share of a grow[illegible] pie

[illegible]
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Goldman Sachs

CR Micro (688396.SS): A domestic major in MOSFETs, expanding into IGBTs and power ICs

Primary analysts:

Initiate at Buy with a 12-month TP of Rmb88: CR Micro is [illegible]

switching (power on/off) in low voltage applications such as consumer electronics, power tools, automotives, etc. The company is expanding its MOSFET product offering from consumer electronics to auto/industrial applications, and expanding into IGBT, power ICs.

As a MOSFET IDM (c.30% of 2020E revs), with foundry and OSAT capabilities (c.50% of revs), we like the company for its improving margin outlook as it ramps up contribution from higher margin products in the IDM segment and for its strength versus domestic peers in revenue scale (2020E MO[illegible]

These products also carry higher GM at 32-43% in 2020E (vs. overall IDM segment 30% in 2020E), [illegible]