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Quanta Computer Inc. | Asia Pacific

May sales down 8% m/m, up 94% y/y

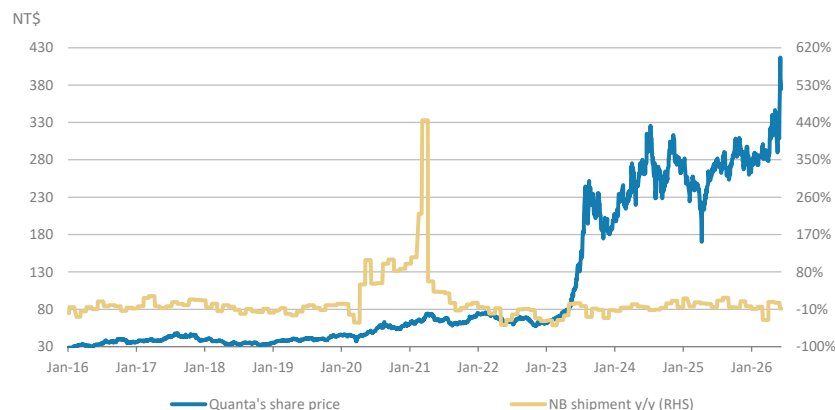
Key Takeaways

- May sales were NT\$311B (-8% m/m, +94% y/y).
- April + May revenues are 56% of our 2Q26 estimate of NT\$1,174B (+45% q/q, +133% y/y) and 68% of consensus estimate of NT\$960B (+19% q/q, +90% y/y).
- May notebook shipments were 3.5M units (flat m/m, -8% y/y), in-line with our estimate.

Our view:

- Unaudited April + May revenues are tracking below our 2Q revenues estimates but roughly in-line with the Street's.
- We estimate that Quanta shipped 1.8-1.9K GB200/300 server racks in May, lower than ~2.1K in April, on our estimates.
- Quanta's NB shipments came in broadly in-line with our estimate, at 3.5M units (flat m/m, -8% y/y).
- We believe Quanta will ship ~6.7K GB200/300 racks in 2Q26 (+40% q/q), slightly below our previous estimate of ~7K, with the lowered rack shipments pushed out into 2H and the full-year remaining unchanged at ~18.7K racks.
- We stay OW on Quanta.

Exhibit 1: Quanta's NB shipment vs. its share price



Source: Company data, TEJ, Morgan Stanley Research. Note: Past performance is no guarantee of future results. Results shown do not include transaction costs.

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Quanta Computer Inc. (2382.TW, 2382 TT)

Greater China Technology Hardware | Taiwan

Stock Rating	Overweight
Industry View	In-Line
Price target	NT\$385.00
Up/downside to price target (%)	1
Shr price, close (Jun 10, 2026)	NT\$380.50
52-Week Range	NT\$438.00-252.50
Sh out, dil, curr (mn)	3,862
Mkt cap, curr (mn)	US\$46,528
EV, curr (mn)	US\$48,581
Avg daily trading value (mn)	NT\$6,664

Fiscal Year Ending	12/25	12/26e	12/27e	12/28e
EPS (NT\$)**	19.42	24.66	28.80	30.80
Prior EPS (NT\$)**	-	-	-	-
EPS (NT\$)§	18.43	23.57	28.51	32.28
Revenue, net (NT\$ bn)	2,123.7	3,582.6	3,937.2	4,276.9
EBITDA (NT\$ bn)	99.8	135.1	158.3	169.0
ModelWare net inc (NT \$ bn)	75.0	95.2	111.2	118.9
P/E	14.0	15.4	13.2	12.4
P/BV	4.1	4.7	3.9	3.3
RNOA (%)	27.9	31.5	23.7	23.4
ROE (%)	32.6	37.2	35.8	31.5
EV/EBITDA	11.2	12.3	10.3	9.5
Div yld (%)	3.9	3.0	3.2	3.5
FCF yld ratio (%)**	(2.4)	(6.0)	4.8	5.5
Leverage (EOP) (%)	31.3	67.4	48.5	33.4

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

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Catalyst Event Reaction

Company / Catalyst	Date	Impact to thesis	Catalyst versus expectation
Quanta Computer Inc. 2382.TW			
May 2026 notebook shipments	09 Jun 2026	Unchanged	↓ Modest downside surprise

Source: Company data, Morgan Stanley Research

Valuation Methodology and Risks

Quanta Computer Inc. (2382.TW)

Base case, residual income model. Key assumptions include a cost of equity of 9.0% (beta of 1.2, equity premium of 6.0% and risk-free rate of 1.5%), an 8.5% medium-term growth rate, and a 3% terminal growth rate.

Risks to Upside

- Stronger-than-expected NB demand
- Stronger-than-expected Apple Watch demand
- Stronger-than-expected server demand
- Faster-than-expected AI server penetration

Risks to Downside

- Weaker-than-expected NB demand
- Softer-than-expected Apple Watch demand
- Weak margin performance owing to rising labor costs and sales shortfalls
- Fierce price competition in the mega data center segment
- Slower-than-expected AI server penetration

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(as of May 31, 2026)

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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	

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Quanta Computer Inc. (2382.TW) - As of 06/10/26 GMT in TWD
Industry : Greater China Technology Hardware



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INDUSTRY COVERAGE: Greater China Technology Hardware

COMPANY (TICKER)	RATING (AS OF)	PRICE* (06/10/2026)
Andy Meng, CFA		
AAC Technologies Holdings (2018.HK)	O (01/29/2024)	HK\$44.44
Accelink Technologies Co. Ltd. (002281.SZ)	U (05/12/2022)	Rmb202.60
BYD Electronics (0285.HK)	O (04/28/2023)	HK\$25.72
China TransInfo Technology Co Ltd (002373.SZ)	E (07/18/2023)	Rmb7.48
Dahua Technology Co. Ltd. (002236.SZ)	E (12/12/2024)	Rmb16.24
Eoptolink Technology Inc Ltd (300502.SZ)	O (02/27/2026)	Rmb772.50
Genius Electronic Optical Co. Ltd. (3406.TW)	E (04/23/2025)	NT\$677.00
Gosuncn Technology Group Co Ltd (300098.SZ)	U (11/07/2022)	Rmb5.10
HIKVision Digital Technology (002415.SZ)	E (12/12/2024)	Rmb30.38
Largan Precision (3008.TW)	E (10/17/2025)	NT\$4,130.00
LianChuang Electronic Technology Co Ltd (002036.SZ)	U (06/12/2024)	Rmb8.37
OFILM Group Co Ltd (002456.SZ)	U (06/12/2024)	Rmb8.96
Q Technology (Group) Company Ltd (1478.HK)	U (03/23/2026)	HK\$8.05
Quectel Wireless Solutions Co Ltd (603236.SS)	E (10/09/2024)	Rmb55.82
Shanghai Conant Optical Co Ltd (2276.HK)	O (04/10/2026)	HK\$39.00
Shenzhen Transsion Holdings Co Ltd (688036.SS)	E (03/23/2026)	Rmb53.40
Sunny Optical (2382.HK)	E (03/23/2026)	HK\$73.85
Suzhou TFC Optical Communication Co Ltd. (300394.SZ)	E (11/06/2025)	Rmb411.08
Wingtech Technology Co Ltd (600745.SS)	U (05/18/2026)	Rmb18.88
Xiaomi Corp (1810.HK)	O (04/14/2021)	HK\$26.32
Yangtze Optical Fibre and Cable JSC Ltd (601869.SS)	U (10/13/2021)	Rmb452.69
Yangtze Optical Fibre and Cable JSC Ltd (6869.HK)	E (04/20/2023)	HK\$231.40
Yongxin Optics Co Ltd (603297.SS)	E (11/15/2022)	Rmb117.67
Zhejiang Crystal-Optech Co Ltd (002273.SZ)	O (11/15/2022)	Rmb34.09
Zhongji Innolight Co Ltd (300308.SZ)	++	Rmb1,147.00
ZTE Corporation (0763.HK)	O (06/04/2026)	HK\$26.82

ZTE Corporation (000063.SZ)	E (06/04/2026)	Rmb38.42
Derrick Yang		
Accton Technology Corporation (2345.TW)	O (06/06/2024)	NT\$2,365.00
Advantech (2395.TW)	O (01/20/2021)	NT\$465.50
AirTAC International (1590.TW)	O (04/16/2025)	NT\$1,285.00
AU Optronics (2409.TW)	E (02/10/2026)	NT\$22.95
Bizlink (3665.TW)	O (03/10/2025)	NT\$2,155.00
BOE Technology (000725.SZ)	O (09/06/2019)	Rmb6.03
Chenbro (8210.TW)	O (07/23/2025)	NT\$1,445.00
Chroma Ate Inc. (2360.TW)	O (10/05/2021)	NT\$2,210.00
E Ink Holdings Inc. (8069.TWO)	O (05/11/2026)	NT\$191.00
Ennostar Inc (3714.TW)	U (09/23/2022)	NT\$62.70
Hiwin Technologies Corp. (2049.TW)	O (03/30/2026)	NT\$326.00
Innolux (3481.TW)	E (04/07/2025)	NT\$44.30
King Slide Works Co. Ltd. (2059.TW)	O (11/08/2023)	NT\$6,370.00
Lens Technology (300433.SZ)	E (07/22/2020)	Rmb42.11
Radiant Opto-Electronics Corporation (6176.TW)	E (03/01/2024)	NT\$89.10
Sanan Optoelectronics (600703.SS)	U (08/21/2023)	Rmb15.57
TCL Corp. (000100.SZ)	E (04/07/2025)	Rmb4.67
Tianma Microelectronics (000050.SZ)	U (01/24/2018)	Rmb8.00
Wuhan Jingce Electronic Group Co Ltd (300567.SZ)	E (11/26/2021)	Rmb188.79
Howard Kao		
Acer Inc. (2353.TW)	U (04/23/2025)	NT\$36.20
Asustek Computer Inc. (2357.TW)	U (11/16/2025)	NT\$796.00
Compal Electronics (2324.TW)	U (04/23/2025)	NT\$37.10
FIT Hon Teng Ltd (6088.HK)	O (11/03/2025)	HK\$7.23
Giga-Byte Technology Co. Ltd. (2376.TW)	E (11/16/2025)	NT\$344.50
Gold Circuit Electronics Ltd. (2368.TW)	O (10/06/2022)	NT\$1,420.00
Inspur Electronic Information (000977.SZ)	E (08/28/2023)	Rmb59.39
Lenovo (0992.HK)	E (11/16/2025)	HK\$23.00
Lotes Co. Ltd. (3533.TW)	E (05/12/2025)	NT\$2,175.00
Nan Ya PCB (8046.TW)	O (02/23/2026)	NT\$847.00
Pegatron Corporation (4938.TW)	E (03/25/2026)	NT\$94.80
Quanta Computer Inc. (2382.TW)	O (05/01/2023)	NT\$380.50
Shengyi Technology Co Ltd. (600183.SS)	E (05/26/2022)	Rmb146.90
Shennan Circuits Co Ltd (002916.SZ)	E (08/24/2023)	Rmb383.06
Unimicron (3037.TW)	O (02/23/2026)	NT\$884.00
Wistron Corporation (3231.TW)	O (07/12/2023)	NT\$158.00
Wiwynn Corp (6669.TW)	O (11/10/2025)	NT\$5,065.00
Yageo Corp. (2327.TW)	O (10/28/2025)	NT\$819.00
Zhen Ding (4958.TW)	O (05/18/2026)	NT\$502.00
Sharon Shih		
Asia Vital Components Co. Ltd. (3017.TW)	O (07/30/2024)	NT\$2,360.00
Auras Technology Co Ltd (3324.TWO)	E (05/04/2023)	NT\$1,010.00
Catcher Technology (2474.TW)	U (11/17/2025)	NT\$204.50
Delta Electronics Inc. (2308.TW)	O (07/13/2017)	NT\$2,200.00
Fositek Corp (6805.TW)	O (06/25/2025)	NT\$1,755.00
Foxconn Industrial Internet Co. Ltd. (601138.SS)	O (07/10/2019)	Rmb71.13
Foxconn Technology (2354.TW)	U (04/23/2025)	NT\$56.30
GoerTek Inc (002241.SZ)	U (04/23/2025)	Rmb22.76
Hon Hai Precision (2317.TW)	O (03/15/2024)	NT\$263.00
LandMark Optoelectronics Corporation (3081.TWO)	E (03/26/2026)	NT\$2,245.00
Lingyi Itech Guangdong Co (002600.SZ)	U (04/23/2025)	Rmb13.90
Lite-On Technology (2301.TW)	E (01/15/2025)	NT\$213.00
Luxshare Precision Industry Co., Ltd. (002475.SZ)	O (10/24/2016)	Rmb65.51

Sunonwealth Electric Machine Industry Co (2421.TW)	E (02/23/2024)	NT\$145.00
Tong Hsing (6271.TW)	E (03/18/2019)	NT\$225.00
Visual Photonics Epitaxy Co Ltd (2455.TW)	E (09/11/2023)	NT\$355.50

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* Historical prices are not split adjusted.