: Refinitiv; KGI Research; Company data

Figure 17: CO2 equivalent emissions



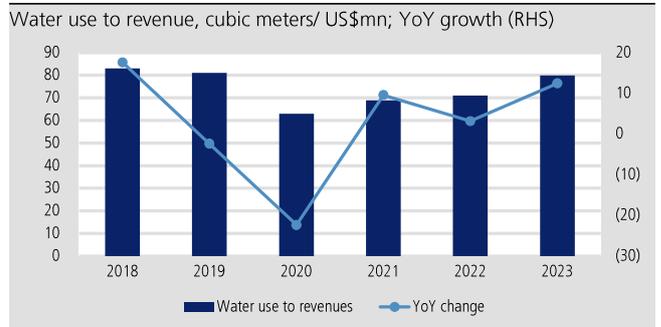
Source: Refinitiv; KGI Research; Company data

Figure 18: Waste total



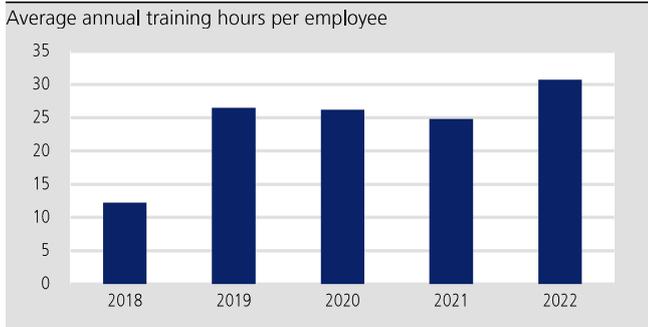
Source: Refinitiv; KGI Research; Company data

Figure 19: Water use to revenue



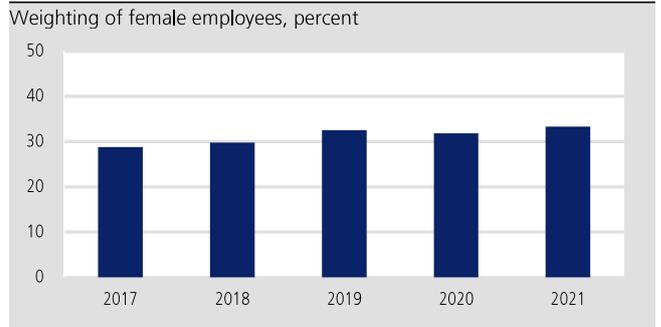
Source: Refinitiv; KGI Research; Company data

Figure 20: Employee training



Source: Refinitiv; KGI Research; Company data

Figure 21: Gender diversification



Source: Refinitiv; KGI Research; Company data

ESG chart definition

Item	Definition	Remarks
Energy use	<p>Total direct and indirect energy consumption in gigajoules.</p> <ul style="list-style-type: none"> - the total amount of energy that has been consumed within the boundaries of the company's operations - total energy use = total direct energy consumption + indirect energy consumption - purchased energy and produced energy are included in total energy use - for utilities, transmission/ grid loss as part of its business activities is considered as total energy consumed and data does not consider electricity produced to answer energy use (utility company produces to sell) - for utilities, raw materials such as coal, gas or nuclear used in the production of energy are not considered under 'total energy use' 	
Renewable energy purchased	<p>Total primary renewable energy purchased in gigajoules.</p> <ul style="list-style-type: none"> - energy consumed by the company from various sources and among the purchased energy, how much energy is renewable in nature (solar, wind, hydro, biomass, geothermal) are in scope - if there is no evidence that renewable energy is produced by the company, then we consider the reported energy figure as renewable energy purchased 	
Renewable energy use ratio	Renewable energy to total energy used	
CO2 equivalent emissions	<p>Direct CO2 and CO2 equivalent emissions in metric tons.</p> <ul style="list-style-type: none"> - direct emissions from sources that are owned or controlled by the company (scope 1 emissions) - following gases are relevant: carbon dioxide (CO2), methane (CH4), nitrous oxide (N2O), hydrofluorocarbons (HFCs), perfluorinated compound (PFCS), sulfur hexafluoride (SF6), nitrogen trifluoride (NF3) 	
CO2 equivalent emissions to sales	<p>Direct CO2 and CO2 equivalent emissions (metric tons) to sales (NT\$m)</p> <ul style="list-style-type: none"> - direct emissions from sources that are owned or controlled by the company (scope 1 emissions) - following gases are relevant: carbon dioxide (CO2), methane (CH4), nitrous oxide (N2O), hydrofluorocarbons (HFCs), perfluorinated compound (PFCS), sulfur hexafluoride (SF6), nitrogen trifluoride (NF3) 	
Waste total	<p>Total amount of waste produced in metric tons.</p> <ul style="list-style-type: none"> - total waste = non-hazardous waste + hazardous waste - only solid waste is taken into consideration, exceptionally if liquid waste is reported in metric tons, then we do the summation to derive total including liquid waste - for sectors like mining, oil & gas, waste generation like tailings, waste rock, coal and fly ash are also considered 	
Waste recycling ratio	<p>The waste recycling ratio as reported by the company.</p> <ul style="list-style-type: none"> - waste recycling ratio = waste recycled/total waste*100 - waste to energy or waste incinerated with energy recovery are considered as waste recycled - waste recovered via composting is considered as recycled waste 	
Water withdrawal total	<p>Total water withdrawal in cubic meters.</p> <ul style="list-style-type: none"> - the total volume of water withdrawn from any water source that was either withdrawn directly by the reporting organization or through intermediaries such as water utilities - different sources of water like wells, town/utility/municipal water, river water, and surface water are considered 	
Environmental expenditures	<p>Total amount of environmental expenditures.</p> <ul style="list-style-type: none"> - all environmental investment & expenditures for environmental protection or to prevent, reduce, control environmental aspects, impacts, and hazards. It also includes disposal, treatment, sanitation, and clean-up expenditures 	
Turnover of employees	<p>Percentage of employee turnover.</p> <ul style="list-style-type: none"> - includes employees who left the company for any reason (voluntary or involuntary), such as resignations, retirement, natural departure/death, medical incapacitation, redundancy, layoffs, restructuring, dismissal, retrenchment or end of a fixed-term contract - employees turnover rate = (employees leaving/average number of employees)*100 - where the average number of employees = (employees at the end of the current year + employees at the end of the previous year)/2 - employees at the end of the current fiscal year = employees at the end of the previous fiscal year + new employees - employees leaving 	
Women managers	<p>Percentage of women managers.</p> <ul style="list-style-type: none"> - percentage of women managers among total managers of the company - if there is a breakdown by category in percentage, such as top, senior, middle, and junior management, then we consider the percentage of middle women managers - percentage of women managers = number of women managers/total number of managers*100 	
Women employees	<p>Percentage of women employees.</p> <ul style="list-style-type: none"> - percentage of women employees to the total number of employees of the company - percentage of women employees = number of women/total number of employees*100 	
Training hours total	<p>Total training hours performed by all employees.</p> <ul style="list-style-type: none"> - consider only employee training hours - includes all types of training given to general employees (such as health & safety, environmental, emergency response, skills & career development training) - if the value is given in days, multiply by 8, assuming that 1 day = 8 hours worked 	
Training hours per employee	Training hours per employee per year	

Source: Refinitiv; KGI Research

Income statement

	Quarterly								Annually		
	Mar-25A	Jun-25A	Sep-25A	Dec-25F	Mar-26F	Jun-26F	Sep-26F	Dec-26F	Dec-24A	Dec-25F	Dec-26F
Income statement (NT\$m)											
Revenue	485,672	504,122	495,258	638,637	651,410	716,551	845,530	1,014,636	1,410,756	2,123,689	3,228,128
Cost of goods sold	(447,189)	(468,588)	(461,340)	(598,239)	(612,326)	(674,991)	(799,026)	(956,802)	(1,299,996)	(1,975,357)	(3,043,145)
Gross profit	38,483	35,533	33,918	40,398	39,085	41,560	46,504	57,834	110,760	148,332	184,983
Operating expenses	(13,882)	(15,130)	(15,544)	(16,380)	(16,937)	(17,197)	(18,602)	(20,293)	(49,138)	(60,936)	(73,028)
Operating profit	24,600	20,403	18,374	24,019	22,148	24,363	27,903	37,542	61,622	87,396	111,955
Depreciation of fixed assets	(2,670)	(2,630)	(2,766)	(4,929)	(4,628)	(4,628)	(4,628)	(4,628)	(10,111)	(12,995)	(18,511)
Amortisation of intangible assets	(363)	(335)	(303)	(724)	(431)	(431)	(431)	(431)	(1,567)	(1,725)	(1,725)
EBITDA	27,634	23,368	21,443	29,671	27,207	29,422	32,962	42,601	73,301	102,116	132,191
Interest income	1,411	2,038	1,361	2,112	1,423	1,423	1,423	1,423	9,743	6,922	5,693
Investment income	20	-	-	-	13	13	13	13	210	20	50
Other non-op income	1,664	1,432	3,214	3,545	1,000	1,000	1,000	1,000	6,283	9,855	4,000
Non-operating income	3,095	3,470	4,574	5,657	2,436	2,436	2,436	2,436	16,236	16,797	9,743
Interest expense	(2,413)	(2,251)	(2,035)	(2,142)	(2,329)	(2,329)	(2,329)	(2,329)	(7,288)	(8,841)	(9,315)
Investment loss	(14)	(5)	(5)	(55)	(13)	(13)	(13)	(13)	(39)	(79)	(50)
Other non-op expenses	(0)	(0)	(0)	(0)	(113)	(113)	(113)	(113)	2,637	(0)	(450)
Non-operating expenses	(2,426)	(2,256)	(2,040)	(2,198)	(2,454)	(2,454)	(2,454)	(2,454)	(4,691)	(8,920)	(9,815)
Pre-tax profit	25,269	21,617	20,909	27,478	22,130	24,345	27,884	37,523	73,167	95,273	111,882
Current taxation	(5,572)	(4,541)	(4,279)	(5,094)	(4,869)	(5,356)	(6,135)	(8,031)	(12,884)	(19,487)	(24,390)
Minorities	(199)	(215)	(198)	(187)	(200)	(200)	(200)	(200)	(581)	(799)	(800)
Normalised net profit	19,498	16,861	16,431	22,197	17,061	18,789	21,550	29,292	59,702	74,988	86,692
Extraordinary items	0	0	0	(0)	-	-	-	-	-	-	-
Net profit	19,498	16,861	16,431	22,197	17,061	18,789	21,550	29,292	59,702	74,988	86,692
EPS (NT\$)	5.06	4.37	4.26	5.76	4.43	4.87	5.59	7.60	15.49	19.45	22.49
Margins (%)											
Gross profit margin	7.9	7.0	6.8	6.3	6.0	5.8	5.5	5.7	7.9	7.0	5.7
Operating margin	5.1	4.0	3.7	3.8	3.4	3.4	3.3	3.7	4.4	4.1	3.5
EBITDA margin	5.7	4.6	4.3	4.6	4.2	4.1	3.9	4.2	5.2	4.8	4.1
Pretax profit margin	5.2	4.3	4.2	4.3	3.4	3.4	3.3	3.7	5.2	4.5	3.5
Net profit margin	4.0	3.3	3.3	3.5	2.6	2.6	2.5	2.9	4.2	3.5	2.7
Sequential growth (%)											
Revenue growth	16.4	3.8	(1.8)	29.0	2.0	10.0	18.0	20.0			
Gross profit growth	23.8	(7.7)	(4.5)	19.1	(3.3)	6.3	11.9	24.4			
Operating profit growth	62.3	(17.1)	(9.9)	30.7	(7.8)	10.0	14.5	34.5			
EBITDA growth	52.3	(15.4)	(8.2)	38.4	(8.3)	8.1	12.0	29.2			
Pretax profit growth	42.3	(14.5)	(3.3)	31.4	(19.5)	10.0	14.5	34.6			
Net profit growth	22.8	(13.5)	(2.5)	35.1	(23.1)	10.1	14.7	35.9			
YoY growth (%)											
Revenue growth	87.6	62.6	16.7	53.0	34.1	42.1	70.7	58.9	30.0	50.5	52.0
Gross profit growth	75.3	33.5	9.0	30.0	1.6	17.0	37.1	43.2	30.5	33.9	24.7
Operating profit growth	110.3	34.2	(6.0)	58.4	(10.0)	19.4	51.9	56.3	41.5	41.8	28.1
EBITDA growth	89.8	28.8	(4.5)	63.6	(1.5)	25.9	53.7	43.6	33.3	39.3	29.5
Pretax profit growth	73.9	10.3	(1.7)	54.7	(12.4)	12.6	33.4	36.6	41.4	30.2	17.4
Net profit growth	61.6	11.5	(1.2)	39.8	(12.5)	11.4	31.2	32.0	50.5	25.6	15.6

Source: Company data, KGI Research estimates

Balance sheet

NT\$m	Dec-22A	Dec-23A	Dec-24A	Dec-25F	Dec-26F
Total assets	816,134	690,120	932,446	1,109,013	1,408,402
Current assets	733,270	610,448	840,694	1,012,544	1,300,505
Cash & ST securities	214,499	218,726	201,099	301,142	216,393
Inventory	225,856	123,764	261,886	297,657	458,556
Accounts receivable	283,992	259,907	371,246	407,283	619,093
Other current assets	8,923	8,051	6,463	6,463	6,463
Non-current assets	82,864	79,672	91,753	96,468	107,896
LT investments	4,353	5,449	7,903	7,813	7,753
Net fixed assets	63,225	60,820	67,061	71,866	83,355
Other assets	15,286	13,404	16,789	16,789	16,789
Total liabilities	639,610	496,228	702,141	863,177	1,144,428
Current liabilities	628,591	483,013	638,699	792,257	1,074,000
Accounts payable	213,514	168,322	282,782	351,776	541,930
Interest bearing ST liabilities	249,525	158,797	179,540	254,061	336,554
Other current liabilities	165,552	155,893	176,377	186,420	195,516
Non-current liabilities	11,019	13,215	63,442	70,921	70,428
Long-term debt	4,525	5,931	50,983	58,461	57,969
Other L-T liabilities	3,732	5,413	9,192	9,192	9,192
Total equity	176,523	193,892	230,306	245,835	263,974
Share capital	38,626	38,626	38,626	38,626	38,626
Retained earnings reserve	71,674	76,586	111,059	125,790	143,128
Minority interests	7,365	7,685	8,020	8,819	9,619
Preferred shareholders funds	-	-	-	-	-

Key ratios

	Dec-22A	Dec-23A	Dec-24A	Dec-25F	Dec-26F
Growth					
Revenue growth	13.4%	(15.2%)	30.0%	50.5%	52.0%
Operating profit growth	(16.3%)	39.6%	41.5%	41.8%	28.1%
EBITDA growth	(9.5%)	33.2%	33.3%	39.3%	29.5%
Net profit growth	(14.0%)	37.0%	50.5%	25.6%	15.6%
EPS growth	(14.0%)	37.0%	50.5%	25.6%	15.6%
Profitability					
Gross profit margin	5.5%	7.8%	7.9%	7.0%	5.7%
Operating margin	2.4%	4.0%	4.4%	4.1%	3.5%
EBITDA margin	3.2%	5.1%	5.2%	4.8%	4.1%
Net profit margin	2.3%	3.7%	4.2%	3.5%	2.7%
Return on average assets	3.8%	5.3%	7.4%	7.3%	6.9%
Return on average equity	17.5%	22.3%	29.2%	32.7%	35.3%
Stability					
Gross debt to equity	143.9%	85.0%	100.1%	127.1%	149.5%
Net debt to equity	28.0%	Net cash	28.9%	19.7%	81.5%
Interest coverage (x)	10.3	6.8	11.0	11.8	13.0
Interest & ST debt coverage (x)	0.1	0.2	0.3	0.2	0.2
Cash flow interest coverage(x)	2.6	13.9	(4.8)	9.8	(8.1)
Cash flow/int. & ST debt (x)	0.0	0.7	(0.2)	0.3	(0.2)
Current ratio (x)	1.2	1.3	1.3	1.3	1.2
Quick ratio (x)	0.8	1.0	0.9	0.9	0.8
Net debt (NT\$m)	49,412	(12,506)	66,531	48,488	215,237
Per share data					
EPS (NT\$)	7.51	10.29	15.49	19.45	22.49
CFPS (NT\$)	2.96	32.25	(9.17)	22.56	(19.62)
BVPS (NT\$)	43.79	48.21	57.55	61.36	65.85
Adj BVPS (NT\$)	43.89	48.29	57.67	61.49	65.99
SPS (NT\$)	332.19	281.55	366.00	550.96	837.49
EBITDA/share (NT\$)	10.71	14.26	19.02	26.49	34.30
Cash DPS (NT\$)	6.00	9.00	13.00	15.60	17.96
Activity					
Sales / avg assets	1.67	1.44	1.74	2.08	2.56
Days receivable	81.0	87.4	96.3	70.0	70.0
Days inventory	68.2	45.1	73.7	55.0	55.0
Days payable	64.4	61.4	79.6	65.0	65.0
Cash cycle	84.7	71.1	90.4	60.0	60.0

Source: Company data, KGI Research estimates

Profit & loss

NT\$m	Dec-22A	Dec-23A	Dec-24A	Dec-25F	Dec-26F
Revenue	1,280,429	1,085,611	1,410,756	2,123,689	3,228,128
Cost of goods sold	(1,209,514)	(1,000,728)	(1,299,996)	(1,975,357)	(3,043,145)
Gross profit	70,915	84,883	110,760	148,332	184,983
Operating expenses	(39,725)	(41,339)	(49,138)	(60,936)	(73,028)
Operating profit	31,189	43,550	61,622	87,396	111,955
Non-operating income	13,977	16,785	16,236	16,797	9,743
Interest income	5,018	10,620	9,743	6,922	5,693
Investment income	496	33	210	20	50
Other non-op income	8,462	6,131	6,283	9,855	4,000
Non-operating expenses	(4,385)	(8,603)	(4,691)	(8,920)	(9,815)
Interest expense	(4,370)	(8,915)	(7,288)	(8,841)	(9,315)
Investment loss	(15)	(45)	(39)	(79)	(50)
Other non-op expenses	-	356	2,637	(0)	(450)
Pre-tax profit	40,781	51,731	73,167	95,273	111,882
Current taxation	(11,058)	(11,243)	(12,884)	(19,487)	(24,390)
Minorities	(765)	(812)	(581)	(799)	(800)
Extraordinary items	-	0	0	-	-
Net profit	28,957	39,676	59,702	74,988	86,692
EBITDA	41,292	54,986	73,301	102,116	132,191
EPS (NT\$)	7.51	10.29	15.49	19.45	22.49

Cash flow

NT\$m	Dec-22A	Dec-23A	Dec-24A	Dec-25F	Dec-26F
Operations cash flow	11,415	124,333	(35,330)	86,953	(75,628)
Net profit	28,957	39,676	59,702	74,988	86,692
Depreciation & amortisation	10,103	11,437	11,678	14,720	20,236
Decrease in working capital	(63,213)	80,499	(130,646)	(2,813)	(182,556)
Other operating cash flow	35,567	(7,279)	23,935	59	-
Investing cash flow	(14,143)	(37,612)	(12,290)	(19,495)	(31,664)
Sale of ST investment	1,560	(29,080)	681	-	-
New investments	(19)	(30)	91	31	61
Capital expenditure	(16,892)	(8,832)	(13,132)	(17,800)	(30,000)
Others investing cashflow	1,208	330	70	(1,725)	(1,725)
Free cash flow	(48,850)	115,553	(82,896)	61,902	(106,496)
Financing cash flow	31,295	(114,205)	28,917	32,584	22,543
Increase in short term debt	34,188	(47,522)	(3,117)	80,000	80,000
Increase in long term loans	24,293	(41,138)	68,806	2,000	2,000
New ordinary shares issued	-	-	-	-	-
Ordinary dividends paid	(26,009)	(23,765)	(34,691)	(50,214)	(60,257)
Other financing cashflow	(1,177)	(1,780)	(2,081)	799	800
Forex effects	13,813	81	5,462		
Total cash generated	42,380	(27,403)	(13,242)	100,043	(84,749)

ROIC

	Dec-22A	Dec-23A	Dec-24A	Dec-25F	Dec-26F
1 - COGS/revenue					
- Operating exp./revenue	3.1%	3.8%	3.5%	2.9%	2.3%
= Operating margin	2.4%	4.0%	4.4%	4.1%	3.5%
1 / (Working capital/revenue	0.1	0.1	0.1	0.1	0.1
+ Net PPE/revenue	0.0	0.1	0.0	0.0	0.0
+ Other assets/revenue)	0.0	0.0	0.0	0.0	0.0
= Capital turnover	6.2	8.3	5.6	8.6	7.5
Operating margin	2.4%	4.0%	4.4%	4.1%	3.5%
x Capital turnover	6.2	8.3	5.6	8.6	7.5
x (1 - tax rate)	72.9%	78.3%	82.4%	79.5%	78.2%
= After-tax ROIC	11.1%	26.0%	20.3%	28.1%	20.2%

Source: Company data, KGI Research estimates

Quanta Computer – Recommendation & target price history



Date	Rating	Target	Price
2025-11-13	Outperform	385.0	285.0
2025-08-13	Outperform	350.0	271.5
2025-07-22	Outperform	325.0	262.5
2025-06-27	Outperform	338.0	285.5
2025-05-14	Outperform	320.0	276.5
2025-02-28	Outperform	325.0	250.5
2025-02-12	Outperform	348.0	258.0
2024-11-14	Outperform	400.0	314.5
2024-08-10	Outperform	390.0	250.0
2024-07-08	Outperform	390.0	319.5

Source: TEI, KGI Research

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