Morgan Stanley | RESEARCH

IDEA

June 22, 2026 05:30 AM GMT

Yageo Corp. | Asia Pacific

Pricing Power Arriving Faster and Stronger Than Expected

WHAT'S CHANGED		
Yageo Corp. (2327.TW)	From	To
Price Target	NT$1,355.00	**NT$1,515.00**

The AI-driven MLCC upcycle appears to be accelerating faster than we previously anticipated. With earnings already tracking ahead of expectations and supply chain checks pointing to substantially stronger pricing in 2H26, we raise our earnings estimates and price target again for Yageo.

After raising our PT on June 12 (see Yageo Corp.: AI-Driven Demand Is Beginning to Tighten MLCC Supply), we are increasing it again, to NT$1,515. This is driven primarily by several new developments and thoughts:

1. **Stronger-than-expected May earnings performance:** Yageo reported preliminary May earnings on June 17 that exceeded our expectations. May EPS came in at NT$1.60, representing approximately 38% of our previous 2Q26 EPS estimate of NT$4.23. We attribute the upside to a combination of more favorable pricing and higher utilization rates. As a result, we raise our 2Q26 EPS estimate by approximately 9% to NT$4.6.
2. **Improved pricing outlook for 2H26:** Our latest supply chain checks indicate stronger pricing momentum in 2H26. We now expect direct-customer pricing to increase 30-40% on average in 2H26, vs. our previous estimate of 10–20%. This more constructive pricing environment is a key factor behind our upward revisions to earnings estimates for CY26–28.
3. **Higher MLCC ASPs:** Reflecting a stronger pricing outlook, we now forecast blended MLCC ASP increases for Yageo of 30% in CY26 and 67% in CY27, up from our prior assumptions of 10% and 61%, respectively.
4. **Our base-case forecasts assume MLCC gross margins peak at approximately 50% by late 2027,** well below the ~80% peak achieved during the previous cycle. If industry conditions evolve such that margins revisit historical peak levels, Yageo's EPS could increase to approximately NT $45 in CY27 and NT$60 in CY28, highlighting substantial upside potential beyond our current estimates.
5. **Broader pricing strength across portfolio:** Beyond MLCCs, we expect other product categories, including resistors, to see price increases in 2H26. Although their magnitude is likely to be more moderate than for MLCCs, they should provide an additional tailwinds to earnings.

Reiterate OW, raise PT to NT$1,515 from NT$1,355: This implies ~32x CY28 P/E; however, PEG is only 0.86x. We favor Yageo for its scale, broad product portfolio across all passive components, and leverage to an improving industry cycle.

MORGAN STANLEY TAIWAN LIMITED+

Howard Kao
Equity Analyst
Howard.Kao@morganstanley.com +886 2 2730-2989

Sharon Shih
Equity Analyst
Sharon.Shih@morganstanley.com +886 2 2730-2865

Irene Yen
Research Associate
Irene.Yen@morganstanley.com +886 2 2730-2869

Yageo Corp. (2327.TW, 2327 TT)

Greater China Technology Hardware | Taiwan

Stock Rating	**Overweight**
Industry View	**In-Line**
Price target	NT$1,515.00
Up/downside to price target (%)	40
Shr price, close (Jun 18, 2026)	NT$1,080.00
52-Week Range	NT$1,080.00-111.75
Sh out, dil, curr (mn)	1,997
Mkt cap, curr (mn)	NT$2,156,613
EV, curr (mn)	NT$2,173,352
Avg daily trading value (mn)	NT$12,478

Fiscal Year Ending	12/25	12/26e	12/27e	12/28e
EPS (NT$)**	11.51	20.59	35.13	48.00
Prior EPS (NT$)**	-	18.19	30.71	42.85
EPS (NT$)§	11.61	17.65	26.58	35.88
Revenue, net (NT$ mn)	132,930	180,835	249,369	305,345
EBITDA (NT$ mn)	39,635	61,561	99,451	133,129
ModelWare net inc (NT $ mn)	23,634	42,289	72,131	98,575
P/E	20.1	52.4	30.7	22.5
P/BV	2.7	10.1	8.4	6.9
RNOA (%)	12.0	21.1	37.8	53.2
ROE (%)	14.5	24.3	33.0	37.2
EV/EBITDA	12.4	34.7	21.0	15.3
Div yld (%)	2.2	0.6	1.1	2.0
FCF yld ratio (%)**	6.6	2.2	3.4	4.5
Leverage (EOP) (%)	9.6	(15.8)	(32.0)	(43.8)

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

Our numbers are well above consensus, but still conservative vs. previous cycle

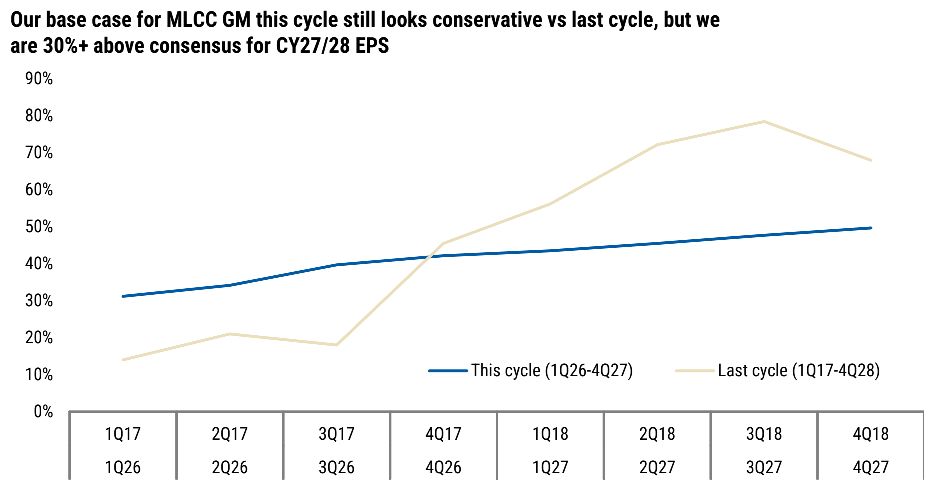
Despite raising our estimates once again, our model assumes MLCC gross margins will peak at approximately 50% by the end of CY27. By comparison, the previous MLCC upcycle was exceptionally strong, with pricing increasing meaningfully over a four- to six-quarter period and driving MLCC gross margins to an estimated peak of approximately 79%, from a starting point below 20%.

Based on our estimates, Yageo's MLCC gross margin was in the low-30% area as of 1Q26. We currently forecast margins will expand to approximately 50% by 4Q27, remaining nearly 30 percentage points below the peak achieved during the prior cycle.

One of the most common questions we receive from investors is about what earnings could look like if profitability were to revisit prior-cycle highs. Applying sensitivity analysis, if we assume MLCC gross margins once again approach 80% over the next four to six quarters, we estimate Yageo could generate approximately NT$45 of EPS in CY27 and NT$60 of EPS in CY28. This would represent roughly 29% and 25% upside, respectively, relative to our current forecasts.

More importantly, compared with current consensus estimates, this upside-case scenario would imply approximately 70% and 71% earnings upside for CY27 and CY28, respectively, underscoring the magnitude of potential earnings leverage should the pricing environment evolve similarly to the previous cycle.

Exhibit 1: Our base case for MLCC GM this cycle still looks conservative vs. the prior cycle, but we are 30%+ above consensus for CY27e/28e EPS



Source: Morgan Stanley Research (e) estimates

Our estimates continue to move further ahead of consensus: Following our latest revisions, we are now 14%, 32%, and 37% above Street EPS estimates for CY26, CY27, and CY28, respectively. The gap is driven by our view of stronger near-term profitability, supported by higher 2Q revenue and margins, as well as our expectation for significantly stronger MLCC pricing in 2H26 and beyond. We believe consensus has yet to fully reflect the magnitude and duration of the emerging pricing cycle.

Exhibit 2: We are well above the Street for CY27 and CY28 EPS estimates

Yageo	MSe			Consensus			Variance		
	2026	2027	2028	2026	2027	2028	2026	2027	2028
Revenue	180,835	249,369	305,345	172,623	218,186	261,730	5%	14%	17%
GM	40.3%	45.7%	49.2%	39.3%	42.8%	45.6%	1.1%	2.9%	3.6%
OpM	28.8%	36.2%	40.7%	26.6%	31.3%	34.6%	2.2%	4.9%	6.1%
Net income	42,289	72,131	98,575	37,198	54,507	71,982	14%	32%	37%
EPS	20.59	35.13	48.00	18.11	26.54	35.05	14%	32%	37%

Source: Visible Alpha, Morgan Stanley Research estimates.

Investment Thesis

AI accelerators are becoming increasingly transient-current intensive

Peak current densities on modern AI accelerator boards have reached levels that place significant demands on the power delivery network (PDN). The highly dynamic nature of AI workloads generates rapid current excursions (high di/dt), resulting in voltage transients that can persist from sub-microsecond to multi-microsecond timescales.

As accelerator power levels continue to rise while operating voltages remain extremely low, maintaining voltage stability within increasingly tight tolerance bands has become a critical design challenge. During these transient events, the power delivery network must supply large amounts of charge before voltage regulators can fully respond. Consequently, board designers are relying on greater amounts of local decoupling capacitance to support transient load requirements and preserve power integrity.

This trend is driving increased adoption of higher-capacitance MLCCs, including 47μF, 100μF, and larger devices, in addition to traditional high-frequency decoupling capacitors. As a result, total installed capacitance per accelerator and per rack is growing faster than MLCC unit count, reflecting a shift toward higher-capacitance content rather than simply a larger number of components.

This aligns with our supply chain checks on MLCC content growth for VR200 (vs GB300), which we discussed previously.

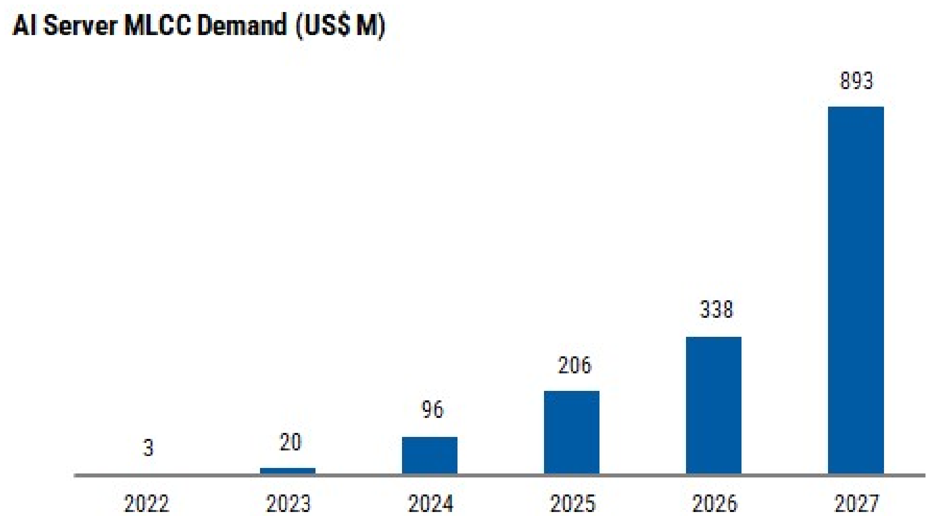
Total MLCC unit demand is expected to increase approximately 80% in a VR200 NVL72 rack relative to a GB300 NVL72 rack: Based on our estimates, a complete Rubin NVL72 rack contains approximately 570,000 MLCCs, compared with roughly 320,000 MLCCs in a GB300 NVL72 rack (Exhibit 5). The increase is driven by higher MLCC content across both compute and switch boards, as well as additional PCB content throughout the system, including modules such as the CX9 Orchid. We believe this increase in unit volume represents a key contributor to the estimated 182% increase in total MLCC dollar content per rack.

A richer mix of high-capacitance MLCCs appears to account for the remaining increase in dollar content: In addition to higher unit volumes, we are seeing a meaningful shift toward higher-value MLCCs (47μF+) within the Rubin platform. Our supply chain checks suggest that 47μF+ MLCCs could represent more than 30% of total MLCC units in a fully configured Rubin system, compared with less than 20% in GB300 (Exhibit 6). This mix shift materially increases capacitance content and value per rack. Under our assumptions, unit demand for 47μF+ MLCCs increases by approximately 210% in a VR200 rack relative to GB300, while demand for MLCCs rated at 47μF and below grows by a more modest ~50%. This stronger growth (relative to total MLCC unit growth per rack) for higher capacitance MLCCs fully aligns with the trend mentioned above.

For more analysis of our Rubin Rack BOM analysis, please see here: Greater China Technology Hardware: Analysis of Rubin rack BOM, component content, and ODM value-added (20 May 2026)

We believe our prior assessment materially underestimated the MLCC opportunity driven by Cloud AI demand: In our 11 Sep 2024 report, which represented our first attempt to quantify the Cloud AI opportunity for the MLCC industry, we estimated that Cloud AI would contribute approximately US$550 million of incremental TAM to the MLCC market by 2030. Based on our latest analysis, and a significantly improved understanding of AI system architectures and much stronger end demand, we now believe we will surpass that number and hit approximately US$900 million by 2027, and should reach well over US$1 billion by 2030 should AI infrastructure demand continue to exceed expectations.

Exhibit 3: By 2027, AI Server MLCC demand will likely already reach close to US$1B, tracking meaningfully above our previous forecast of ~US$550M by 2030



Source: Company data, Morgan Stanley Research estimates.

High-capacitance MLCCs (47μF+) are likely to capture a disproportionate share of this incremental opportunity: Our analysis suggests that 47μF+ MLCCs could account for approximately 50-60% of the incremental Cloud AI MLCC TAM, representing an additional US$500-600 million market opportunity alone. This reflects both the increasing use of high-capacitance devices within AI accelerator systems and a growing mix shift toward higher-value MLCC content.

From a volume perspective, we estimate Cloud AI demand for 47μF+ MLCCs could increase from approximately 4 billion units in CY25 to roughly 38 billion units by CY30: Such a rapid increase would represent a meaningful step-up in industry demand and could require substantial capacity reallocation or expansion among leading suppliers.

Based on our industry discussions, the market for high-capacitance MLCCs remains concentrated among a limited number of suppliers, primarily Japanese and Korean manufacturers, including Murata, Taiyo Yuden, and Samsung Electro-Mechanics (SEMCO). As demand from AI infrastructure accelerates, we believe capacity utilization for these products could tighten, *raising the possibility of capacity crowding-out effects* across other end markets and applications.

Exhibit 4: VR200 MLCC content is 180%+ higher compared to GB300

MLCC content per board (US$)	GB300	VR200
Compute PCB	$25	$90
Switch PCB	$20	$45
BlueField DPU Module	$5	$5
ConnectX Orchid Module	$5	$5
Other peripheral PCB	$5	$5
Units per rack	**GB300**	**VR200**
Compute PCB	36x	36x
Switch PCB	9x	9x
BlueField DPU Module	0x	18x
ConnectX Orchid Module	0x	72x
Other peripheral PCB	90x	45x
Total MLCC Content per rack	**GB300**	**VR200**
Compute PCB	$900	$3,240
Switch PCB	$180	$405
BlueField DPU Module	$0	$90
ConnectX Orchid Module	$0	$360
Other peripheral PCB	$450	$225
Total MLCC Content per rack	**$1,530**	**$4,320**

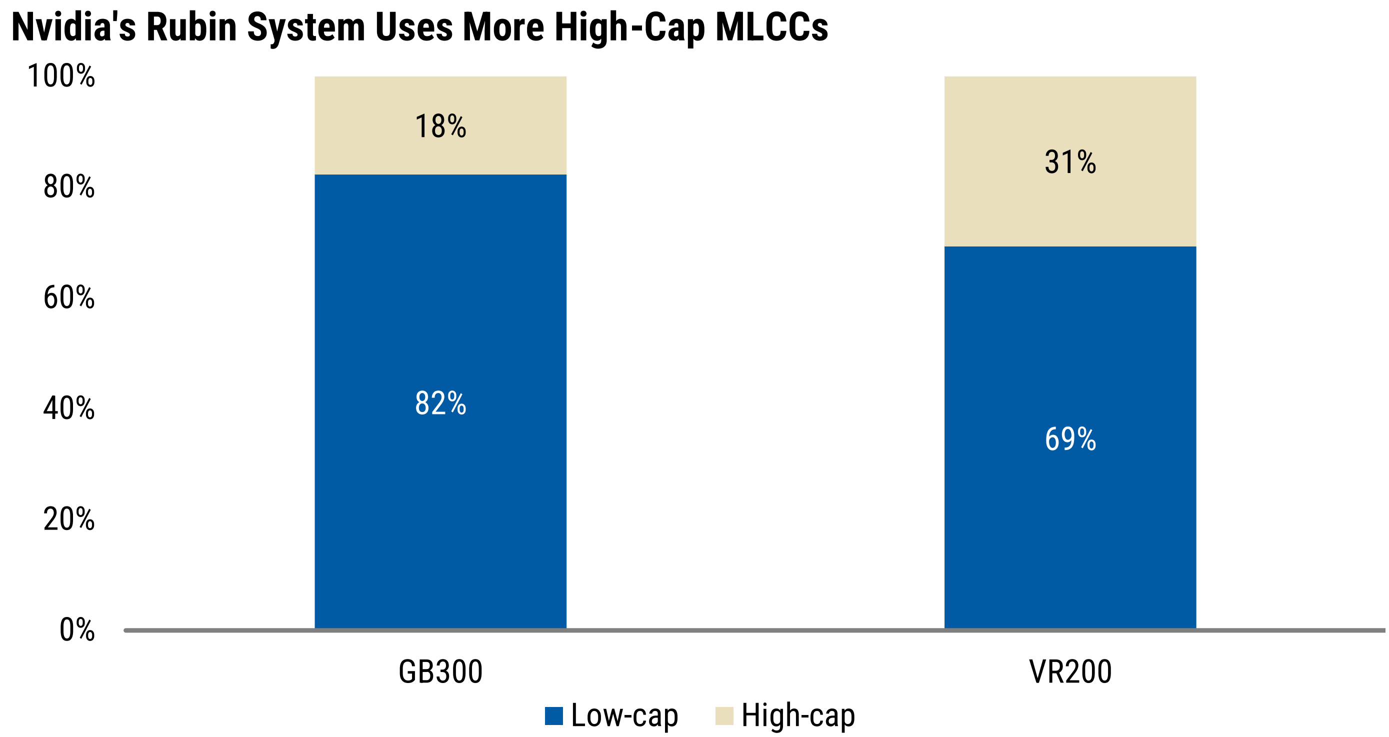
Source: Morgan Stanley Asia Pacific Research estimates based on supply chain checks.

Exhibit 5: VR200 MLCC unit demand is rising to 570K+, up close to 80% vs a GB300 rack

Server Assumptions		# of MLCCs		US$	
General server			**2,000**		**30**
HGX Hopper AI server (8x GPU)			**22,000**		**190**
GPU module (OAM)	8x	1,300	10,400	10	80
GPU baseboard (UBB)	1x	4,900	4,900	45	45
CPU motherboard	1x	1,500	1,500	25	25
Peripheral boards	8x	650	5,200	5	40
HGX B200 AI server (8x GPU)			**36,000**		**317**
GPU module (OAM)	8x	3,000	24,000	24	192
GPU baseboard (UBB)	1x	5,300	5,300	60	60
CPU motherboard	1x	1,500	1,500	25	25
Peripheral boards	8x	650	5,200	5	40
HGX B300 AI server (8x GPU)			**48,000**		**435**
GPU module (OAM)	8x	4,400	35,200	40	320
GPU baseboard (UBB)	1x	6,100	6,100	50	50
CPU motherboard	1x	1,500	1,500	25	25
Peripheral boards	8x	650	5,200	5	40
GB200 (NVL72)			**337,500**		**1,710**
Bianca	36x	6,800	244,800	30	1,080
Switch board	9x	3,800	34,200	20	180
Peripheral boards	90x	650	58,500	5	450
GB300 (NVL72)			**319,500**		**1,530**
Bianca	36x	6,300	226,800	25	900
Switch board	9x	3,800	34,200	20	180
Peripheral boards	90x	650	58,500	5	450
VR200 (NVL72)			**571,050**		**4,320**
Strata	36x	11,000	396,000	90	3,240
Switch board	9x	7,000	63,000	45	405
BlueField Module	18x	2,000	36,000	5	90
CX9 Orchid Module	72x	650	46,800	5	360
Peripheral boards	45x	650	29,250	5	225
Vera Rack			**494,048**		**3,060**
Vera MGX	128x	3,316	424,448	20	2,560
Switch board	4x	7,000	28,000	45	180
Peripheral boards	64x	650	41,600	5	320
STX Rack			**326,256**		**2,415**
Mainboard	16x	4,791	76,656	31	495
Peripheral boards	384x	650	249,600	5	1,920
LPX Rack			**581,024**		**4,326**
LPX UBB	16x	5,374	85,984	35	559
LPX Module	256x	1,705	436,480	14	3,527
BF4	16x	2,000	32,000	5	80
x86 CPU Module	16x	1,660	26,560	10	160

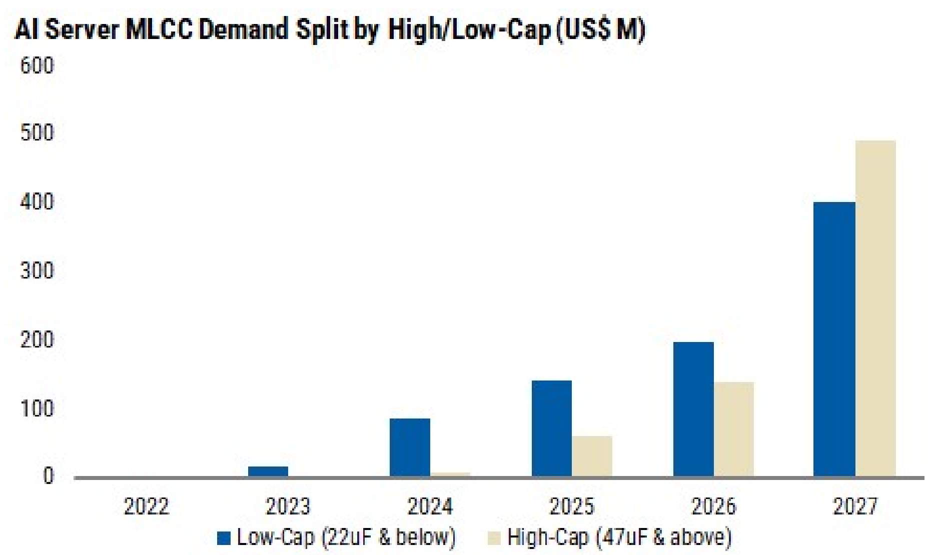
Source: Morgan Stanley Asia Pacific Research estimates based on supply chain checks.

Exhibit 6: High-cap (47uF+) MLCC usage to increase to 30%+ in VR200 (vs <20% for GB300)



Source: Morgan Stanley Asia Pacific Research estimates based on supply chain checks. Note: High-cap refers to 47uF+ MLCCs.

Exhibit 7: Demand for high-cap (47uF+) MLCC is growing faster



Source: Morgan Stanley Research estimates.

Contextualizing the AI Server MLCC Opportunity

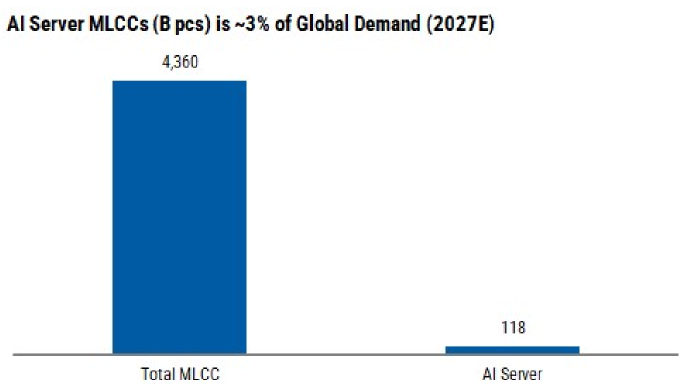
According to our colleague Shoji Sato, the global MLCC market is expected to reach approximately 4.36 trillion units and US$18.3 billion in value by CY27. Based on our estimates, AI servers would account for roughly 3% of total MLCC unit demand and approximately 5% of industry revenue by that time.

Although these percentages may appear modest in the context of the overall MLCC market, we believe they understate the significance of the AI opportunity. AI server demand has emerged from a near-zero base just five years ago and is growing at a pace well above the broader industry. More importantly, the impact extends beyond its direct contribution to market size and increasingly influences industry capacity allocation.

In our view, the more important consideration is the pressure AI demand places on manufacturing capacity and the potential crowding-out effect on other MLCC categories. High-capacitance MLCCs used in AI infrastructure are substantially more manufacturing-intensive than mainstream MLCC products, often requiring several hundred to well over one thousand dielectric layers depending on capacitance, voltage rating, and package size. By comparison, many commodity MLCCs used in consumer electronics utilize materially fewer layers. As a result, each high-capacitance MLCC consumes a disproportionate amount of manufacturing capacity relative to its unit volume.

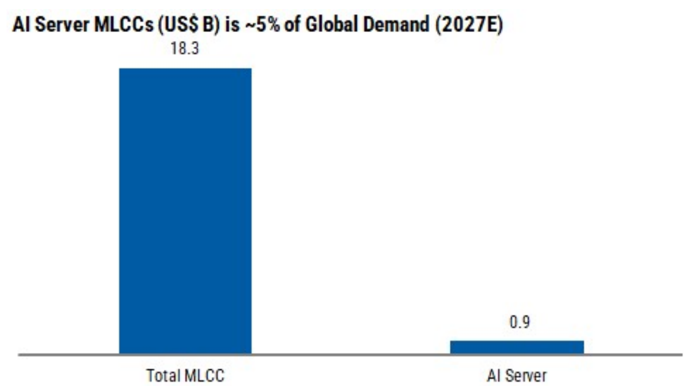
Consequently, even if AI servers represent only a mid-single-digit percentage of industry revenue, the associated capacity consumption is likely substantially higher. As AI-related demand continues to accelerate, suppliers may increasingly reallocate production capacity toward higher-value products, potentially tightening supply conditions and supporting pricing across broader segments of the MLCC market.

Exhibit 8: We estimate AI server MLCC demand accounts for ~3% of total MLCC demand, in units



Source: Morgan Stanley Research (E) estimates.

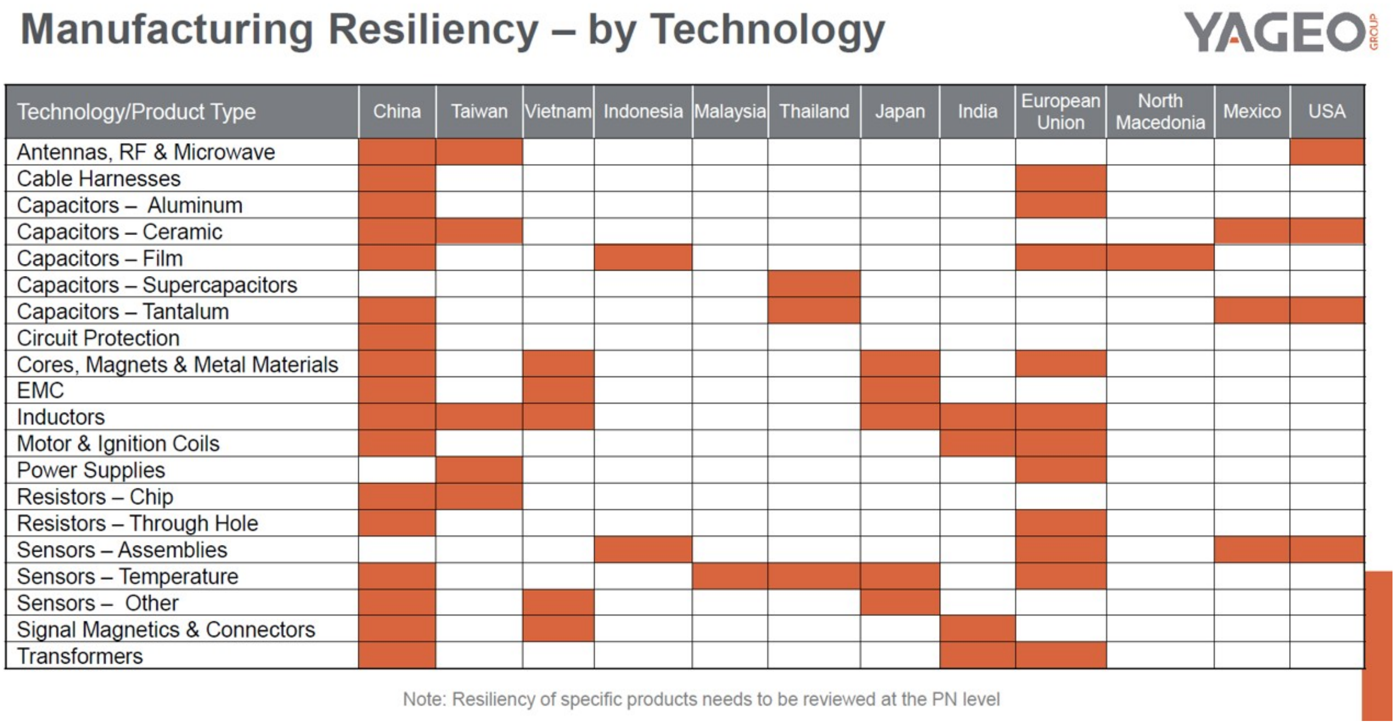
Exhibit 9: We estimate AI server MLCC demand accounts for ~5% of total MLCC demand, in value



Source: Morgan Stanley Research (E) estimates.

Downside risks include weaker AI or consumer demand with built-up inventory, causing pricing and utilization headwinds.

Exhibit 10: Locations of Yageo's manufacturing facilities



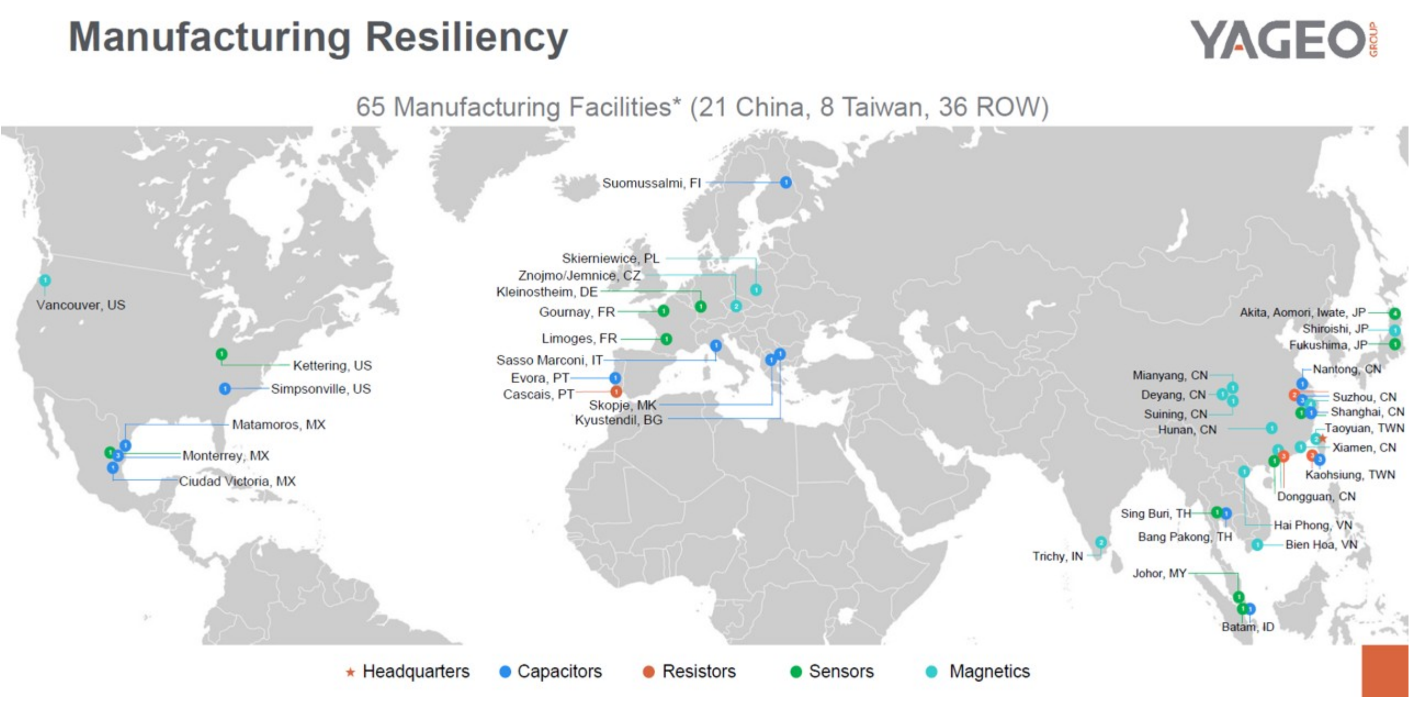
Manufacturing Resiliency – by Technology

Technology/Product Type	China	Taiwan	Vietnam	Indonesia	Malaysia	Thailand	Japan	India	European Union	North Macedonia	Mexico	USA
Antennas, RF & Microwave	■	■										■
Cable Harnesses	■								■			
Capacitors – Aluminum	■								■			
Capacitors – Ceramic	■	■									■	■
Capacitors – Film	■			■					■	■		
Capacitors – Supercapacitors						■						
Capacitors – Tantalum	■					■					■	■
Circuit Protection	■											
Cores, Magnets & Metal Materials	■		■				■		■			
EMC	■		■				■					
Inductors	■	■	■				■	■	■			
Motor & Ignition Coils	■							■	■			
Power Supplies		■							■			
Resistors – Chip	■	■										
Resistors – Through Hole	■								■			
Sensors – Assemblies				■					■		■	■
Sensors – Temperature	■				■	■	■		■			
Sensors – Other	■		■				■					
Signal Magnetics & Connectors	■		■					■				
Transformers	■							■	■			

Note: Resiliency of specific products needs to be reviewed at the PN level

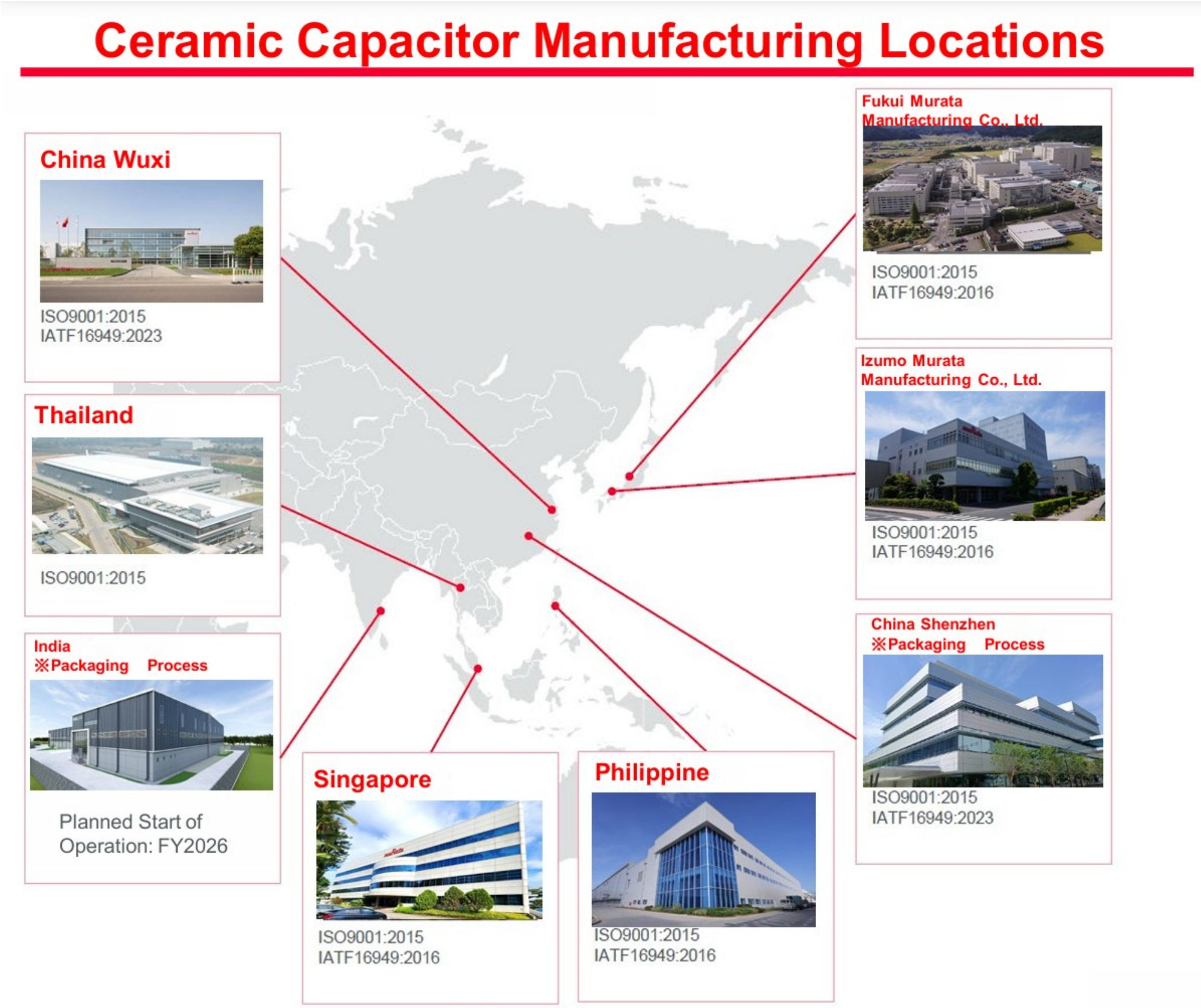
Source: Yageo.

Exhibit 11: Map of Yageo's manufacturing facilities



Source: Yageo.

Exhibit 12: Locations of Murata's MLCC manufacturing facilities



Source: Murata.

Exhibit 13: Locations of SEMCO's manufacturing facilities – SEMCO's MLCC capacity is primarily located in China, Philippines and South Korea

Source: SEMCO.

Raising earnings estimates

We update our model to reflect increased pricing assumptions for MLCCs for CY26-28. Our EPS estimates increase 13% for 2026, 14% for 2027, and 12% for 2028, driven by higher assumptions for both revenues and margins.

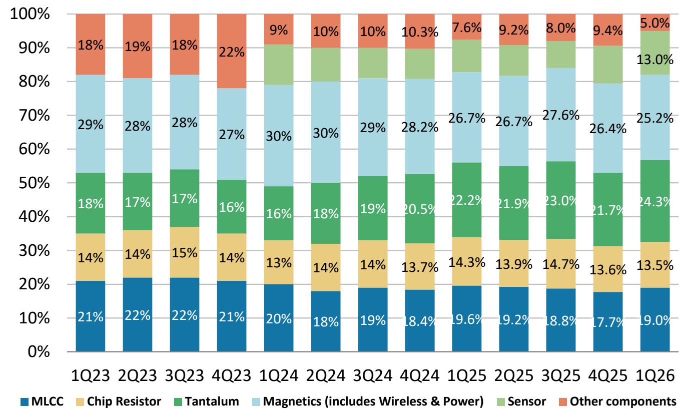
Exhibit 14: Estimate Changes

	2026e Earnings Estimates			2027e Earnings Estimates			2028e Earnings Estimates		
NT$ mn	New	Old	Variance	New	Old	Variance	New	Old	Variance
Net sales	**180,835**	**167,293**	**8%**	**249,369**	**226,791**	**10%**	**305,345**	**280,529**	**9%**
COGS	-107,886	-101,261	7%	-135,342	-125,598	8%	-155,051	-145,390	7%
Gross profit	**72,950**	**66,031**	**10%**	**114,027**	**101,193**	**13%**	**150,294**	**135,139**	**11%**
Operating expenses	-20,858	-20,287	3%	-23,740	-22,735	4%	-26,033	-24,583	6%
Operating income	52,092	45,744	14%	90,287	78,458	15%	124,261	110,556	12%
Non-operating income	2,949	2,949	0%	3,425	3,425	0%	3,844	3,844	0%
Pre-tax income	55,040	48,693	13%	93,712	81,883	14%	128,105	114,400	12%
Income tax	-12,604	-11,190	13%	-21,434	-18,671	15%	-29,383	-26,260	12%
Net income	**42,289**	**37,356**	**13%**	**72,131**	**63,065**	**14%**	**98,575**	**87,993**	**12%**
EPS (NT$)	**20.59**	**18.19**	**13%**	**35.13**	**30.71**	**14%**	**48.00**	**42.85**	**12%**
Margins (%)			***ppt***			***ppt***			***ppt***
Gross margin	40.3%	39.5%	0.9	45.7%	39.5%	6.2	49.2%	48.2%	1.0
Operating margin	28.8%	27.3%	1.5	36.2%	27.0%	9.2	40.7%	39.4%	1.3
Pre-tax margin	30.4%	29.1%	1.3	37.6%	29.0%	8.6	42.0%	40.8%	1.2
Net margin	23.4%	22.3%	1.1	28.9%	22.2%	6.8	32.3%	31.4%	0.9

Source: Morgan Stanley Research (e) estimates.

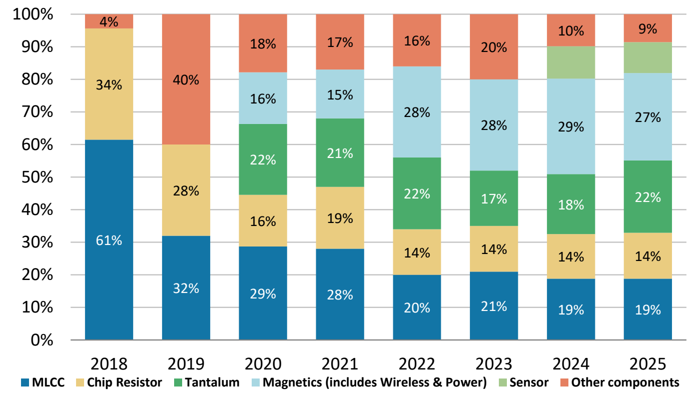
Charts

Exhibit 15: Quarterly Sales, by Product, 1Q23-1Q26



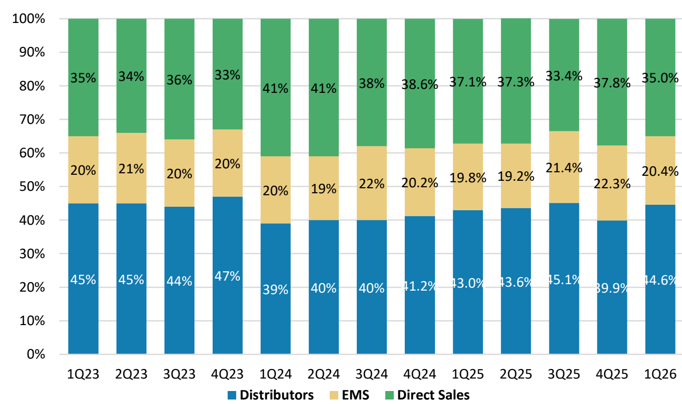
Source: Company data, Morgan Stanley Research

Exhibit 16: Annual Sales, by Product, 2018-25



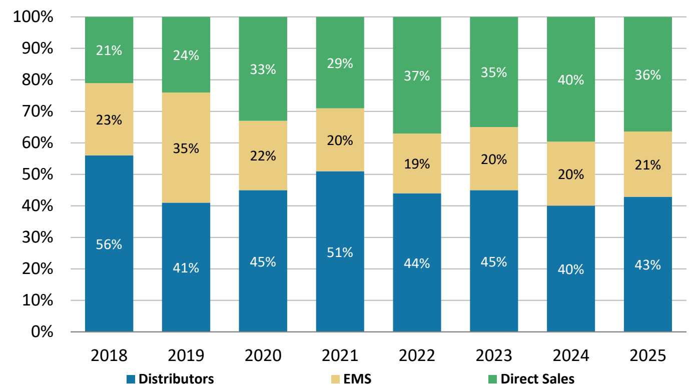
Source: Company data, Morgan Stanley Research

Exhibit 17: Quarterly Sales, by Channel, 1Q23-1Q26



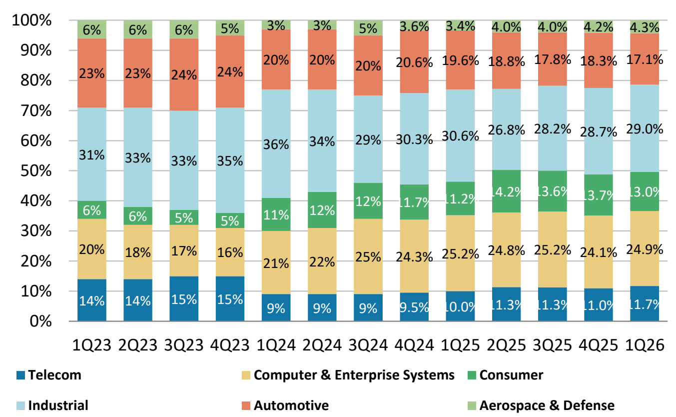
Source: Company data, Morgan Stanley Research

Exhibit 18: Annual Sales, by Channel, 2018-25



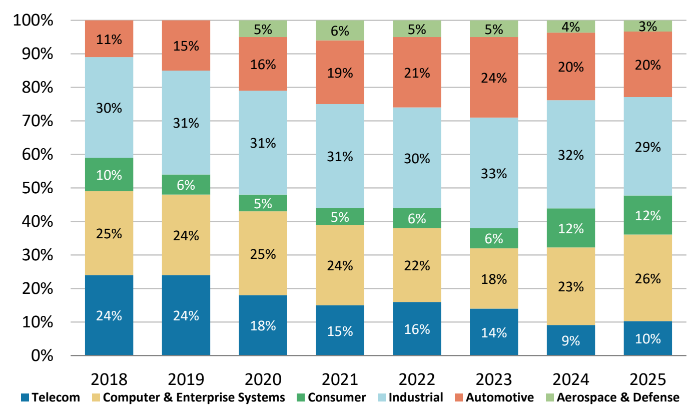
Source: Company data, Morgan Stanley Research

Exhibit 19: Quarterly Sales, by Segment, 1Q23-1Q26



Source: Company data, Morgan Stanley Research

Exhibit 20: Annual Sales, by Segment, 2018-25



Source: Company data, Morgan Stanley Research

Price target discussion and valuation methodology

We raise our 12-month price target to NT$1,515 (from NT$1,355): This reflects our higher earnings estimates for CY26-28. Our price target is our base case value, derived from our residual income valuation model. Similar to our analysis of other tech hardware companies within our coverage, we think this methodology provides the most accurate value of the firm by taking into account the cost of equity.

Our key assumptions are all unchanged, including:

- Cost of equity of 7.8%:
  - Risk-free rate of 1.0% (10-year Taiwanese government bond yield);
  - Equity risk premium of 6.8%;
  - Beta of 1.1;
- Medium-term growth rate of 16%;
- Terminal growth rate of 3%.

Our price target implies 43x 2027e P/E and 32x 2028e P/E. These are above its five-year historical range of 8x to 18x, which we view as justified considering its longer-term transformation story to become a global total solutions provider, moving from passive into active components. In addition, compared to global passive component peers, we believe Yageo stock remains undervalued with higher ROE and margins but lower P/E vs. Japanese peers (which trade on an average at 40x+ P/E).

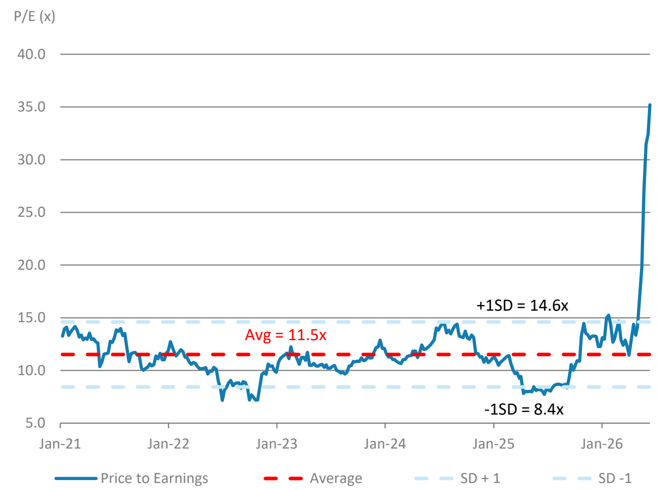
Our bull and bear case scenario values increase by magnitudes similar to the change to our base case value, to NT$2,300 and NT$760, respectively.

Exhibit 21: Residual Income (RI) Model

		2026E	2027E	2028E	2029E	2030E	2031E	2032E	2033E	2034E	2035E	2036E
Total Equity		**218,721**	**264,732**	**319,244**	**365,673**	**419,531**	**482,005**	**554,476**	**638,542**	**736,058**	**849,177**	**944,178**
Net Profit		**42,289**	**72,131**	**98,575**	**114,347**	**132,643**	**153,865**	**178,484**	**207,041**	**240,168**	**278,595**	**286,953**
Return on Equity		**21.5%**	**29.8%**	**33.8%**	**33.4%**	**33.8%**	**34.1%**	**34.4%**	**34.7%**	**34.9%**	**35.1%**	**32.0%**
Beta	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Equity Risk Premium (Rm-Rf)	6.8%	6.8%	6.8%	6.8%	6.8%	6.8%	6.8%	6.8%	6.8%	6.8%	6.8%	6.8%
Risk Free Rate (Rf)	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%
Cost of Equity	7.8%	7.8%	7.8%	7.8%	7.8%	7.8%	7.8%	7.8%	7.8%	7.8%	7.8%	7.8%
Residual Income		**23,971**	**48,294**	**68,830**	**81,822**	**95,168**	**110,647**	**128,601**	**149,425**	**173,579**	**201,597**	**205,855**
Spread		**13.8%**	**22.1%**	**26.0%**	**25.6%**	**26.0%**	**26.4%**	**26.7%**	**26.9%**	**27.2%**	**27.4%**	**24.2%**
Beginning Equity Capital		218,721										
PV of Forecast Period		782,735										
PV of Continuing Value		2,109,681										
Equity Value		**3,111,138**										
No. of Shares		2,054										
Projected Price		**1,515.0**										
Implied 2027e PE		43x										
Implied 2028e PE		32x										

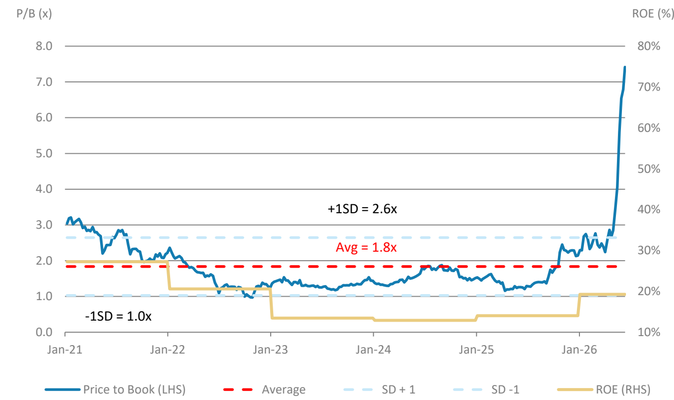
Source: Morgan Stanley Research (E) estimates.

Exhibit 22: Yageo P/E



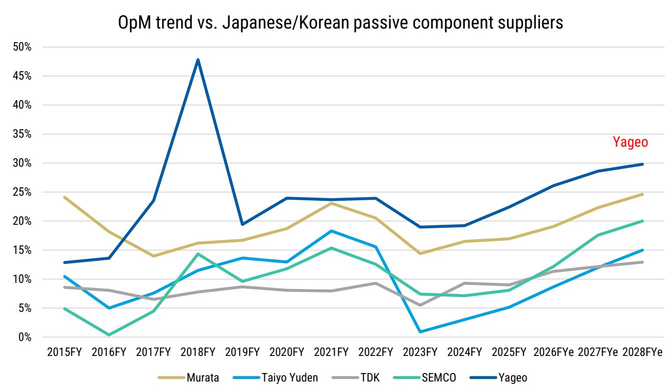
Source: TEJ, Morgan Stanley Research.

Exhibit 23: Yageo P/B



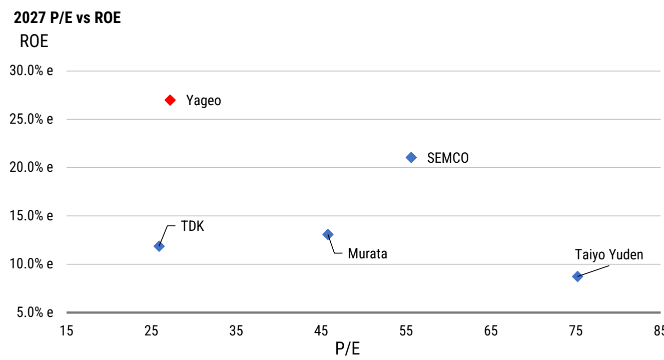
Source: TEJ, Morgan Stanley Research.

Exhibit 24: MLCC peers operating margins



Source: Visible Alpha.

Exhibit 25: 2027e P/E vs. ROE



Source: Morgan Stanley Research estimates.

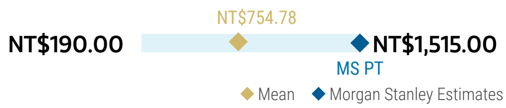
Risk Reward – Yageo Corp. (2327.TW)

Demand looks stronger and price increases appear likely - stay OW

PRICE TARGET NT$1,515.00

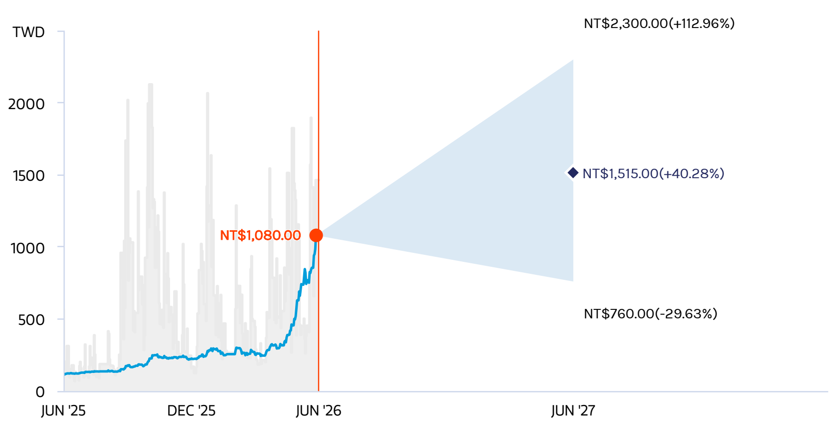
Base case, multistage residual income valuation model. Key assumptions: cost of equity 7.8% (risk-free rate 1%, equity risk premium 6.8% and beta of 1.1), medium-term growth rate 16%, terminal growth rate 3%.

Consensus Price Target Distribution



Source: Refinitiv, Morgan Stanley Research

RISK REWARD CHART



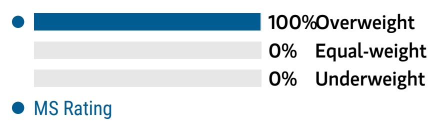
Key: Historical Stock Performance, Current Stock Price, Price Target

Source: Refinitiv, Morgan Stanley Research

OVERWEIGHT THESIS

- There is fear that leading Japanese and Korean MLCC suppliers are shifting more capacity to cater to the high end, resulting in undersupply for the midrange/low end.
- The same narrative that drove the 2018 cycle is now back in play.
- Utilization rates are increasing, so suppliers are expecting price hikes for the midrange/low end. Distributors and ODMs are both building inventory.
- AI demand is growing and tantalum capacitor pricing may show further price increases in 2H.
- All of this should help support a further re-rating in the stock, even beyond the recent sharp rally.

Consensus Rating Distribution



Source: Refinitiv, Morgan Stanley Research

Risk Reward Themes

Electric Vehicles:	*Positive*
Self-help:	*Positive*
Special Situation:	*Positive*

View descriptions of Risk Rewards Themes here

BULL CASE NT$2,300.00

48x 2028e EPS

Demand continues to grow faster than expected in 2027-28: 1) Demand improves significantly, driving pricing power for Yageo in premium and standard products alike. 2) Yageo makes meaningful progress into AI, driving significant share gains. 3) Yageo takes on more acquisition initiatives to further widen its product portfolio. 4) Severe undersupply leads to continued price hikes for an extended period of time, which helps expand Yageo's margins in 2027-28.

BASE CASE NT$1,515.00

32x 2028e EPS

Demand remains strong into 2027-28: 1) Utilization remains high for premium products. 2) Utilization for standard products stabilizes at 70%+ with resilient consumer tech demand. 3) Transformation and synergies are ongoing with continued active initiatives. 4) Yageo continues to drive expansion into the AI realm and slowly gains market share. 5) High utilization rates and inflationary raw materials costs result in continued price hikes.

BEAR CASE NT$760.00

16x 2028e EPS

Earnings erode as macro conditions weaken and demand falls again in 2027-28: 1) Non-AI demand weakens from 2H26 onward, despite AI demand remaining strong. 2) Pricing power shifts to end customers with heightened competition amongst peers. 3) Acquisitions do not bear fruit, resulting in layoffs and leading to cost burdens. 4) Automotive and industrial end demand does not recover, hampering Yageo's premium business. 5) Yageo does not make any material advancements into AI.

Risk Reward – Yageo Corp. (2327.TW)

KEY EARNINGS INPUTS

Drivers	Dec 2025	Dec 2026e	Dec 2027e	Dec 2028e
MLCC ASP y/y (%)	0.6	29.8	67.4	14.9
MLCC GM (%)	31.7	37.9	46.9	51.0
r-chip ASP y/y (%)	0.8	8.5	45.8	27.3
r-chip GM (%)	43.4	44.4	53.6	58.6

INVESTMENT DRIVERS

- Transformation into global total solutions service provider
- Premium/standard sales mix
- Utilization rates and capacity
- Inventory and pricing

GLOBAL REVENUE EXPOSURE

- 0-10% Japan
- 10-20% APAC, ex Japan, Mainland China and India
- 20-30% Europe ex UK
- 20-30% Mainland China
- 20-30% North America

Source: Morgan Stanley Research Estimate
View explanation of regional hierarchies here

MS ALPHA MODELS

2/5 MOST	3 Month Horizon

Source: Refinitiv, FactSet, Morgan Stanley Research; 1 is the highest favored Quintile and 5 is the least favored Quintile

RISKS TO PT/RATING

RISKS TO UPSIDE

- Faster-than-expected revenue/profit recognition from stronger AI server/notebook demand
- Further price hikes led by stronger pricing power arising from better demand and/or tighter supply

RISKS TO DOWNSIDE

- A sudden bursting of demand for AI
- Inventory risk
- Consumer electronics demand risk

OWNERSHIP POSITIONING

Inst. Owners, % Active 59.2%

Source: Refinitiv, Morgan Stanley Research

MS ESTIMATES VS. CONSENSUS

FY Dec 2027e

Sales / Revenue (NT$, mn)	185,000	218,053	249,369	
EBITDA (NT$, mn)	65,300	78,855	99,451	102,611
Net income (NT$, mn)	41,000	54,469	72,131	
EPS (NT$)	19.94	26.58	35.13	

◆ Mean ◆ Morgan Stanley Estimates

Source: Refinitiv, Morgan Stanley Research

Financials

Exhibit 26: Quarterly Estimates

	1Q25	2Q25	3Q25	4Q25	1Q26	2Q26E	3Q26E	4Q26E	2025	2026E	2027E	2028E
Net sales	**31,104**	**32,771**	**33,087**	**35,968**	**38,166**	**44,165**	**47,614**	**50,891**	**132,930**	**180,835**	**249,369**	**305,345**
COGS	(20,018)	(21,119)	(21,112)	(22,551)	(23,624)	(26,769)	(28,109)	(29,384)	(84,800)	(107,886)	(135,342)	(155,051)
Gross profit	**11,086**	**11,652**	**11,974**	**13,417**	**14,542**	**17,396**	**19,505**	**21,507**	**48,130**	**72,950**	**114,027**	**150,294**
Operating expenses	(4,623)	(4,609)	(4,412)	(4,685)	(4,929)	(5,142)	(5,296)	(5,491)	(18,329)	(20,858)	(23,740)	(26,033)
SG&A	(3,758)	(3,774)	(3,578)	(3,800)	(4,035)	(4,213)	(4,357)	(4,543)	(14,910)	(17,147)	(19,753)	(21,738)
R&D	(865)	(834)	(834)	(886)	(894)	(930)	(939)	(948)	(3,419)	(3,711)	(3,987)	(4,295)
Operating income	**6,463**	**7,044**	**7,562**	**8,732**	**9,613**	**12,254**	**14,209**	**16,016**	**29,801**	**52,092**	**90,287**	**124,261**
Non-operating income	**710**	**(15)**	**650**	**(26)**	**712**	**700**	**749**	**788**	**1,319**	**2,949**	**3,425**	**3,844**
Interest income	533	443	379	216	303	337	369	400	1,571	1,409	1,878	2,260
Investment income	117	24	144	195	181	163	179	188	480	711	747	784
Disposal of investment	100	0	0	0	7	0	0	0	100	7	0	0
Exchange gain	(148)	194	(110)	(677)	(139)	0	0	0	(742)	(139)	0	0
Other	108	(676)	237	241	359	200	200	200	(90)	959	800	800
Pre-tax income	**7,173**	**7,028**	**8,212**	**8,706**	**10,325**	**12,954**	**14,957**	**16,805**	**31,120**	**55,040**	**93,712**	**128,105**
Income tax	(1,610)	(2,016)	(1,817)	(1,900)	(2,287)	(3,497)	(3,291)	(3,529)	(7,343)	(12,604)	(21,434)	(29,383)
Minority interest	33	14	39	56	37	37	37	37	143	147	147	147
Net income	**5,530**	**4,998**	**6,356**	**6,751**	**8,001**	**9,419**	**11,630**	**13,239**	**23,634**	**42,289**	**72,131**	**98,575**
Adj.wtd.avg.shrs (mn)	2,053	2,053	2,054	2,053	2,054	2,054	2,054	2,054	2,053	2,054	2,054	2,054
EPS	**2.69**	**2.43**	**3.10**	**3.29**	**3.90**	**4.59**	**5.66**	**6.45**	**11.51**	**20.59**	**35.13**	**48.00**
Fully Diluted shares (mn)	2,459	2,456	2,055	2,053	2,054	2,054	2,054	2,054	2,053	2,054	2,054	2,054
Diluted EPS (NT$)	**2.25**	**2.03**	**3.09**	**3.29**	**3.90**	**4.59**	**5.66**	**6.45**	**11.51**	**20.59**	**35.13**	**48.00**
Margins (%)												
Gross Margin	35.6	35.6	36.2	37.3	38.1	39.4	41.0	42.3	36.2	40.3	45.7	49.2
Operating Margin	20.8	21.5	22.9	24.3	25.2	27.7	29.8	31.5	22.4	28.8	36.2	40.7
Pretax Margin	23.1	21.4	24.8	24.2	27.1	29.3	31.4	33.0	23.4	30.4	37.6	42.0
Net Margin	17.8	15.3	19.2	18.8	21.0	21.3	24.4	26.0	17.8	23.4	28.9	32.3
QoQ Growth (%)												
Sales	4	5	1	9	6	16	8	7				
Gross Profit	11	5	3	12	8	20	12	10				
Operating Profit	20	9	7	15	10	27	16	13				
Pretax Profit	15	-2	17	6	19	25	15	12				
Net Profit	49	-10	27	6	19	18	23	14				
YoY Growth (%)												
Sales	9	4	4	20	23	35	44	41	9	36	38	22
Gross Profit	15	6	7	35	31	49	63	60	15	52	56	32
Operating Profit	31	9	14	63	49	74	88	83	27	75	73	38
Pretax Profit	18	-5	15	39	44	84	82	93	16	77	70	37
Net Profit	21	-8	13	82	45	88	83	96	22	79	71	37

Source: Company data, Morgan Stanley Research (E) estimates.

Exhibit 27: Consolidated Financial Summary

Consolidated Income Statement

NT$mn (Year End Dec 31)	2025	2026E	2027E	2028E
Net sales	**132,930**	**180,835**	**249,369**	**305,345**
COGS	(84,800)	(107,886)	(135,342)	(155,051)
Gross profit	**48,130**	**72,950**	**114,027**	**150,294**
Operating expenses	(18,329)	(20,858)	(23,740)	(26,033)
Operating income	**29,801**	**52,092**	**90,287**	**124,261**
Non-operating income	**1,319**	**2,949**	**3,425**	**3,844**
Interest income	1,571	1,409	1,878	2,260
Investment income	480	711	747	784
Disposal of investment	100	7	-	-
Exchange gain	(742)	(139)	-	-
Other	(90)	959	800	800
Pre-tax income	**31,120**	**55,040**	**93,712**	**128,105**
Income tax	(7,343)	(12,604)	(21,434)	(29,383)
Minority interests	143	147	147	147
Net income	**23,634**	**42,289**	**72,131**	**98,575**
Adj. wtd. Avg. shrs (m)	2,053	2,054	2,054	2,054
Reported EPS (NT$)	**11.51**	**20.59**	**35.13**	**48.00**
Diluted shrs (m)	2,053	2,054	2,054	2,054
Diluted EPS (NT$)	**11.51**	**20.59**	**35.13**	**48.00**

Consolidated Cash Flow Statement

NT$mn (Year End Dec 31)	2025	2026E	2027E	2028E
Operating Cashflow	**30,863**	**47,087**	**70,726**	**95,638**
Net Profits	23,634	42,289	72,131	98,575
Depreciation & Amort.	9,834	9,469	9,164	8,868
Investment losses/(income)	(581)	(711)	(747)	(784)
Working capital change	(12,663)	(1,138)	(5,795)	(7,732)
Other adjustments	10,944	(2,815)	(4,027)	(3,289)
Investing Cashflow	**(3,725)**	**(7,363)**	**(7,122)**	**(6,925)**
Capex	(6,056)	(8,000)	(8,000)	(8,000)
Change of L/T investment	(4,146)	0	0	0
Change of S/T investment	817	0	0	0
Other adjustments	5,191	0	0	0
Financing Cashflow	**(3,135)**	**10,349**	**(14,451)**	**(34,541)**
Increase in L/T debt	(543)	(1,000)	(1,000)	(1,000)
Increase in S/T debt	7,613	0	0	0
Issuance of stock	0	15,337	0	0
Cash dividends	(10,265)	(12,321)	(25,374)	(43,279)
Other adjustments	61	8,334	11,922	9,738
FX adjustment	(3,647)	139	0	0
Net change in cash	**20,356**	**50,211**	**49,153**	**54,172**

Consolidated Balance Sheet

NT$mn (Year End Dec 31)	2025	2026E	2027E	2028E
Cash	**81,473**	**131,685**	**180,837**	**235,009**
Mkt securities	16,634	16,634	16,634	16,634
AR/NR	27,792	33,751	46,132	59,487
Inventory	31,636	40,394	49,960	55,930
Others	7,811	10,626	14,653	17,942
Current Assets	**165,346**	**233,090**	**308,216**	**385,002**
Long-term investments	45,572	45,572	45,572	45,572
Fixed assets	65,305	63,199	61,157	59,213
Other assets	114,566	114,566	114,566	114,566
Total Assets	**390,789**	**456,427**	**529,511**	**604,354**
S/T borrowings	86,196	86,196	86,196	86,196
AP/NP	18,031	22,940	28,778	32,969
Other ST liabilities	31,852	40,523	50,835	58,238
Total Current Liabilities	**136,079**	**149,659**	**165,810**	**177,404**
L/T debt	57,589	56,589	55,589	54,589
Other LT libilities	23,124	31,458	43,380	53,118
Total Liabilities	**216,793**	**237,706**	**264,779**	**285,110**
Common shares	5,182	20,519	20,519	20,519
Retained Earnings	104,669	134,057	180,068	234,580
Other SH' Equity	64,145	64,145	64,145	64,145
Total Shareholders' Equity	**173,997**	**218,721**	**264,732**	**319,244**
Total Liab./SH's Equity	**390,789**	**456,427**	**529,511**	**604,354**

Consolidated Financial Ratios

	2025	2026E	2027E	2028E
Margins (%)				
Gross margin	36.2	40.3	45.7	49.2
Operating margin	22.4	28.8	36.2	40.7
Pretax margin	23.4	30.4	37.6	42.0
Net margin	17.8	23.4	28.9	32.3
YoY growth (%)				
Sales	9.3	36.0	37.9	22.4
Operating profits	27.4	74.8	73.3	37.6
Pretax profits	15.8	76.9	70.3	36.7
Net profits	22.1	78.9	70.6	36.7
Others				
Cash dividend payout (%)	52%	60%	60%	60%
Cash div (NT$)	6.00	12.36	21.08	28.80
Yield (%)	1%	1%	2%	3%
Net Debt/Equity (%)	26%	-3%	-21%	-35%
Liabilities/Equity (%)	125%	109%	100%	89%
Liabilities/Assets (%)	55%	52%	50%	47%
ROAE (%)	14%	22%	30%	34%
ROAA (%)	6%	10%	15%	17%
AR/NR Turnover (days)	68	62	58	63
Inventory Turnover (days)	128	122	122	125
AP/NP Turnover (days)	71	69	70	73
Cash conversion cycle	125	115	111	115

Source: Company data, Morgan Stanley Research (E) estimates.

Risk Reward Reference links

1. View explanation of Options Probabilities methodology - Options_Probabilities_Exhibit_Link.pdf

2. View descriptions of Risk Rewards Themes - RR_Themes_Exhibit_Link.pdf

3. View explanation of regional hierarchies - GEG_Exhibit_Link.pdf

4. View explanation of Theme/Exposure methodology - ESG_Sustainable_Solutions_External_Link.pdf

5. View explanation of HERS methodology - ESG_HERS_External_Link.pdf

Disclosure Section

The information and opinions in Morgan Stanley Research were prepared or are disseminated by Morgan Stanley Asia Limited (which accepts the responsibility for its contents) and/or Morgan Stanley Asia (Singapore) Pte. (Registration number 199206298Z) and/or Morgan Stanley Asia (Singapore) Securities Pte Ltd (Registration number 200008434H), regulated by the Monetary Authority of Singapore (which accepts legal responsibility for its contents and should be contacted with respect to any matters arising from, or in connection with, Morgan Stanley Research), and/or Morgan Stanley Taiwan Limited and/or Morgan Stanley & Co International plc, Seoul Branch, and/or Morgan Stanley Australia Limited (A.B.N. 67 003 734 576, holder of Australian financial services license No. 233742, which accepts responsibility for its contents), and/or Morgan Stanley Wealth Management Australia Pty Ltd (A.B.N. 19 009 145 555, holder of Australian financial services license No. 240813, which accepts responsibility for its contents), and/or Morgan Stanley India Company Private Limited having Corporate Identification No (CIN) U22990MH1998PTC115305, regulated by the Securities and Exchange Board of India ("SEBI") and holder of licenses as a Research Analyst (SEBI Registration No. INH000001105); Stock Broker (SEBI Stock Broker Registration No. INZ000244438), Merchant Banker (SEBI Registration No. INM000011203), and depository participant with National Securities Depository Limited (SEBI Registration No. IN-DP-NSDL-567-2021) having registered office at Altimus, Level 39 & 40, Pandurang Budhkar Marg, Worli, Mumbai 400018, India; Telephone no. +91-22-61181000; Compliance Officer Details: Mr. Tejarshi Hardas, Tel. No.: +91-22-61181000 or Email: tejarshi.hardas@morganstanley.com; Grievance officer details: Mr. Tejarshi Hardas, Tel. No.: +91-22-61181000 or Email: msic-compliance@morganstanley.com which accepts the responsibility for its contents and should be contacted with respect to any matters arising from, or in connection with, Morgan Stanley Research, and their affiliates (collectively, "Morgan Stanley"). Morgan Stanley India Company Private Limited (MSICPL) may use AI tools in providing research services. All recommendations contained herein are made by the duly qualified research analysts.

For important disclosures, stock price charts and equity rating histories regarding companies that are the subject of this report, please see the Morgan Stanley Research Disclosure Website at www.morganstanley.com/eqr/disclosures/webapp/generalresearch, or contact your investment representative or Morgan Stanley Research at 1585 Broadway, (Attention: Research Management), New York, NY, 10036 USA.

For valuation methodology and risks associated with any recommendation, rating or price target referenced in this research report, please contact the Client Support Team as follows: US/Canada +1 800 303-2495; Hong Kong +852 2848-5999; Latin America +1 718 754-5444 (U.S.); London +44 (0)20-7425-8169; Singapore +65 6834-6860; Sydney +61 (0)2-9770-1505; Tokyo +81 (0)3-6836-9000. Alternatively you may contact your investment representative or Morgan Stanley Research at 1585 Broadway, (Attention: Research Management), New York, NY 10036 USA.

Analyst Certification

The following analysts hereby certify that their views about the companies and their securities discussed in this report are accurately expressed and that they have not received and will not receive direct or indirect compensation in exchange for expressing specific recommendations or views in this report: Howard Kao; Sharon Shih.

.

Global Research Conflict Management Policy

Morgan Stanley Research has been published in accordance with our conflict management policy, which is available at www.morganstanley.com/institutional/research/conflictpolicies. A Portuguese version of the policy can be found at www.morganstanley.com.br

Important Regulatory Disclosures on Subject Companies

As of May 29, 2026, Morgan Stanley beneficially owned 1% or more of a class of common equity securities of the following companies covered in Morgan Stanley Research: AAC Technologies Holdings, Accelink Technologies Co. Ltd., Acer Inc., AirTAC International, Asia Vital Components Co. Ltd., AU Optronics, Auras Technology Co Ltd, Bizlink, Catcher Technology, Chenbro, Compal Electronics, Delta Electronics Inc., E Ink Holdings Inc., Eoptolink Technology Inc Ltd, Fositek Corp, Genius Electronic Optical Co. Ltd., Giga-Byte Technology Co. Ltd., Gold Circuit Electronics Ltd., Hiwin Technologies Corp., Innolux, LandMark Optoelectronics Corporation, Lite-On Technology, Nan Ya PCB, Pegatron Corporation, Sunny Optical, Sunonwealth Electric Machine Industry Co, Suzhou TFC Optical Communication Co Ltd., TCL Corp., Tong Hsing, Unimicron, Visual Photonics Epitaxy Co Ltd, Wistron Corporation, Wiwynn Corp, Wuhan Jingce Electronic Group Co Ltd, Xiaomi Corp, **Yageo Corp.**, Zhejiang Crystal-Optech Co Ltd, Zhen Ding, Zhongji Innolight Co Ltd, ZTE Corporation.

Within the last 12 months, Morgan Stanley managed or co-managed a public offering (or 144A offering) of securities of Wistron Corporation, Wiwynn Corp, Zhen Ding.

Within the last 12 months, Morgan Stanley has received compensation for investment banking services from Lenovo, Wistron Corporation, Wiwynn Corp, Xiaomi Corp, **Yageo Corp.**, Zhen Ding.

In the next 3 months, Morgan Stanley expects to receive or intends to seek compensation for investment banking services from AAC Technologies Holdings, Accton Technology Corporation, Acer Inc., Advantech, AirTAC International, Asia Vital Components Co. Ltd., Asustek Computer Inc., AU Optronics, Bizlink, Catcher Technology, Chenbro, Compal Electronics, Delta Electronics Inc., E Ink Holdings Inc., Ennostar Inc, Eoptolink Technology Inc Ltd, FIT Hon Teng Ltd, Giga-Byte Technology Co. Ltd., GoerTek Inc, Gold Circuit Electronics Ltd., Hon Hai Precision, Innolux, Lenovo, Lens Technology, Lingyi Itech Guangdong Co, Lite-On Technology, Luxshare Precision Industry Co., Ltd., Pegatron Corporation, Q Technology (Group) Company Ltd, Quanta Computer Inc., Sanan Optoelectronics, Shenzhen Transsion Holdings Co Ltd, Suzhou TFC Optical Communication Co Ltd., TCL Corp., Unimicron, Wistron Corporation, Wiwynn Corp, Xiaomi Corp, **Yageo Corp.**, Yangtze Optical Fibre and Cable JSC Ltd, Zhen Ding, Zhongji Innolight Co Ltd.

Within the last 12 months, Morgan Stanley has received compensation for products and services other than investment banking services from AAC Technologies Holdings, Accton Technology Corporation, Acer Inc., Asustek Computer Inc., AU Optronics, BYD Electronics, Compal Electronics, E Ink Holdings Inc., Eoptolink Technology Inc Ltd, Foxconn Technology, Giga-Byte Technology Co. Ltd., GoerTek Inc, Hon Hai Precision, Innolux, Lenovo, Lingyi Itech Guangdong Co, Quanta Computer Inc., Xiaomi Corp, **Yageo Corp.**.

Within the last 12 months, Morgan Stanley has provided or is providing investment banking services to, or has an investment banking client relationship with, the following company: AAC Technologies Holdings, Accton Technology Corporation, Acer Inc., Advantech, AirTAC International, Asia Vital Components Co. Ltd., Asustek Computer Inc., AU Optronics, Bizlink, Catcher Technology, Chenbro, Compal Electronics, Delta Electronics Inc., E Ink Holdings Inc., Ennostar Inc, Eoptolink Technology Inc Ltd, FIT Hon Teng Ltd, Giga-Byte Technology Co. Ltd., GoerTek Inc, Gold Circuit Electronics Ltd., Hon Hai Precision, Innolux, Lenovo, Lens Technology, Lingyi Itech Guangdong Co, Lite-On Technology, Luxshare Precision Industry Co., Ltd., Pegatron Corporation, Q Technology (Group) Company Ltd, Quanta Computer Inc., Sanan Optoelectronics, Shenzhen Transsion Holdings Co Ltd, Suzhou TFC Optical Communication Co Ltd., TCL Corp., Unimicron, Wistron Corporation, Wiwynn Corp, Xiaomi Corp, **Yageo Corp.**, Yangtze Optical Fibre and Cable JSC Ltd, Zhen Ding, Zhongji Innolight Co Ltd.

Within the last 12 months, Morgan Stanley has either provided or is providing non-investment banking, securities-related services to and/or in the past has entered into an agreement to provide services or has a client relationship with the following company: AAC Technologies Holdings, Accton Technology Corporation, Acer Inc., Asustek Computer Inc., AU Optronics, BYD Electronics, Compal Electronics, E Ink Holdings Inc., Eoptolink Technology Inc Ltd, Foxconn Technology, Giga-Byte Technology Co. Ltd., GoerTek Inc, Hon Hai Precision, Innolux, Lenovo, Lingyi Itech Guangdong Co, Quanta Computer Inc., Xiaomi Corp, **Yageo Corp.**, Zhen Ding.

The equity research analysts or strategists principally responsible for the preparation of Morgan Stanley Research have received compensation based upon various factors, including quality of research, investor client feedback, stock picking, competitive factors, firm revenues and overall investment banking revenues. Equity Research analysts' or strategists' compensation is not linked to investment banking or capital markets transactions performed by Morgan Stanley or the profitability or revenues of particular trading desks.

Morgan Stanley and its affiliates do business that relates to companies/instruments covered in Morgan Stanley Research, including market making, providing liquidity, fund management,

commercial banking, extension of credit, investment services and investment banking. Morgan Stanley sells to and buys from customers the securities/instruments of companies covered in Morgan Stanley Research on a principal basis. Morgan Stanley may have a position in the debt of the Company or instruments discussed in this report. Morgan Stanley trades or may trade as principal in the debt securities (or in related derivatives) that are the subject of the debt research report.
Certain disclosures listed above are also for compliance with applicable regulations in non-US jurisdictions.

STOCK RATINGS

Morgan Stanley uses a relative rating system using terms such as Overweight, Equal-weight, Not-Rated or Underweight (see definitions below). Morgan Stanley does not assign ratings of Buy, Hold or Sell to the stocks we cover. Overweight, Equal-weight, Not-Rated and Underweight are not the equivalent of buy, hold and sell. Investors should carefully read the definitions of all ratings used in Morgan Stanley Research. In addition, since Morgan Stanley Research contains more complete information concerning the analyst's views, investors should carefully read Morgan Stanley Research, in its entirety, and not infer the contents from the rating alone. In any case, ratings (or research) should not be used or relied upon as investment advice. An investor's decision to buy or sell a stock should depend on individual circumstances (such as the investor's existing holdings) and other considerations.

Global Stock Ratings Distribution

(as of May 31, 2026)
The Stock Ratings described below apply to Morgan Stanley's Fundamental Equity Research and do not apply to Debt Research produced by the Firm.
For disclosure purposes only (in accordance with FINRA requirements), we include the category headings of Buy, Hold, and Sell alongside our ratings of Overweight, Equal-weight, Not-Rated and Underweight. Morgan Stanley does not assign ratings of Buy, Hold or Sell to the stocks we cover. Overweight, Equal-weight, Not-Rated and Underweight are not the equivalent of buy, hold, and sell but represent recommended relative weightings (see definitions below). To satisfy regulatory requirements, we correspond Overweight, our most positive stock rating, with a buy recommendation; we correspond Equal-weight and Not-Rated to hold and Underweight to sell recommendations, respectively.

	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.

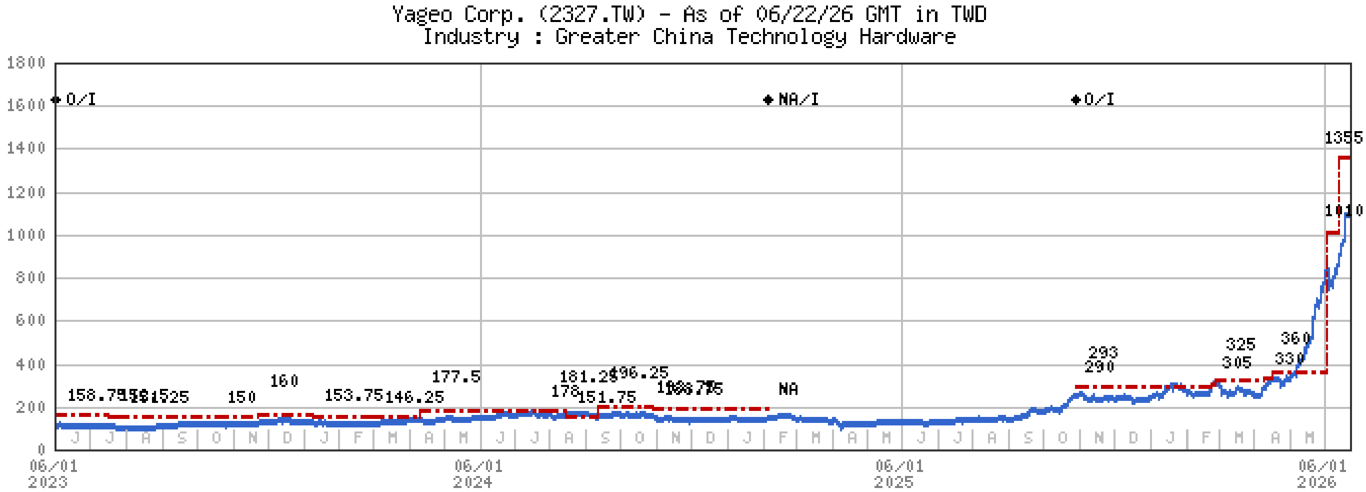
Analyst Stock Ratings

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.
Equal-weight (E). The stock's total return is expected to be in line with 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.
Not-Rated (NR). Currently the analyst does not have adequate conviction about the stock's total return relative to 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.
Underweight (U). The stock's total return is expected to be below 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.
Unless otherwise specified, the time frame for price targets included in Morgan Stanley Research is 12 to 18 months.

Analyst Industry Views

Attractive (A): The analyst expects the performance of his or her industry coverage universe over the next 12-18 months to be attractive vs. the relevant broad market benchmark, as indicated below.
In-Line (I): The analyst expects the performance of his or her industry coverage universe over the next 12-18 months to be in line with the relevant broad market benchmark, as indicated below.
Cautious (C): The analyst views the performance of his or her industry coverage universe over the next 12-18 months with caution vs. the relevant broad market benchmark, as indicated below.
Benchmarks for each region are as follows: North America - S&P 500; Latin America - relevant MSCI country index or MSCI Latin America Index; Europe - MSCI Europe; Japan - TOPIX; Asia - relevant MSCI country index or MSCI sub-regional index or MSCI AC Asia Pacific ex Japan Index.

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



Stock Rating History: 6/1/21 : E/I; 1/4/22 : O/I; 2/5/25 : NA/I; 10/28/25 : O/I

Price Target History: 5/12/21 : 166.47; 6/7/21 : 169.61; 7/7/21 : 172.76; 7/27/21 : 182.18; 10/19/21 : 141.35; 1/4/22 : 188.46; 6/23/22 : 155.48; 8/12/22 : 144.49; 10/28/22 : 116.25; 11/10/22 : 123.75; 1/9/23 : 157.5; 4/12/23 : 158.75; 7/17/23 : 152.5; 7/26/23 : 151.25; 10/18/23 : 150; 11/23/23 : 160; 1/9/24 : 153.75; 3/1/24 : 146.25; 4/11/24 : 177.5; 7/23/24 : 178; 7/30/24 : 181.25; 8/15/24 : 151.75; 9/12/24 : 196.25; 10/21/24 : 193.75; 10/29/24 : 188.75; 2/5/25 : NA; 10/28/25 : 290; 10/31/25 : 293; 2/23/26 : 305; 2/26/26 : 325; 4/9/26 : 330; 4/15/26 : 360; 6/2/26 : 1010; 6/13/26 : 1355

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)
Industry View: Attractive (A) In-line (I) Cautious (C) No Rating (NR)

Effective January 13, 2014, the stocks covered by Morgan Stanley Asia Pacific will be rated relative to the analyst's industry (or industry team's) coverage.

Effective January 13, 2014, the industry view benchmarks for Morgan Stanley Asia Pacific are as follows: relevant MSCI country index or MSCI sub-regional index or MSCI AC Asia Pacific ex Japan Index.

Important Disclosures for Morgan Stanley Smith Barney LLC Customers

Important disclosures regarding any material conflict of interest that can reasonably be expected to have influenced Morgan Stanley Smith Barney LLC's choice of a third-party research provider or the subject company of a third-party research report, are available on the Morgan Stanley Wealth Management disclosure website at www.morganstanley.com/online/researchdisclosures.

For Morgan Stanley specific disclosures, you may refer to https://www.morganstanley.com/eqr/disclosures/webapp/generalresearch.

Each Morgan Stanley research report is reviewed and approved on behalf of Morgan Stanley Smith Barney LLC. This review and approval is conducted by the same person who reviews the research report on behalf of Morgan Stanley. This could create a conflict of interest.

Other Important Disclosures

Morgan Stanley Research policy is to update research reports as and when the Research Analyst and Research Management deem appropriate, based on developments with the issuer, the sector, or the market that may have a material impact on the research views or opinions stated therein. In addition, certain Research publications are intended to be updated on a regular periodic basis (weekly/monthly/quarterly/annual) and will ordinarily be updated with that frequency, unless the Research Analyst and Research Management determine that a different publication schedule is appropriate based on current conditions.

Morgan Stanley is not acting as a municipal advisor and the opinions or views contained herein are not intended to be, and do not constitute, advice within the meaning of Section 975 of the Dodd-Frank Wall Street Reform and Consumer Protection Act.

Morgan Stanley produces an equity research product called a "Tactical Idea." Views contained in a "Tactical Idea" on a particular stock may be contrary to the recommendations or views expressed in research on the same stock. This may be the result of differing time horizons, methodologies, market events, or other factors. For all research available on a particular stock, please contact your sales representative or go to Matrix at http://www.morganstanley.com/matrix.

Morgan Stanley Research is provided to our clients through our proprietary research portal on Matrix and also distributed electronically by Morgan Stanley to clients. Certain, but not all, Morgan Stanley Research products are also made available to clients through third-party vendors or redistributed to clients through alternate electronic means as a convenience. For access to all available Morgan Stanley Research, please contact your sales representative or go to Matrix at http://www.morganstanley.com/matrix.

Any access and/or use of Morgan Stanley Research is subject to Morgan Stanley's Terms of Use (http://www.morganstanley.com/terms.html). By accessing and/or using Morgan Stanley Research, you are indicating that you have read and agree to be bound by our Terms of Use (http://www.morganstanley.com/terms.html). In addition you consent to Morgan Stanley processing your personal data and using cookies in accordance with our Privacy Policy and our Global Cookies Policy (http://www.morganstanley.com/privacy_pledge.html), including for the purposes of setting your preferences and to collect readership data so that we can deliver better and more personalized service and products to you. To find out more information about how Morgan Stanley processes personal data, how we use cookies and how to reject cookies see our Privacy Policy and our Global Cookies Policy (http://www.morganstanley.com/privacy_pledge.html). Please use the provided link to review the Terms and Conditions and Most Important Terms and Conditions for Morgan Stanley India Company Private Limited (https://www.morganstanley.com/assets/pdfs/about-us-global-offices/india/Terms_and_conditions.pdf) and the following link to review the audit report (https://ny.matrix.ms.com/eqr/research/webapp/researchdocs/MSICPL_Morgan_Stanley_Research_Audit_Report.pdf).

If you do not agree to our Terms of Use and/or if you do not wish to provide your consent to Morgan Stanley processing your personal data or using cookies please do not access our research.

Morgan Stanley Research does not provide individually tailored investment advice. Morgan Stanley Research has been prepared without regard to the circumstances and objectives of those who receive it. Morgan Stanley recommends that investors independently evaluate particular investments and strategies, and encourages investors to seek the advice of a financial adviser. The appropriateness of an investment or strategy will depend on an investor's circumstances and objectives. The securities, instruments, or strategies discussed in Morgan Stanley Research may not be suitable for all investors, and certain investors may not be eligible to purchase or participate in some or all of them. Morgan Stanley Research is not an offer to buy or sell or the solicitation of an offer to buy or sell any security/instrument or to participate in any particular trading strategy. The value of and income from your investments may vary because of changes in interest rates, foreign exchange rates, default rates, prepayment rates, securities/instruments prices, market indexes, operational or financial conditions of companies or other factors. There may be time limitations on the exercise of options or other rights in securities/instruments transactions. Past performance is not necessarily a guide to future performance. Estimates of future performance are based on assumptions that may not be realized. If provided, and unless otherwise stated, the closing price on the cover page is that of the primary exchange for the subject company's securities/instruments.

The fixed income research analysts, strategists or economists principally responsible for the preparation of Morgan Stanley Research have received compensation based upon various factors, including quality, accuracy and value of research, firm profitability or revenues (which include fixed income trading and capital markets profitability or revenues), client feedback and competitive factors. Fixed Income Research analysts', strategists' or economists' compensation is not linked to investment banking or capital markets transactions performed by Morgan Stanley or the profitability or revenues of particular trading desks.

The "Important Regulatory Disclosures on Subject Companies" section in Morgan Stanley Research lists all companies mentioned where Morgan Stanley owns 1% or more of a class of common equity securities of the companies. For all other companies mentioned in Morgan Stanley Research, Morgan Stanley may have an investment of less than 1% in securities/instruments or derivatives of securities/instruments of companies and may trade them in ways different from those discussed in Morgan Stanley Research. Employees of Morgan Stanley not involved in the preparation of Morgan Stanley Research may have investments in securities/instruments or derivatives of securities/instruments of companies mentioned and may trade them in ways different from those discussed in Morgan Stanley Research. Derivatives may be issued by Morgan Stanley or associated persons.

With the exception of information regarding Morgan Stanley, Morgan Stanley Research is based on public information. Morgan Stanley makes every effort to use reliable, comprehensive information, but we make no representation that it is accurate or complete. We have no obligation to tell you when opinions or information in Morgan Stanley Research change apart from when we intend to discontinue equity research coverage of a subject company. Facts and views presented in Morgan Stanley Research have not been reviewed by, and may not reflect information known to, professionals in other Morgan Stanley business areas, including investment banking personnel.

Morgan Stanley Research personnel may participate in company events such as site visits and are generally prohibited from accepting payment by the company of associated expenses unless pre-approved by authorized members of Research management.

Morgan Stanley may make investment decisions that are inconsistent with the recommendations or views in this report.

To our readers based in Taiwan or trading in Taiwan securities/instruments: Information on securities/instruments that trade in Taiwan is distributed by Morgan Stanley Taiwan Limited ("MSTL"). Such information is for your reference only. The reader should independently evaluate the investment risks and is solely responsible for their investment decisions. Morgan Stanley Research may not be distributed to the public media or quoted or used by the public media without the express written consent of Morgan Stanley. Any non-customer reader within the scope of Article 7-1 of the Taiwan Stock Exchange Recommendation Regulations accessing and/or receiving Morgan Stanley Research is not permitted to provide Morgan Stanley Research to any third party (including but not limited to related parties, affiliated companies and any other third parties) or engage in any activities regarding Morgan Stanley Research which may create or give the appearance of creating a conflict of interest. Information on securities/instruments that do not trade in Taiwan is for informational purposes only and is not to be construed as a recommendation or a solicitation to trade in such securities/instruments. MSTL may not execute transactions for clients in these securities/instruments.

Certain information in Morgan Stanley Research was sourced by employees of the Shanghai Representative Office of Morgan Stanley Asia Limited for the use of Morgan Stanley Asia Limited. Morgan Stanley is not incorporated under PRC law and the research in relation to this report is conducted outside the PRC. Morgan Stanley Research does not constitute an offer to sell or the solicitation of an offer to buy any securities in the PRC. PRC investors shall have the relevant qualifications to invest in such securities and shall be responsible for obtaining all relevant approvals, licenses, verifications and/or registrations from the relevant governmental authorities themselves. Neither this report nor any part of it is intended as, or shall constitute, provision of any consultancy or advisory service of securities investment as defined under PRC law. Such information is provided for your reference only.

Morgan Stanley Research is disseminated in Brazil by Morgan Stanley C.T.V.M. S.A. located at Av. Brigadeiro Faria Lima, 3600, 6th floor, São Paulo - SP, Brazil; and is regulated by the Comissão de Valores Mobiliários; in Mexico by Morgan Stanley México, Casa de Bolsa, S.A. de C.V which is regulated by Comision Nacional Bancaria y de Valores. Paseo de los Tamarindos 90, Torre 1, Col. Bosques de las Lomas Floor 29, 05120 Mexico City; in Japan by Morgan Stanley MUFG Securities Co., Ltd. and, for Commodities related research reports only, Morgan Stanley Capital Group Japan Co., Ltd; in Hong Kong by Morgan Stanley Asia Limited (which accepts responsibility for its contents) and by Morgan Stanley Bank Asia Limited; in Singapore by Morgan Stanley Asia (Singapore) Pte. (Registration number 199206298Z) and/or Morgan Stanley Asia (Singapore) Securities Pte Ltd (Registration number 200008434H), regulated by the Monetary Authority of Singapore (which accepts legal responsibility for its contents and should be contacted with respect to any matters arising from, or in connection with, Morgan Stanley Research) and by Morgan Stanley Bank Asia Limited, Singapore Branch (Registration number T14FC0118J); in Australia to "wholesale clients" within the meaning of the Australian Corporations Act by Morgan Stanley Australia Limited A.B.N. 67 003 734 576, holder of Australian financial services license No. 233742, which accepts responsibility for its contents; in Australia to "wholesale clients" and "retail clients" within the meaning of the Australian Corporations Act by Morgan Stanley Wealth Management Australia Pty Ltd (A.B.N. 19 009 145 555, holder of Australian financial services license No. 240813, which accepts responsibility for its contents; in Korea by Morgan Stanley & Co International plc, Seoul Branch; in India by Morgan Stanley India Company Private Limited having Corporate Identification No (CIN) U22990MH1998PTC115305, regulated by the Securities and Exchange Board of India ("SEBI") and holder of licenses as a Research Analyst (SEBI Registration No. INH000001105); Stock Broker (SEBI Stock Broker Registration No. INZ000244438), Merchant Banker (SEBI Registration No. INM000011203), and depository participant with National Securities Depository Limited (SEBI Registration No. IN-DP-NSDL-567-2021) having registered office at Altimus, Level 39 & 40, Pandurang Budhkar Marg, Worli, Mumbai 400018, India; Telephone no. +91-22-61181000; Compliance Officer Details: Mr. Tejarshi Hardas, Tel. No.: +91-22-61181000 or Email: tejarshi.hardas@morganstanley.com; Grievance officer details: Mr. Tejarshi Hardas, Tel. No.: +91-22-61181000 or Email: msic-compliance@morganstanley.com. Morgan Stanley India Company Private Limited (MSICPL) may use AI tools in providing research services. All recommendations contained herein are made by the duly qualified research analysts; in Canada by Morgan Stanley Canada Limited; in Germany and the European Economic Area where required by Morgan Stanley Europe S.E., authorised and regulated by Bundesanstalt fuer Finanzdienstleistungsaufsicht (BaFin) under the reference number 149169; in the US by Morgan Stanley & Co. LLC, which accepts responsibility for its contents. Morgan Stanley & Co. International plc, authorized by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority, disseminates in the UK research that it has prepared, and research which has been prepared by any of its affiliates, only to persons who (i) are investment professionals falling within Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (as amended, the "Order"); (ii) are persons who are high net worth entities falling within Article 49(2)(a) to (d) of the Order; or (iii) are persons to whom an invitation or inducement to engage in investment activity (within the meaning of section 21 of the Financial Services and Markets Act 2000, as amended) may otherwise lawfully be communicated or caused to be communicated. RMB Morgan Stanley Proprietary Limited is a member of the JSE Limited and A2X (Pty) Ltd. RMB Morgan Stanley Proprietary Limited is a joint venture owned equally by Morgan Stanley International Holdings Inc. and RMB Investment Advisory (Proprietary) Limited, which is wholly owned by FirstRand Limited. The information in Morgan Stanley Research is being disseminated by Morgan Stanley Saudi Arabia, regulated by the Capital

Market Authority in the Kingdom of Saudi Arabia, and is directed at Sophisticated investors only.
Morgan Stanley Hong Kong Securities Limited is the liquidity provider/market maker for securities of AAC Technologies Holdings, BYD Electronics, FIT Hon Teng Ltd, Hon Hai Precision, Lenovo, Lens Technology, Sunny Optical, Xiaomi Corp, Yangtze Optical Fibre and Cable JSC Ltd, ZTE Corporation listed on the Stock Exchange of Hong Kong Limited. An updated list can be found on HKEx website: http://www.hkex.com.hk.
The information in Morgan Stanley Research is being communicated by Morgan Stanley & Co. International plc (DIFC Branch), regulated by the Dubai Financial Services Authority (the DFSA) or by Morgan Stanley & Co. International plc (ADGM Branch), regulated by the Financial Services Regulatory Authority Abu Dhabi (the FSRA), and is directed at Professional Clients only, as defined by the DFSA or the FSRA, respectively. The financial products or financial services to which this research relates will only be made available to a customer who we are satisfied meets the regulatory criteria of a Professional Client. A distribution of the different MS Research ratings or recommendations, in percentage terms for Investments in each sector covered, is available upon request from your sales representative.
The information in Morgan Stanley Research is being communicated by Morgan Stanley & Co. International plc (QFC Branch), regulated by the Qatar Financial Centre Regulatory Authority (the QFCRA), and is directed at business customers and market counterparties only and is not intended for Retail Customers as defined by the QFCRA.
As required by the Capital Markets Board of Turkey, investment information, comments and recommendations stated here, are not within the scope of investment advisory activity. Investment advisory service is provided exclusively to persons based on their risk and income preferences by the authorized firms. Comments and recommendations stated here are general in nature. These opinions may not fit to your financial status, risk and return preferences. For this reason, to make an investment decision by relying solely to this information stated here may not bring about outcomes that fit your expectations.
The trademarks and service marks contained in Morgan Stanley Research are the property of their respective owners. Third-party data providers make no warranties or representations relating to the accuracy, completeness, or timeliness of the data they provide and shall not have liability for any damages relating to such data. The Global Industry Classification Standard (GICS) was developed by and is the exclusive property of MSCI and S&P.
Morgan Stanley Research, or any portion thereof may not be reprinted, sold or redistributed without the written consent of Morgan Stanley.
Indicators and trackers referenced in Morgan Stanley Research may not be used as, or treated as, a benchmark under Regulation EU 2016/1011, or any other similar framework.
The issuers and/or fixed income products recommended or discussed in certain fixed income research reports may not be continuously followed. Accordingly, investors should regard those fixed income research reports as providing stand-alone analysis and should not expect continuing analysis or additional reports relating to such issuers and/or individual fixed income products.
Morgan Stanley may hold, from time to time, material financial and commercial interests regarding the company subject to the Research report.

Registration granted by SEBI and certification from the National Institute of Securities Markets (NISM) in no way guarantee performance of the intermediary or provide any assurance of returns to investors. Investment in securities market are subject to market risks. Read all the related documents carefully before investing.

INDUSTRY COVERAGE: Greater China Technology Hardware

COMPANY (TICKER)	RATING (AS OF)	PRICE* (06/18/2026)
Andy Meng, CFA		
AAC Technologies Holdings (2018.HK)	O (01/29/2024)	HK$48.68
Accelink Technologies Co. Ltd. (002281.SZ)	U (05/12/2022)	Rmb266.20
BYD Electronics (0285.HK)	O (04/28/2023)	HK$23.82
China TransInfo Technology Co Ltd (002373.SZ)	E (07/18/2023)	Rmb7.76
Dahua Technology Co. Ltd. (002236.SZ)	E (12/12/2024)	Rmb16.27
Eoptolink Technology Inc Ltd (300502.SZ)	O (02/27/2026)	Rmb581.48
Genius Electronic Optical Co. Ltd. (3406.TW)	E (04/23/2025)	NT$753.00
Gosuncn Technology Group Co Ltd (300098.SZ)	U (11/07/2022)	Rmb4.96
HIKVision Digital Technology (002415.SZ)	E (12/12/2024)	Rmb32.30
Largan Precision (3008.TW)	E (10/17/2025)	NT$5,195.00
LianChuang Electronic Technology Co Ltd (002036.SZ)	U (06/12/2024)	Rmb8.61
OFILM Group Co Ltd (002456.SZ)	U (06/12/2024)	Rmb9.30
Q Technology (Group) Company Ltd (1478.HK)	U (03/23/2026)	HK$8.75
Quectel Wireless Solutions Co Ltd (603236.SS)	E (10/09/2024)	Rmb52.81
Shanghai Conant Optical Co Ltd (2276.HK)	O (04/10/2026)	HK$37.48
Shenzhen Transsion Holdings Co Ltd (688036.SS)	E (03/23/2026)	Rmb53.51
Sunny Optical (2382.HK)	E (03/23/2026)	HK$80.15
Suzhou TFC Optical Communication Co Ltd. (300394.SZ)	E (11/06/2025)	Rmb336.60
Wingtech Technology Co Ltd (600745.SS)	U (05/18/2026)	Rmb16.90
Xiaomi Corp (1810.HK)	O (04/14/2021)	HK$24.58
Yangtze Optical Fibre and Cable JSC Ltd (601869.SS)	U (10/13/2021)	Rmb471.55
Yangtze Optical Fibre and Cable JSC Ltd (6869.HK)	E (04/20/2023)	HK$217.80
Yongxin Optics Co Ltd (603297.SS)	E (11/15/2022)	Rmb124.90
Zhejiang Crystal-Optech Co Ltd (002273.SZ)	O (11/15/2022)	Rmb36.94
Zhongji Innolight Co Ltd (300308.SZ)	++	Rmb1,367.88
ZTE Corporation (0763.HK)	O (06/04/2026)	HK$25.08

ZTE Corporation (000063.SZ)	E (06/04/2026)	Rmb37.89
Derrick Yang		
Accton Technology Corporation (2345.TW)	O (06/06/2024)	NT$2,435.00
Advantech (2395.TW)	O (01/20/2021)	NT$494.00
AirTAC International (1590.TW)	O (04/16/2025)	NT$1,380.00
AU Optronics (2409.TW)	E (02/10/2026)	NT$28.15
Bizlink (3665.TW)	O (03/10/2025)	NT$2,100.00
BOE Technology (000725.SZ)	O (09/06/2019)	Rmb6.55
Chenbro (8210.TW)	O (07/23/2025)	NT$1,365.00
Chroma Ate Inc. (2360.TW)	O (10/05/2021)	NT$2,310.00
E Ink Holdings Inc. (8069.TWO)	O (05/11/2026)	NT$204.00
Ennostar Inc (3714.TW)	U (09/23/2022)	NT$67.20
Hiwin Technologies Corp. (2049.TW)	O (03/30/2026)	NT$335.00
Innolux (3481.TW)	E (04/07/2025)	NT$64.40
King Slide Works Co. Ltd. (2059.TW)	O (11/08/2023)	NT$6,865.00
Lens Technology (300433.SZ)	E (07/22/2020)	Rmb55.77
Radiant Opto-Electronics Corporation (6176.TW)	E (03/01/2024)	NT$87.90
Sanan Optoelectronics (600703.SS)	U (08/21/2023)	Rmb17.54
TCL Corp. (000100.SZ)	E (04/07/2025)	Rmb5.00
Tianma Microelectronics (000050.SZ)	U (01/24/2018)	Rmb8.94
Wuhan Jingce Electronic Group Co Ltd (300567.SZ)	E (11/26/2021)	Rmb213.86
Howard Kao		
Acer Inc. (2353.TW)	U (04/23/2025)	NT$34.40
Asustek Computer Inc. (2357.TW)	U (11/16/2025)	NT$789.00
Compal Electronics (2324.TW)	U (04/23/2025)	NT$37.75
FIT Hon Teng Ltd (6088.HK)	O (11/03/2025)	HK$7.64
Giga-Byte Technology Co. Ltd. (2376.TW)	E (11/16/2025)	NT$344.00
Gold Circuit Electronics Ltd. (2368.TW)	O (10/06/2022)	NT$1,355.00
Inspur Electronic Information (000977.SZ)	E (08/28/2023)	Rmb65.66
Lenovo (0992.HK)	E (11/16/2025)	HK$23.78
Lotes Co. Ltd. (3533.TW)	E (05/12/2025)	NT$2,290.00
Nan Ya PCB (8046.TW)	O (02/23/2026)	NT$874.00
Pegatron Corporation (4938.TW)	E (03/25/2026)	NT$82.90
Quanta Computer Inc. (2382.TW)	O (05/01/2023)	NT$376.00
Shengyi Technology Co Ltd. (600183.SS)	E (05/26/2022)	Rmb183.87
Shennan Circuits Co Ltd (002916.SZ)	E (08/24/2023)	Rmb453.80
Unimicron (3037.TW)	O (02/23/2026)	NT$968.00
Wistron Corporation (3231.TW)	O (07/12/2023)	NT$161.50
Wiwynn Corp (6669.TW)	O (11/10/2025)	NT$5,130.00
Yageo Corp. (2327.TW)	O (10/28/2025)	NT$1,080.00
Zhen Ding (4958.TW)	O (05/18/2026)	NT$642.00
Sharon Shih		
Asia Vital Components Co. Ltd. (3017.TW)	O (07/30/2024)	NT$2,400.00
Auras Technology Co Ltd (3324.TWO)	E (05/04/2023)	NT$1,070.00
Catcher Technology (2474.TW)	U (11/17/2025)	NT$202.50
Delta Electronics Inc. (2308.TW)	O (07/13/2017)	NT$2,150.00
Fositek Corp (6805.TW)	O (06/25/2025)	NT$1,755.00
Foxconn Industrial Internet Co. Ltd. (601138.SS)	O (07/10/2019)	Rmb78.08
Foxconn Technology (2354.TW)	U (04/23/2025)	NT$57.90
GoerTek Inc (002241.SZ)	U (04/23/2025)	Rmb23.92
Hon Hai Precision (2317.TW)	O (03/15/2024)	NT$268.50
LandMark Optoelectronics Corporation (3081.TWO)	E (03/26/2026)	NT$2,440.00
Lingyi Itech Guangdong Co (002600.SZ)	U (04/23/2025)	Rmb16.82
Lite-On Technology (2301.TW)	E (01/15/2025)	NT$210.50
Luxshare Precision Industry Co., Ltd. (002475.SZ)	O (10/24/2016)	Rmb69.93

Sunonwealth Electric Machine Industry Co (2421.TW)	E (02/23/2024)	NT$145.00
Tong Hsing (6271.TW)	E (03/18/2019)	NT$242.50
Visual Photonics Epitaxy Co Ltd (2455.TW)	E (09/11/2023)	NT$416.00

Stock Ratings are subject to change. Please see latest research for each company.
* Historical prices are not split adjusted.