Morgan Stanley | RESEARCH

UPDATE

June 1, 2026 11:07 AM GMT

AP Memory Technology Corp | Asia Pacific

April profitability fluctuation

AP Memory reported April 2026 net profit of NT$186mn, +227% Y/Y. April 2026 EPS was NT$1.14, +227% Y/Y. April 2026 net margin wass 23.1%. This is lower than 1Q26 net margin of 32.2% and our 2Q26 net margin estimate of 28.9%. April EPS of NT$1.14 represents 29% of our 2Q26 EPS estimate of NT$3.98.

Remain OW: The April margin appears slightly below 1Q26 and 2Q26e levels, but we attribute this to near-term fluctuations. We remain confident in AP Memory 's multiple drivers, including the S-SiCap market, which is in structural supply shortage (link), and VHM opportunities helped by edge AI (link).

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AP Memory Technology Corp (6531.TW, 6531 TT)

Greater China Technology Semiconductors | Taiwan

Stock Rating	**Overweight**
Industry View	**Attractive**
Price target	NT$1,555.00
Up/downside to price target (%)	38
Shr price, close (Jun 1, 2026)	NT$1,125.00
52-Week Range	NT$1,305.00-268.00
Mkt cap, curr (mn)	NT$182,052
Avg daily trading value (mn)	NT$2,255

Fiscal Year Ending	12/25	12/26e	12/27e	12/28e
EPS (NT$)**	7.74	17.65	34.34	60.74
Prior EPS (NT$)**	-	-	-	-
EPS (NT$)§	6.30	17.77	27.46	49.58
Revenue, net (NT$ mn)	5,658	9,601	17,829	30,478

EBITDA (NT$ mn)	1,474	3,037	6,491	11,733
ModelWare net inc (NT $ mn)	1,258	2,874	5,591	9,888
P/E	57.9	63.7	32.8	18.5
ROE (%)	10.6	23.5	39.2	55.2
EV/EBITDA	41.3	55.6	25.7	13.9
Div yld (%)	1.2	1.1	0.0	0.0

Unless otherwise noted, all metrics are based on Morgan Stanley ModelWare framework
** = Based on consensus methodology
§ = Consensus data is provided by Refinitiv Estimates
e = Morgan Stanley Research estimates

Valuation Methodology and Risks

AP Memory Technology Corp (6531.TW)

Base case, derived from a residual income model. Key RI model assumptions include 1) cost of equity constant at 9.2% (2.0% risk-free rate, 6% risk premium, 1.2 beta); 2) payout ratio of 67%; 3) terminal growth rate of 3.0%; and 4) medium-term growth rate of 16.0%.

Risks to Upside

- Stronger-than-expected consumer demand
- Faster-than-expected IPD ramp and WoW packaging development
- Milder competition from partners (foundry, memory house, GPU vendor) or other design houses

Risks to Downside

- Weaker-than-expected consumer demand
- Slower-than-expected IPD ramp and WoW packaging development
- Intensifying competition from partners (foundry, memory house, GPU vendor) or other design houses

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(as of May 31, 2026)

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	Coverage Universe		Investment Banking Clients (IBC)			Other Material Investment Services Clients (MISC)	
Stock Rating Category	Count	% of Total	Count	% of Total IBC	% of Rating Category	Count	% of Total Other MISC
Overweight/Buy	1542	42%	465	51%	30%	707	43%
Equal-weight/Hold	1571	43%	369	40%	23%	723	44%
Not-Rated/Hold	3	0%	0	0%	0%	1	0%
Underweight/Sell	551	15%	86	9%	16%	201	12%
Total	3,667		920			1632	

Data include common stock and ADRs currently assigned ratings. Investment Banking Clients are companies from whom Morgan Stanley received investment banking compensation in the last 12 months. Due to rounding off of decimals, the percentages provided in the "% of total" column may not add up to exactly 100 percent.

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Overweight (O). The stock's total return is expected to exceed the average total return of the analyst's industry (or industry team's) coverage universe, on a risk-adjusted basis, over the next 12-18 months.

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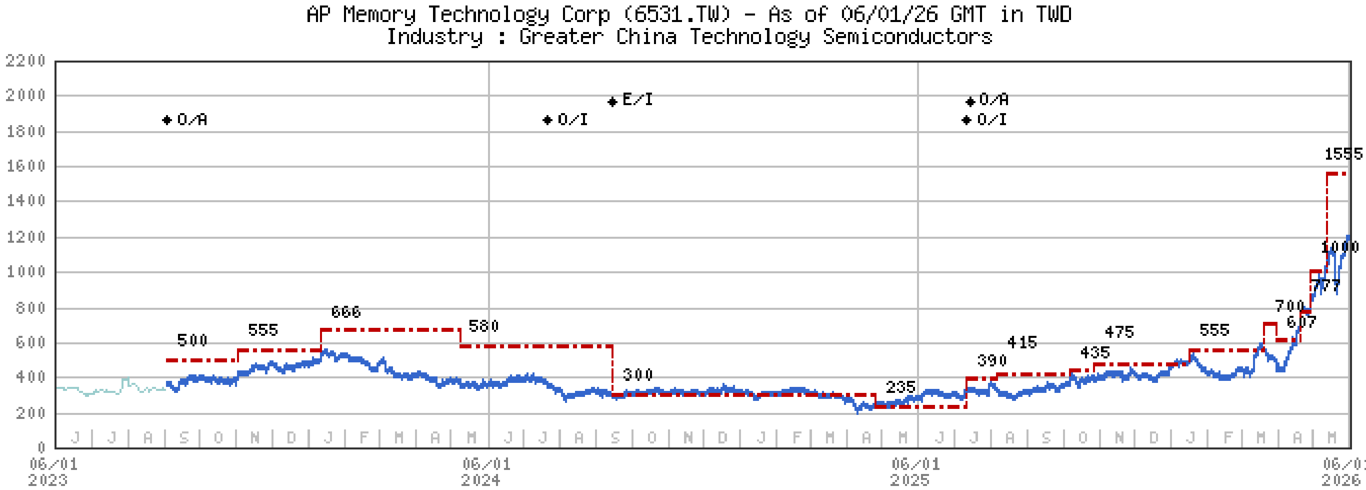
Stock Price, Price Target and Rating History (See Rating Definitions)



Stock Rating History: 9/4/23 : O/A; 7/21/24 : O/I; 9/15/24 : E/I; 7/11/25 : O/I; 7/14/25 : O/A

Price Target History: 9/4/23 : 500; 11/3/23 : 555; 1/12/24 : 666; 5/8/24 : 580; 9/15/24 : 300; 4/25/25 : 235; 7/11/25 : 390; 8/6/25 : 415; 10/7/25 : 435; 10/27/25 : 475; 1/16/26 : 555; 3/20/26 : 700; 3/31/26 : 607; 4/20/26 : 777; 4/28/26 : 1000; 5/13/26 : 1555

Source: Morgan Stanley Research Date Format : MM/DD/YY Price Target -- No Price Target Assigned (NA)
Stock Price (Not Covered by Current Analyst) Stock Price (Covered by Current Analyst)
Stock and Industry Ratings (abbreviations below) appear as ♦ Stock Rating/Industry View
Stock Ratings: Overweight (O) Equal-weight (E) Underweight (U) Not-Rated (NR) No Rating Available (NA)
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Advanced Micro-Fabrication Equipment Inc (688012.SS)	O (11/06/2023)	Rmb273.00
Advanced Wireless Semiconductor Co (8086.TWO)	U (07/14/2025)	NT$166.00
Alchip Technologies Ltd (3661.TW)	O (05/14/2021)	NT$4,855.00
ASE Technology Holding Co. Ltd. (3711.TW)	O (09/15/2024)	NT$601.00
Cambricon Technology Corporation (688256.SS)	O (04/27/2026)	Rmb1,238.00
Global Unichip Corp (3443.TW)	E (05/28/2026)	NT$4,655.00
GlobalWafers Co Ltd (6488.TWO)	E (05/19/2026)	NT$950.00
Gudeng Precision (3680.TWO)	O (11/25/2025)	NT$536.00
Hua Hong Semiconductor Ltd (1347.HK)	E (03/12/2026)	HK$152.30
Iluvatar CoreX Semiconductor Co., Ltd. (9903.HK)	O (04/27/2026)	HK$450.20
King Yuan Electronics Co Ltd (2449.TW)	O (03/03/2023)	NT$318.00
Maxscend Microelectronics Co Ltd (300782.SZ)	U (01/11/2021)	Rmb100.35
MediaTek (2454.TW)	O (11/28/2025)	NT$4,555.00
MetaX Integrated Circuits (688802.SS)	E (04/27/2026)	Rmb637.60
Nanya Technology Corp. (2408.TW)	O (05/28/2026)	NT$381.50
NAURA Technology Group Co Ltd (002371.SZ)	O (11/06/2023)	Rmb589.89
OmniVision Integrated Circuits Group Inc (603501.SS)	E (11/17/2025)	Rmb92.23
Phison Electronics Corp (8299.TWO)	E (02/25/2026)	NT$2,770.00
SG Micro Corp. (300661.SZ)	E (11/03/2025)	Rmb105.66
Silergy Corp. (6415.TW)	U (05/19/2026)	NT$606.00
SMIC (0981.HK)	O (10/21/2025)	HK$79.45
TSMC (2330.TW)	O (02/07/2022)	NT$2,355.00
UMC (2303.TW)	O (05/19/2026)	NT$146.00
Vanguard International Semiconductor (5347.TWO)	E (01/14/2026)	NT$179.00
WIN Semiconductors Corp (3105.TWO)	U (07/14/2025)	NT$530.00

Daisy Dai, CFA

ASMPT Ltd (0522.HK)	O (07/24/2025)	HK$185.70
China Resources Microelectronics Limited (688396.SS)	U (03/02/2026)	Rmb65.60
Elan Microelectronics Corp (2458.TW)	O (10/03/2025)	NT$167.00
Empyrean Technology Co Ltd (301269.SZ)	E (01/17/2025)	Rmb105.75
Hangzhou Silan Microelectronics Co. Ltd. (600460.SS)	U (08/25/2025)	Rmb32.80
Innoscience (2577.HK)	E (10/13/2025)	HK$67.40
JCET Group Co Ltd (600584.SS)	E (01/16/2026)	Rmb75.65
Shanghai Fudan Microelectronics (1385.HK)	O (03/07/2025)	HK$32.46
SICC Co Ltd (688234.SS)	O (03/20/2026)	Rmb135.98
StarPower Semiconductor Ltd (603290.SS)	E (05/14/2026)	Rmb117.11
Unigroup Guoxin Microelectronics Co Ltd (002049.SZ)	U (01/10/2023)	Rmb76.51
Universal Scientific Ind. (Shanghai) (601231.SS)	O (11/05/2025)	Rmb40.34
Yangjie Technology (300373.SZ)	O (06/10/2022)	Rmb99.25
Daniel Yen, CFA		
AP Memory Technology Corp (6531.TW)	O (07/11/2025)	NT$1,125.00
ASMedia Technology Inc (5269.TW)	U (10/03/2025)	NT$1,520.00
Aspeed Technology (5274.TWO)	O (06/09/2025)	NT$18,500.00
Egis Technology Inc (6462.TWO)	E (01/28/2026)	NT$123.00
Espressif Systems (688018.SS)	O (05/15/2023)	Rmb164.78
GigaDevice Semiconductor Beijing Inc (603986.SS)	O (05/15/2025)	Rmb468.00
Macronix International Co Ltd (2337.TW)	O (09/18/2025)	NT$167.50
Montage Technology Co Ltd (6809.HK)	O (03/18/2026)	HK$372.40
Montage Technology Co Ltd (688008.SS)	O (03/18/2026)	Rmb232.30
Novatek (3034.TW)	U (02/04/2026)	NT$496.50
Nuvoton Technology Corporation (4919.TW)	U (11/10/2025)	NT$208.00
Parade Technologies Ltd (4966.TWO)	O (05/27/2026)	NT$859.00
Powerchip Semiconductor Manufacturing Co (6770.TW)	O (10/27/2025)	NT$87.00
Realtek Semiconductor (2379.TW)	E (01/30/2026)	NT$609.00
Shenzhen Goodix Technology Co Ltd (603160.SS)	U (07/14/2025)	Rmb57.04
Winbond Electronics Corp (2344.TW)	O (05/28/2026)	NT$168.00
WPG Holdings (3702.TW)	O (03/16/2026)	NT$118.50
WT Microelectronics Co. Ltd. (3036.TW)	O (01/27/2026)	NT$287.50
Duan Liu		
Dosilicon Co Ltd (688110.SS)	U (09/06/2024)	Rmb125.53
Shenzhen Longsys Electronics Co Ltd (301308.SZ)	E (02/25/2026)	Rmb505.80
Tiffany Yeh		
AllRing Tech Co. (6187.TWO)	O (09/23/2025)	NT$1,070.00
FOCI Fiber Optic Communications Inc (3363.TWO)	O (01/15/2025)	NT$809.00
Himax Technologies Inc (HIMX.O)	E (02/04/2026)	US$20.57
Hon Precision (7769.TW)	O (04/17/2026)	NT$7,515.00
MPI Corporation (6223.TWO)	O (04/17/2026)	NT$5,680.00
Silicon Motion (SIMO.O)	O (05/06/2024)	US$276.87
WinWay Technology Co Ltd (6515.TW)	O (04/17/2026)	NT$8,705.00

Stock Ratings are subject to change. Please see latest research for each company.

* Historical prices are not split adjusted.