

Foryou Group (002906 CH)

Second Growth Curve Gradually Becoming Clear

China | Automobile Components | Company Report

8 June 2026

Company profile

Foryou Corporation was established in 1993 and is mainly engaged in the R&D, production and sales of automotive electronics and precision die-casting businesses. The Company's automotive electronics business mainly covers two core sectors, namely smart cockpit and advanced driver-assistance systems. Its precision die-casting business is centred on precision mould design and manufacturing technology, covering aluminium alloy, magnesium alloy and zinc alloy product lines. In addition, it actively explores and develops AI, robotics and other related businesses, including optical communication modules, AI high-speed connectors, robotics and other related component businesses. In 2025, the Company reported revenue of RMB13,048 million, up 28.46% yoy; net profit attributable to the parent company was RMB782 million, up 20.00% yoy.

Investment Summary

Q1 Revenue Maintained High Growth

In Q1 2026, the Company reported revenue/net profit attributable to the parent company/net profit excluding non-recurring items of RMB3,096 million/RMB166 million/RMB159 million, respectively (RMB, the same below), up 24.37%/6.61%/5.89% yoy, respectively. Gross margin was 16.5%, down 1.7 pts yoy. The slower profit growth compared with revenue growth was mainly due to factors such as price competition and rising raw material prices. The Company has established a raw material price linkage mechanism with most of its customers, and its operating results are expected to improve significantly from Q2.

Automotive Electronics Business Continued to Grow, With Its Leading Position in Smart Cockpit Firmly Established

The Company's automotive electronics business reported revenue of RMB9,675 million in 2025, up 27.25% yoy, accounting for 74.15% of total revenue. CAGR reached 35.66% from 2020 to 2025, maintaining high-quality growth. The Company has built a comprehensive product matrix and solution capabilities in the smart cockpit field. The market shares of HUD, in-vehicle wireless charging and other products continued to rank first in China, while the market shares of LCD instrument panels and central control screens rapidly rose to the forefront of the industry.

The Company's customer structure continued to optimise, with a low dependence on any single customer, and the revenue contribution from some new energy vehicle makers and international automotive brands increased. Revenue from customers including Changan, BAIC, Xiaomi, Dongfeng, STELLANTIS, SAIC Volkswagen, BYD, Xpeng, NIO and Leapmotor increased significantly. Leveraging the ADAYO Automotive Open Platform (AAOP), the Company provides customers with "one-stop" overall smart cockpit solutions based on its implementation capabilities in cockpit domain controllers across multiple platforms including Qualcomm, SemiDrive and MediaTek, as well as mainstream large models, demonstrating significant platform-based competitive advantages.

BUY (Initiation)

CMP CNY 28.34

(Closing price as at 5 June)

TARGET CNY 36.3 (+28.1%)

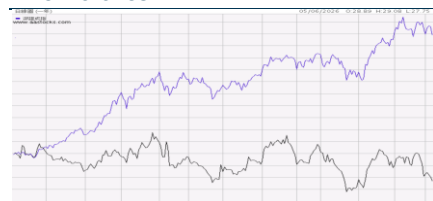
COMPANY DATA

O/S SHARES (MN) :	525
MARKET CAP (CNY MN) :	14876
52 - WK HI/LO (CNY):	35.8/ 26.65

SHARE HOLDING PATTERN, %

Jiangsu Huayue Investment Ltd.	51.6
--------------------------------	------

PRICE VS. SHCOMP



Source: Aastocks, Phillip Securities (HK) Research

KEY FINANCIALS

CNY mn	FY25	FY26E	FY27E	FY28E
Net Sales	13048	15971	19190	22014
Net Profit	782	952	1151	1391
EPS, CNY	1.49	1.81	2.18	2.63
P/E, x	19.0	15.6	13.0	10.8
BVPS, CNY	13.33	14.50	16.00	17.72
P/BV, x	2.1	2.0	1.8	1.6
DPS (CNY)	0.50	0.60	0.73	0.90
Div. Yield (%)	1.8%	2.1%	2.6%	3.2%

Source: Company reports, Phillip Securities Est.

Research Analyst

ZhangJing (+ 86 21-6351 2939)

zhangjing@phillip.com.cn

Precision Die-Casting Business Improved Its Process Technologies, Enhancing Overall Competitiveness

The Company overcame a number of difficult technical challenges in mould design and manufacturing, expanded the application of highly flame-retardant magnesium alloy materials, and promoted the deep integration of 3D vision guidance with AI and robotics to improve the flexible changeover capability of automated manufacturing cells. Its capabilities in complex and difficult production processes, including high-vacuum combined extrusion, friction stir welding of aluminium-magnesium alloys, profiling spraying, multi-spindle machining and vacuum adsorption, continued to improve. The precision die-casting business delivered particularly impressive performance in 2025, reporting revenue of RMB2,859 million, up 38.47% yoy, with growth exceeding that of the automotive electronics business. CAGR reached 35.08% from 2020 to 2025.

Second Growth Curve Gradually Becoming Clear, with Capacity Expansion Releasing Growth Momentum

The Company actively explores non-automotive businesses such as AI and robotics:

- 1) In the AI infrastructure field, optical communication modules, high-speed connectors and data centre cooling system components have secured project nominations;
- 2) In the robotics field, the Company has received orders for robotics display screens and joint module components, and jointly developed robotics main and auxiliary controllers, with brand momentum surging and sales increasing exponentially.

Following a record-high scale of capacity construction in 2025, capital expenditure is expected to remain at a high level in 2026, focusing on the Thailand Production Base, the expansion of the Automotive Electronics Huizhou Base, the expansion of the zinc alloy die-casting business in the AI field, and Phase III of the Precision Die-Casting Changxing Project. Capacity expansion is being carried out based on orders on hand, providing solid support for sustained business growth going forward. Among them, the Thailand Production Base is expected to commence production in Q4 2026, providing strong support for overseas business expansion.

Investment Thesis

The Company's traditional automotive business is growing steadily and rapidly, while its non-automotive business offers enormous growth potential. We are optimistic about the long-term development of the Company and expect EPS to be 1.81/2.18/2.63 yuan respectively for 2026/2027/2028, a yoy increase of 22%/21%/21%. We offer a target price of 36.3 yuan, respectively 220/16.6/13.8x P/E for 2026/2027/2028, and an "Buy" rating. (Closing price as at 5 June)

Risk

- Progress of new production line is below expectations
- Electric vehicle sales fall short of expectations
- Macroeconomic downturn affects product demand
- Sharply rising raw material prices or sharply falling product prices

Historical P/E Band



Source: Wind, Company, Phillip Securities Hong Kong Research

Financials

FYE DEC	FY25	FY26F	FY27F	FY28F
Valuation Ratios				
P/E (X), adj.	19.0	15.6	13.0	10.8
P/B (X)	2.1	2.0	1.8	1.6
Dividend payout ratio(%)	33.6%	33.1%	33.4%	34.2%
Dividend Yield (%)	1.8%	2.1%	2.6%	3.2%
Per share data (RMB)				
EPS, (Basic)	1.49	1.81	2.18	2.63
EPS, (Diluted)	1.49	1.81	2.18	2.63
DPS	0.50	0.60	0.73	0.90
BVPS	13.33	14.50	16.00	17.72
Growth & Margins (%)				
Growth				
Revenue	28.5%	22.4%	20.2%	14.7%
EBIT	19.3%	24.0%	21.7%	12.9%
Net Income, adj.	20.0%	21.9%	20.8%	20.8%
Margins				
Gross margin	18.4%	18.2%	18.3%	18.2%
EBIT margin	6.7%	6.8%	6.9%	6.8%
Net Profit Margin	6.0%	6.0%	6.0%	6.3%
Key Ratios				
ROE	11.6%	13.0%	14.3%	15.6%
Income Statement (RMB mn)				
Revenue	13048	15971	19190	22014
Gross profit	2395	2907	3502	4009
EBIT	873	1082	1317	1487
Profit before tax	838	1024	1239	1497
Tax	51	65	79	95
Profit for the period	787	959	1160	1402
Minority interests	5	7	10	11
Total capital share	525	525	525	525
Net profit	782	952	1151	1391

Source: PSR

(Closing price as at 5 June)

PHILLIP RESEARCH STOCK SELECTION SYSTEMS

Total Return	Recommendation	Rating	Remarks
>+20%	Buy	1	>20% upside from the current price
+5% to +20%	Accumulate	2	+5% to +20% upside from the current price
-5% to +5%	Neutral	3	Trade within \pm 5% from the current price
-5% to -20%	Reduce	4	-5% to -20% downside from the current price
<-20%	Sell	5	>20% downside from the current price

We do not base our recommendations entirely on the above quantitative return bands. We consider qualitative factors like (but not limited to) a stock's risk reward profile, market sentiment, recent rate of share price appreciation, presence or absence of stock price catalysts, and speculative undertones surrounding the stock, before making our final recommendation

GENERAL DISCLAIMER

This publication is prepared by Phillip Securities (Hong Kong) Ltd ("Phillip Securities"). By receiving or reading this publication, you agree to be bound by the terms and limitations set out below.

This publication shall not be reproduced in whole or in part, distributed or published by you for any purpose. Phillip Securities shall not be liable for any direct or consequential loss arising from any use of material contained in this publication.

The information contained in this publication has been obtained from public sources which Phillip Securities has no reason to believe are unreliable and any analysis, forecasts, projections, expectations and opinions (collectively the "Research") contained in this publication are based on such information and are expressions of belief only. Phillip Securities has not verified this information and no representation or warranty, express or implied, is made that such information or Research is accurate, complete or verified or should be relied upon as such. Any such information or Research contained in this publication is subject to change, and Phillip Securities shall not have any responsibility to maintain the information or Research made available or to supply any corrections, updates or releases in connection therewith. In no event will Phillip Securities be liable for any special, indirect, incidental or consequential damages which may be incurred from the use of the information or Research made available, even if it has been advised of the possibility of such damages.

Any opinions, forecasts, assumptions, estimates, valuations and prices contained in this material are as of the date indicated and are subject to change at any time without prior notice.

This material is intended for general circulation only and does not take into account the specific investment objectives, financial situation or particular needs of any particular person. The products mentioned in this material may not be suitable for all investors and a person receiving or reading this material should seek advice from a financial adviser regarding the suitability of such products, taking into account the specific investment objectives, financial situation or particular needs of that person, before making a commitment to invest in any of such products.

This publication should not be relied upon as authoritative without further being subject to the recipient's own independent verification and exercise of judgment. The fact that this publication has been made available constitutes neither a recommendation to enter into a particular transaction nor a representation that any product described in this material is suitable or appropriate for the recipient. Recipients should be aware that many of the products which may be described in this publication involve significant risks and may not be suitable for all investors, and that any decision to enter into transactions involving such products should not be made unless all such risks are understood and an independent determination has been made that such transactions would be appropriate. Any discussion of the risks contained herein with respect to any product should not be considered to be a disclosure of all risks or a complete discussion of such risks.

Nothing in this report shall be construed to be an offer or solicitation for the purchase or sale of a security. Any decision to purchase securities mentioned in this research should take into account existing public information, including any registered prospectus in respect of such security.

Disclosure of Interest

Analyst Disclosure: Neither the analyst(s) preparing this report nor his associate has any financial interest in or serves as an officer of the listed corporation covered in this report.

Firm's Disclosure: Phillip Securities does not have any investment banking relationship with the listed corporation covered in this report nor any financial interest of 1% or more of the market capitalization in the listed corporation. In addition, no executive staff of Phillip Securities serves as an officer of the listed corporation.

Availability

The information, tools and material presented herein are not directed, intended for distribution to or use by, any person or entity in any jurisdiction or country where such distribution, publication, availability or use would be contrary to the applicable law or regulation or which would subject Phillip Securities to any registration or licensing or other requirement, or penalty for contravention of such requirements within such jurisdiction.

Information contained herein is based on sources that Phillip Securities (Hong Kong) Limited ("PSHK") believed to be accurate. PSHK does not bear responsibility for any loss occasioned by reliance placed upon the contents hereof. PSHK (or its affiliates or employees) may have positions in relevant investment products. For details of different product's risks, please visit the Risk Disclosures Statement on <http://www.phillip.com.hk>.

© 2026 Phillip Securities (Hong Kong) Limited

Contact Information (Regional Member Companies)

SINGAPORE

Phillip Securities Pte Ltd

250 North Bridge Road, #06-00 Raffles City Tower,
Singapore 179101

Tel : (65) 6533 6001 Fax: (65) 6535 3834

www.phillip.com.sg

INDONESIA

PT Phillip Securities Indonesia

ANZ Tower Level 23B, Jl Jend Sudirman Kav 33A,
Jakarta 10220, Indonesia

Tel (62) 21 5790 0800 Fax: (62) 21 5790 0809

www.phillip.co.id

THAILAND

Phillip Securities (Thailand) Public Co. Ltd.

15th Floor, Vorawat Building, 849 Silom Road,
Silom, Bangrak, Bangkok 10500 Thailand

Tel (66) 2 2268 0999 Fax: (66) 2 2268 0921

www.phillip.co.th

UNITED STATES

Phillip Futures Inc.

141 W Jackson Blvd Ste 3050
The Chicago Board of Trade Building
Chicago, IL 60604 USA

Tel (1) 312 356 9000 Fax: (1) 312 356 9005

MALAYSIA

Phillip Capital Management Sdn Bhd

B-3-6 Block B Level 3, Megan Avenue II,
No. 12, Jalan Yap Kwan Seng, 50450 Kuala Lumpur

Tel (60) 3 2162 8841 Fax (60) 3 2166 5099

www.poems.com.my

CHINA

Phillip Financial Advisory (Shanghai) Co. Ltd.

No 436 Heng Feng Road, Green Tech Tower Unit 604
Shanghai 200 070

Tel (86) 21 6351 2939 Fax: (86) 21 6091 1155

www.phillip.com.cn

FRANCE

King & Shaxson Capital Ltd.

3rd Floor, 35 Rue de la Bienfaisance
75008 Paris France

Tel (33) 1 4563 3100 Fax : (33) 1 4563 6017

www.kingandshaxson.com

AUSTRALIA

PhillipCapital Australia

Level 10, 330 Collins Street
Melbourne VIC 3000

Tel (+61) 3 8633 9803 Fax (+61) 3 8633 9899

www.phillipcapital.com.au

HONG KONG

Phillip Securities (HK) Ltd

11/F United Centre 95 Queensway Hong Kong

Tel (852) 2277 6600 Fax: (852) 2868 5307

www.phillip.com.hk

JAPAN

Phillip Securities Japan, Ltd

4-2 Nihonbashi Kabutocho, Chuo-ku
Tokyo 103-0026

Tel: (81) 3 3666 2101 Fax: (81) 3 3664 0141

www.phillip.co.jp

INDIA

PhillipCapital (India) Private Limited

No. 1, 18th Floor, Urmi Estate, 95 Ganpatrao Kadam Marg,
Lower Parel West, Mumbai 400013

Tel: (9122) 2300 2999 Fax: (9122) 6667 9955

www.phillipcapital.in

UNITED KINGDOM

King & Shaxson Ltd.

6th Floor, Candlewick House, 120 Cannon Street
London, EC4N 6AS

Tel (44) 20 7929 5300 Fax: (44) 20 7283 6835

www.kingandshaxson.com

SRI LANKA

Asha Phillip Securities Limited

Level 4, Millennium House, 46/58 Navam Mawatha,
Colombo 2, Sri Lanka

Tel: (94) 11 2429 100 Fax: (94) 11 2429 199

www.ashaphillip.net/home.htm