Acer

Better 2Q26 sales; margin key watch point; reiterate Underperform with NT$26 PO

Reiterate Rating: UNDERPERFORM | PO: 26.00 TWD | Price: 31.05 TWD

15 July 2026

Equity

Robert Cheng >>
Research Analyst
Merrill Lynch (Taiwan)
+886 2 2376 3731
robert.cheng@bofa.com

Doris Kao >>
Research Analyst
Merrill Lynch (Taiwan)
+886 2 2376 3722
doris.kao@bofa.com

Katherine Zhu >>
Research Analyst
Merrill Lynch (Hong Kong)
+852 3508 3374
kexin.zhu@bofa.com

Better 2Q26 sales driven by AI, commercial, non-PC

Acer's 2Q26 sales of NT$85.3bn (+18% QoQ, +28% YoY) were 23%/5% above BofAe/ consensus. We particularly highlight the better sales from AI, commercial, and non-PC businesses. According to Acer, sales from desktop, commercial products (excluding Chromebook), and non-PC grew 57.3%, 47.3%, and 48.2% YoY in 2Q26, respectively. Acer cited the strong desktop sales were mainly due to AI usage. The non-PC sales accounted for 34.3% of total in 2Q26, vs. 34.7%/29.9% in 1Q26/2Q25. Acer will report 2Q26 earnings after market close on 6 Aug and hold an analyst debriefing on 18 Aug.

Expect decent sales growth, but margins key watch point

Following memory price hikes and components tightness, we believe Acer and other PC brands should be able to raise prices to reflect the higher costs. This could lead to decent sales growth in 2026 (BofAe: +19% YoY for Acer) despite soft end-market demand. We flag margins as the key watch point during the prolonged memory upcycle, given Acer's smaller PC market share. In 1Q26, Acer's PC shipment share was 5.9%, vs. top 3 names Lenovo/HP/Dell at 24.3%/17.4%/14.2%. Acer and Asustek had high inventory days at 99/125 as of 1Q26 (Exhibit 1).

Maintain PO of NT$26; reiterate Underperform

We cut our 2026-27E EPS by 6-7% (to reflect 2025/1Q26 actual data, better 2Q26 sales, and margin concerns) and introduce our 2028 estimates (Exhibit 2). We maintain our PO of NT$26 with a valuation base rollover but unchanged P/E multiple – currently based on 15x 2H26-1H27E EPS vs. 15x 4Q25-3Q26E EPS previously. We reiterate Underperform on Acer, given moderate PC demand, potential margin pressure from component price hikes, and above-peer valuation (currently trades at 18x 2027E P/E vs. the peer average of 17x; Exhibit 5).

Estimates (Dec) (NT$)	**2023A**	**2024A**	**2025E**	**2026E**	**2027E**
Net Income (Adjusted - mn)	4,932	5,539	3,950	5,563	5,724
EPS	1.64	1.84	1.31	1.85	1.90
EPS Change (YoY)	-1.4%	12.1%	-28.7%	40.9%	2.9%
Consensus EPS (Visible Alpha)			1.25	1.54	1.61
Dividend / Share	1.60	1.70	1.05	1.48	1.52
Free Cash Flow / Share	4.05	-2.00	0.85	0.99	1.08
Valuation (Dec)					
P/E	18.9x	16.9x	23.6x	16.8x	16.3x
Dividend Yield	5.2%	5.5%	3.4%	4.8%	4.9%
EV / EBITDA*	16.4x	13.8x	16.2x	12.0x	11.7x
Free Cash Flow Yield*	12.9%	-6.3%	2.7%	3.2%	3.4%

* For full definitions of *iQmethod* SM measures, see page 8.

Stock Data

Price	31.05 TWD
Price Objective	26.00 TWD
Date Established	18-Nov-2025
Investment Opinion	B-3-7
52-Week Range	25.00 TWD-44.20 TWD
Mrkt Val / Shares Out (mn)	2,940 USD / 3,047.9
Market Value (mn)	94,636 TWD
Average Daily Value (mn)	62.28 USD
Free Float	93.7%
BofA Ticker / Exchange	ASIYF / TAI
Bloomberg / Reuters	2353 TT / 2353.TW
ROE (2025E)	5.2%
Net Dbt to Eqty (Dec-2024A)	-33.4%

For a full list of acronyms, see Exhibit 11

iQprofile℠ Acer

Key Income Statement Data (Dec)	2023A	2024A	2025E	2026E	2027E
(NT$ Millions)					
Sales	241,308	264,682	272,484	287,042	300,023
Gross Profit	25,823	28,006	29,200	32,281	34,044
Sell General & Admin Expense	(19,479)	(20,864)	(22,273)	(23,401)	(24,498)
Operating Profit	4,225	4,876	4,828	6,613	7,047
Net Interest & Other Income	3,573	4,099	2,587	2,002	1,791
Associates	NA	NA	NA	NA	NA
Pretax Income	7,799	8,974	7,416	8,616	8,838
Tax (expense) / Benefit	(2,168)	(2,756)	(1,963)	(2,412)	(2,475)
Net Income (Adjusted)	4,932	5,539	3,950	5,563	5,724
Average Fully Diluted Shares Outstanding	3,001	3,006	3,006	3,006	3,006
Key Cash Flow Statement Data					
Net Income	4,932	5,539	3,950	5,563	5,724
Depreciation & Amortization	1,776	2,272	1,247	1,568	1,381
Change in Working Capital	(1,238)	(12,584)	(3,743)	(4,386)	(4,102)
Deferred Taxation Charge	NA	NA	NA	NA	NA
Other Adjustments, Net	7,213	3,250	1,503	640	640
Cash Flow from Operations	12,684	(1,523)	2,958	3,386	3,643
Capital Expenditure	(516)	(4,482)	(400)	(400)	(400)
(Acquisition) / Disposal of Investments	(398)	(4,310)	0	0	0
Other Cash Inflow / (Outflow)	(6,452)	(6,035)	0	0	0
Cash Flow from Investing	(7,366)	(14,828)	(400)	(400)	(400)
Shares Issue / (Repurchase)	433	1,023	0	0	0
Cost of Dividends Paid	(4,928)	(5,338)	(3,160)	(4,451)	(4,579)
Cash Flow from Financing	(4,440)	3,871	(3,160)	(4,451)	(4,579)
Free Cash Flow	12,167	(6,005)	2,558	2,986	3,243
Net Debt	(45,553)	(27,914)	(27,312)	(25,847)	(24,511)
Change in Net Debt	(525)	17,639	602	1,465	1,336
Key Balance Sheet Data					
Property, Plant & Equipment	4,424	8,431	7,584	6,416	5,434
Other Non-Current Assets	46,744	54,346	54,346	54,346	54,346
Trade Receivables	52,308	54,627	55,373	58,331	60,969
Cash & Equivalents	48,134	37,665	37,063	35,598	34,262
Other Current Assets	57,124	64,406	65,164	68,292	71,418
Total Assets	208,734	219,476	219,530	222,983	226,429
Long-Term Debt	1,565	3,663	3,663	3,663	3,663
Other Non-Current Liabilities	19,617	22,944	22,944	22,944	22,944
Short-Term Debt	1,016	6,088	6,088	6,088	6,088
Other Current Liabilities	106,193	103,211	100,972	102,672	104,334
Total Liabilities	128,392	135,906	133,667	135,367	137,029
Total Equity	80,342	83,570	85,863	87,616	89,400
Total Equity & Liabilities	208,734	219,476	219,530	222,983	226,429
iQ*method℠ - Bus Performance					
Return On Capital Employed	4.7%	4.5%	4.2%	5.1%	5.3%
Return On Equity	6.8%	7.4%	5.2%	7.1%	7.1%
Operating Margin	1.8%	1.8%	1.8%	2.3%	2.3%
EBITDA Margin	2.5%	2.7%	2.2%	2.9%	2.8%
iQ*method℠ - Quality of Earnings					
Cash Realization Ratio	2.6x	-0.3x	0.7x	0.6x	0.6x
Asset Replacement Ratio	0.5x	3.6x	0.3x	0.3x	0.3x
Tax Rate (Reported)	27.8%	30.7%	26.5%	28.0%	28.0%
Net Debt-to-Equity Ratio	-56.7%	-33.4%	-31.8%	-29.5%	-27.4%
Interest Cover	14.9x	8.7x	6.2x	8.4x	8.9x

Key Metrics

* For full definitions of *iQmethod*℠ measures, see page 8.

Company Sector

Technology Strategy

Company Description

Acer, founded in 1976 and headquartered in Taiwan, is a global top PC brand company with business involvement in tech hardware and software. After underwent several transformations, new management team redirected business strategy to margin focus from volume focus. Acer now emphasizes on gaming PC business for margin expansion and seeks future growth opportunities in non-PC areas (e.g. IoT).

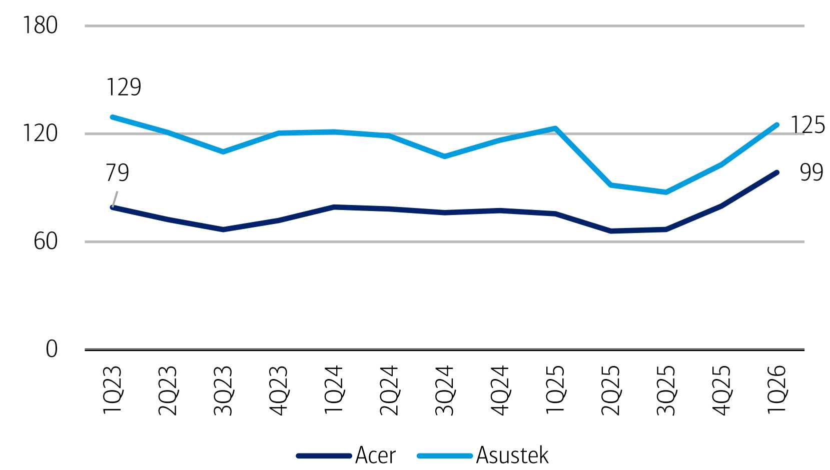
Investment Rationale

We have an Underperform rating on Acer in view of unjustified valuation despite PC demand recovery. It is trading at over 0.5SD above historical P/E average. Despite Acer's leading market share in Chromebook vendor (22% shipment share in 2022, following Dell's 21%), Chromebook demand has stabilized in 2023-24 from the peak level in 2020-21.

Stock Data

Price to Book Value	1.2x

Exhibit 1: Acer/Asustek had high inventory days - 99/125 days as of 1Q26
Quarterly inventory days: Acer and Asustek, 1Q23-1Q26



Source: BofA Global Research, TEJ, company data. Quarterly inventory days = 365 / 4 / (quarterly COGS / average inventories)

BofA GLOBAL RESEARCH

Exhibit 2: We cut 2026-27E EPS by 6-7% and introduce 2028 estimates
Earnings revisions summary, 2026-28E

	2026E			2027E			2028E
NT$mn	**New**	**Old**	**Diff (%)**	**New**	**Old**	**Diff (%)**	**New**
Sales	327,270	287,042	14%	333,848	300,023	11%	339,676
Gross profit	36,774	32,281	14%	37,632	34,044	11%	38,656
Operating profit	6,464	6,613	-2%	7,387	7,047	5%	7,883
Pretax profit	8,692	8,616	1%	8,915	8,838	1%	9,412
Net income	5,222	5,563	-6%	5,302	5,724	-7%	5,660
EPS (NT$)	1.74	1.85	-6%	1.76	1.90	-7%	1.88
Margin							
Gross margin	11.24%	11.25%		11.27%	11.35%		11.38%
Operating margin	1.98%	2.30%		2.21%	2.35%		2.32%
Pre-tax margin	2.66%	3.00%		2.67%	2.95%		2.77%
Net margin	1.60%	1.94%		1.59%	1.91%		1.67%

Source: BofA Global Research estimates. Diff: difference

BofA GLOBAL RESEARCH

Exhibit 3: Our 2026/28E earnings are 7%/23% above consensus and 2027E earnings are 4% below consensus
BofAe vs. consensus, 2026-28E

	2026E			2027E			2028E		
NT$mn	**BofAe**	**Consensus**	**Diff (%)**	**BofAe**	**Consensus**	**Diff (%)**	**BofAe**	**Consensus**	**Diff (%)**
Sales	327,270	312,367	5%	333,848	345,743	-3%	339,676	307,447	10%
Gross profit	36,774	35,132	5%	37,632	39,104	-4%	38,656	n.a.	n.a.
Operating profit	6,464	6,079	6%	7,387	7,820	-6%	7,883	7,509	5%
Pretax profit	8,692	9,320	-7%	8,915	10,244	-13%	9,412	8,823	7%
Net income	5,222	4,862	7%	5,302	5,496	-4%	5,660	4,608	23%
EPS (NT$)	1.74	1.62	7%	1.76	1.83	-4%	1.88	1.53	23%
Margin									
Gross margin	11.24%	11.25%		11.27%	11.31%		11.38%	n.a.	
Operating margin	1.98%	1.95%		2.21%	2.26%		2.32%	2.44%	
Pre-tax margin	2.66%	2.98%		2.67%	2.96%		2.77%	2.87%	
Net margin	1.60%	1.56%		1.59%	1.59%		1.67%	1.50%	

Source: BofA Global Research estimates, Bloomberg. Diff: difference

BofA GLOBAL RESEARCH

Exhibit 4: Our new 2Q26E EPS is 19% above consensus

2Q26 results review

NT$mn	2Q26 BofAe New	QoQ (%)	YoY (%)	2Q26 BofAe Old	Diff (%)	2Q26 Consensus	Diff (%)	1Q26	2Q25
Sales	85,296	18%	28%	69,624	23%	81,312	5%	72,423	66,532
Gross profit	9,500	17%	41%	7,721	23%	9,215	3%	8,086	6,729
Operating profit	1,781	122%	143%	1,455	22%	1,679	6%	803	734
Pre-tax profit	2,208	25%	23%	1,902	16%	2,495	-12%	1,764	1,799
Net profit	1,440	105%	33%	1,210	19%	1,214	19%	702	1,085
EPS (NT$)	0.48	105%	33%	0.40	19%	0.40	19%	0.23	0.36
Margin									
Gross margin	11.14%	0.0 ppt	1.0 ppt	11.09%	0.0 ppt	11.33%	-0.2 ppt	11.16%	10.11%
Operating margin	2.09%	1.0 ppt	1.0 ppt	2.09%	0.0 ppt	2.07%	0.0 ppt	1.11%	1.10%
Pre-tax margin	2.59%	0.2 ppt	-0.1 ppt	2.73%	-0.1 ppt	3.07%	-0.5 ppt	2.44%	2.70%
Net margin	1.69%	0.7 ppt	0.1 ppt	1.74%	0.0 ppt	1.49%	0.2 ppt	0.97%	1.63%

Source: BofA Global Research estimates, company data, Bloomberg. Diff: difference

BofA GLOBAL RESEARCH

Exhibit 5: Acer trades at 18x 2027E P/E vs. the peer average of 17x

Valuation comparison: Acer and global peers

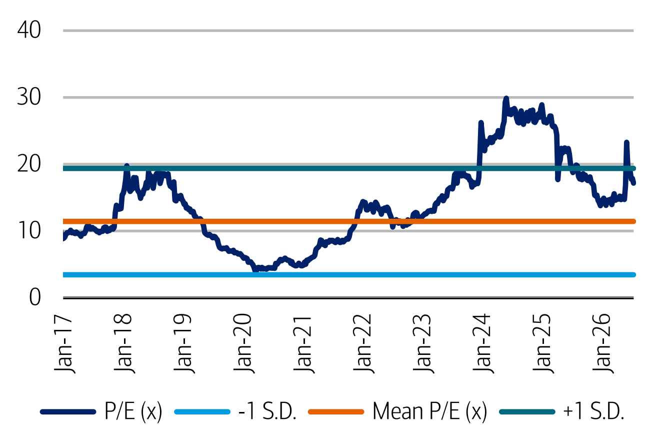
Ticker	Company	Share price (LC)	Market cap (US$mn)	P/E (x) 26E	P/E (x) 27E	P/B (x) 26E	P/B (x) 27E	EPS growth 26E	EPS growth 27E	Dividend yield (%) 26E	Dividend yield (%) 27E	ROE (%) 26E	ROE (%) 27E	EV/EBITDA (x) 26E	EV/EBITDA (x) 27E	Net cash (debt) to market cap 26E	Net cash (debt) to market cap 27E
2353 TT	**Acer**	**31.1**	**2,938**	**17.9**	**17.6**	**1.2**	**1.2**	**38%**	**2%**	**4.5**	**4.5**	**6.9**	**6.8**	**17.7**	**15.4**	**-11%**	**-10%**
Global peers																	
2357 TT	Asustek	712.0	16,419	14.5	14.1	1.9	1.8	-20%	3%	4.7	4.8	13.5	13.4	13.3	13.1	-3%	-4%
2377 TT	MSI *	148.5	3,895	12.8	13.1	2.1	2.0	70%	-2%	4.1	5.8	16.0	14.4	7.9	8.1	24%	23%
2376 TT	Gigabyte *	344.0	7,155	11.3	10.1	3.2	2.8	67%	11%	4.9	6.1	30.3	27.6	8.3	7.7	-4%	-5%
992 HK	Lenovo	23.2	37,981	22.8	14.9	37.1	28.5	27%	53%	1.6	1.6	29.9	35.2	8.6	7.2	0%	1%
HPQ US	HP	24.6	22,525	8.3	8.4	50.3	9.3	-5%	-1%	4.9	4.9	n.m.	n.m.	6.6	6.7	-22%	-15%
DELL US	Dell	457.5	295,636	44.4	23.5	n.m.	45.5	27%	89%	0.5	0.6	n.m.	n.m.	29.2	18.4	-6%	-2%
AAPL US	Apple	314.9	4,624,461	36.5	31.8	40.4	27.4	16%	15%	0.3	0.4	n.m.	n.m.	25.9	23.6	-1%	-1%
Overall peer average				**21.5**	**16.6**	**22.5**	**16.7**	**26%**	**24%**	**3.0**	**3.4**	**22.4**	**22.6**	**14.3**	**12.1**	**-2%**	**0%**
Overall peer median				**14.5**	**14.1**	**20.2**	**9.3**	**27%**	**11%**	**4.1**	**4.8**	**23.0**	**21.0**	**8.6**	**8.1**	**-3%**	**-2%**

Source: BofA Global Research estimates, Bloomberg. Share price and market cap as of 2026/07/15 (Asia companies) and 07/14 (US companies). ROE (return on equity) refers to average ROE. LC: local currency. n.m.: not meaningful. EV: enterprise value. EBITDA: earnings before interest, taxes, depreciation, and amortization. * Non-covered companies' forecasts based on Bloomberg consensus.

BofA GLOBAL RESEARCH

Exhibit 6: Acer's historical P/E trading average since 2006, but excluding outliers over 2010-16, is at 11x

Acer's historical P/E and -1/+1 standard deviation since 2017

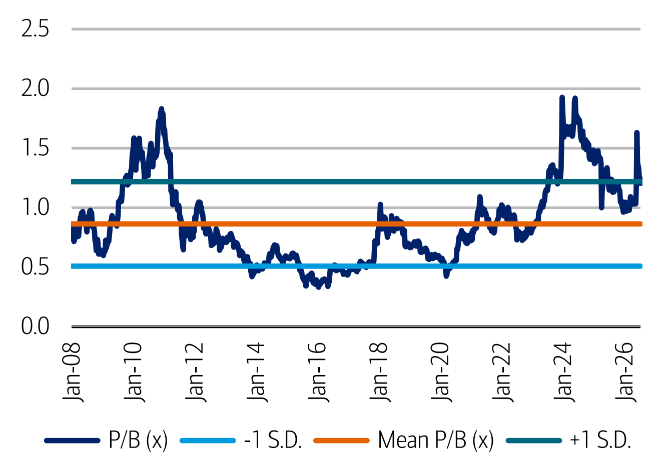


Source: BofA Global Research estimates, TEJ, company data, Bloomberg

BofA GLOBAL RESEARCH

Exhibit 7: Acer's historical P/B trading average since 2008 is at 0.9x

Acer's historical P/B and -1/+1 standard deviation since 2008



Source: BofA Global Research estimates, TEJ, company data, Bloomberg

BofA GLOBAL RESEARCH

Exhibit 8: We model Acer's 2026-28 sales/EPS CAGR at 2%/4%
Acer's quarterly earnings summary, 2025-28E

NT$mn	1Q26	2Q26E	3Q26E	4Q26E	1Q27E	2Q27E	3Q27E	4Q27E	1Q28E	2Q28E	3Q28E	4Q28E	2025	2026E	2027E	2028E
Sales	72,423	85,296	86,987	82,564	78,807	82,107	87,723	85,210	81,098	84,508	88,300	85,770	275,628	327,270	333,848	339,676
Gross profit	8,086	9,500	9,872	9,316	8,679	9,271	9,970	9,712	8,940	9,618	10,191	9,906	29,990	36,774	37,632	38,656
Operating profit	803	1,781	1,913	1,968	1,626	1,758	1,935	2,069	1,681	1,886	2,103	2,213	5,144	6,464	7,387	7,883
Pretax profit	1,764	2,208	2,368	2,353	1,914	2,159	2,380	2,461	1,976	2,282	2,548	2,607	7,651	8,692	8,915	9,412
Net income	702	1,440	1,545	1,534	741	1,395	1,554	1,612	785	1,483	1,674	1,717	3,780	5,222	5,302	5,660
EPS (NT$)	0.23	0.48	0.51	0.51	0.25	0.46	0.52	0.54	0.26	0.49	0.56	0.57	1.26	1.74	1.76	1.88
Margin %																
Gross margin	11.16%	11.14%	11.35%	11.28%	11.01%	11.29%	11.37%	11.40%	11.02%	11.38%	11.54%	11.55%	10.88%	11.24%	11.27%	11.38%
Operating margin	1.11%	2.09%	2.20%	2.38%	2.06%	2.14%	2.21%	2.43%	2.07%	2.23%	2.38%	2.58%	1.87%	1.98%	2.21%	2.32%
Pretax margin	2.44%	2.59%	2.72%	2.85%	2.43%	2.63%	2.71%	2.89%	2.44%	2.70%	2.89%	3.04%	2.78%	2.66%	2.67%	2.77%
Net margin	0.97%	1.69%	1.78%	1.86%	0.94%	1.70%	1.77%	1.89%	0.97%	1.75%	1.90%	2.00%	1.37%	1.60%	1.59%	1.67%
QoQ (%)																
Sales	-3%	18%	2%	-5%	-5%	4%	7%	-3%	-5%	4%	4%	-3%				
Gross profit	-6%	17%	4%	-6%	-7%	7%	8%	-3%	-8%	8%	6%	-3%				
Operating profit	-57%	122%	7%	3%	-17%	8%	10%	7%	-19%	12%	12%	5%				
Pretax profit	-19%	25%	7%	-1%	-19%	13%	10%	3%	-20%	15%	12%	2%				
Net income	-34%	105%	7%	-1%	-52%	88%	11%	4%	-51%	89%	13%	3%				
YoY (%)																
Sales	18%	28%	19%	11%	9%	-4%	1%	3%	3%	3%	1%	1%	4%	19%	2%	2%
Gross profit	25%	41%	21%	8%	7%	-2%	1%	4%	3%	4%	2%	2%	7%	23%	2%	3%
Operating profit	-23%	143%	27%	5%	102%	-1%	1%	5%	3%	7%	9%	7%	5%	26%	14%	7%
Pretax profit	84%	23%	-13%	8%	9%	-2%	1%	5%	3%	6%	7%	6%	-15%	14%	3%	6%
Net income	36%	33%	39%	43%	6%	-3%	1%	5%	6%	6%	8%	7%	-32%	38%	2%	7%

Source: BofA Global Research estimates, company data

BofA GLOBAL RESEARCH

Exhibit 11: Acronyms and corresponding full forms
Acronyms

Acronym		Acronym		Acronym	
CAGR	Compound Annual Growth Rate	OPM	Operating Margin	PO	Price Objective
EPS	Earnings per share	Opex	Operating Expense	ROE	Return on Equity
GM	Gross Margin	P/B	Price to Book Value Ratio	S.D.	Standard Deviation
NB	Notebook	P/E	Price to Earnings Ratio	U/P	Underperform
NT$	New Taiwan Dollar	PC	Personal Computer	US$	US Dollar

Source: BofA Global Research

BofA GLOBAL RESEARCH

Price objective basis & risk

Acer (ASIYF)

Our PO of NT$26 is based on 15x 2H26-1H27E EPS, which is around 0.5SD above the company's historical trading average since 2006 but excluding outliers in 2010-16, when Acer's PC market share started recovering to 6-7%, which is similar to current level. We apply this multiple in view of PC demand recovery in 2024-25 from 2022-23 downcycle, sales/profit supported by key non-PC subsidiaries, and Acer's strong cash position.

Upside risks to our PO are (1) Acer's stronger-than-expected revenue growth from better-margin gaming PC business, (2) more stringent opex control, and (3) higher revenue/profits contribution from subsidiaries.

Downside risks to our PO are (1) increasing competition in the gaming PC market, (2) execution risks in opex control, and (3) limited revenue/profits contribution from new subsidiaries.

Analyst Certification

I, Robert Cheng, hereby certify that the views expressed in this research report accurately reflect my personal views about the subject securities and issuers. I also certify that no part of my compensation was, is, or will be, directly or indirectly, related to the specific recommendations or view expressed in this research report.

Special Disclosures

Information on securities which are listed on the exchanges where ML Securities (Taiwan) Limited is not permitted to trade or solicit trades for clients is for informational purposes only and is not a recommendation or a solicitation to trade such securities. ML Securities (Taiwan) Limited will not execute transactions for nor accept orders from clients to trade such securities. Foreign investment in Taiwan securities is regulated and restricted. Currently, foreign investment in Taiwan securities is permitted by investment through: (1) global depository receipts, (2) convertible bonds, (3) mutual funds issued offshore of Taiwan, and (4) a special foreign institutional investors (FINIs) and foreign individual investors (FIDIs) program supervised by the Taiwan SFB whereunder FINIs/FIDIs may apply for investment ID to invest in Taiwan securities by registration with Taiwan Stock Exchange. FINIs will additionally need consent from the foreign exchange authority, ie, the Central Bank of China. In addition to the limitations above, various industry-specific percentage-based limitations on foreign ownership of Taiwan companies (and in some cases prohibitions) may apply. Investments are subject to exchange rate and currency conversion restrictions and risks. Dividends and interest earned by foreign investors' Taiwan securities/instruments are generally subject to a 20% withholding tax. Ordinary shares are not available to ML private client accounts in the U.S.

This report is distributed in Taiwan by Merrill Lynch Securities (Taiwan) Limited, which is regulated by the Taiwan SFB.

APR - Technology Hardware Coverage Cluster

Investment rating	Company	BofA Ticker	Bloomberg symbol	Analyst
BUY				
	AAC Technologies	AACAF	2018 HK	Katherine Zhu
	Asia Vital Components	AVMPF	3017 TT	Doris Kao
	BizLink	BIZLF	3665 TT	Doris Kao
	BOE Technology Group Co., Ltd	XCJQF	000725 CH	Brad Lin
	Chenbro	CEOMF	8210 TT	Doris Kao
	Cowell	CWLLF	1415 HK	Katherine Zhu

APR - Technology Hardware Coverage Cluster

Investment rating	Company	BofA Ticker	Bloomberg symbol	Analyst
	Crystal-Optech	XMKAF	002273 CH	Katherine Zhu
	Delta Electronics Inc.	DLTEF	2308 TT	Robert Cheng
	Duksan Neolux	XDSXF	213420 KS	Simon Woo, CFA
	Dynamic Holding	XLHCF	3715 TT	Mike Yang
	E Ink Holdings	PVWIF	8069 TT	Doris Kao
	Elite Material	ETMCF	2383 TT	Mike Yang
	Foxconn Industrial Internet	XDAZF	601138 CH	Robert Cheng
	Goertek	XGKCF	002241 CH	Katherine Zhu
	Gold Circuit	GOCCF	2368 TT	Doris Kao
	Hana Microelectronics	XHNNF	HANA TB	Suppapong Iemkongaek, CFA, CMT
	Hon Hai Precision Industry	HNHAF	2317 TT	Robert Cheng
	Huaqin	XHUAF	603296 CH	Katherine Zhu
	Huaqin	XPEZF	3296 HK	Katherine Zhu
	ISU Petasys	IPTYF	007660 KS	Matt Shin
	Jentech	XVFSF	3653 TT	Doris Kao
	King Slide	KGSLF	2059 TT	Doris Kao
	Kinsus	KNSUF	3189 TT	Mike Yang
	Largan Precision	LGANF	3008 TT	Robert Cheng
	Lens Tech	XLTVF	6613 HK	Katherine Zhu
	LG CNS	XLGLF	064400 KS	Simon Woo, CFA
	LG Electronics	LGEAF	066570 KS	Simon Woo, CFA
	LG Innotek	XLGQF	011070 KS	Simon Woo, CFA
	Lotes	ZYZTF	3533 TT	Doris Kao
	Luxshare	XNJQF	002475 CH	Robert Cheng
	Netweb Technologies	XNTZF	NETWEB IN	Jatin Kalra, CFA
	NYPCB	NANYF	8046 TT	Mike Yang
	Quanta Computer	QUCPF	2382 TT	Robert Cheng
	Samsung Electro-Mechanics	SMSGF	009150 KS	Simon Woo, CFA
	Samsung SDI	SSDIF	006400 KS	Simon Woo, CFA
	Samsung SDS	XWPBF	018260 KS	Simon Woo, CFA
	Shennan Circuits	XAMKF	002916 CH	Katherine Zhu
	Taiwan Union Technology Corporation	TWUNF	6274 TT	Mike Yang
	Unimicron	UMCRF	3037 TT	Mike Yang
	Universal Display	OLED	OLED US	Simon Woo, CFA
	Victory Giant	XENEF	300476 CH	Katherine Zhu
	Wistron	WICOF	3231 TT	Doris Kao
	Wiwynn	XWIQF	6669 TT	Robert Cheng
	Xiaomi Corporation	XIACF	1810 HK	Robert Cheng
	Yageo	YGEQF	2327 TT	Robert Cheng
	Zhen Ding Tech	XFAGF	4958 TT	Doris Kao
	Zhongji Innolight	XZICF	300308 CH	Katherine Zhu
	ZTE Corporation	SHZZF	000063 CH	Katherine Zhu
	ZTE Corporation	ZTCOF	763 HK	Katherine Zhu
NEUTRAL				
	Advantech	ADTEF	2395 TT	Robert Cheng
	Asustek	AKCPF	2357 TT	Robert Cheng
	AU Optronics	AUOTF	2409 TT	Brad Lin
	AU Optronics	AUOTY	AUOTY US	Brad Lin
	Auras Technology	AUTCF	3324 TT	Doris Kao
	BYD Electronic	BYDIF	285 HK	Katherine Zhu
	DS Precision	XBASF	002384 CH	Katherine Zhu
	Innolux Corporation	CMLXY	3481 TT	Brad Lin
	Lenovo Group	LNVGF	992 HK	Robert Cheng
	Lenovo Group	LNVGY	LNVGY US	Robert Cheng
	Lite-On Tech	LOTZF	2301 TT	Doris Kao
	Sunny Optical	SNPTF	2382 HK	Katherine Zhu
	TCL Technology Group Corp	XTOOF	000100 CH	Brad Lin
UNDERPERFORM				
	Acer	ASIYF	2353 TT	Robert Cheng
	Catcher Tech	CHERF	2474 TT	Robert Cheng
	Compal Electron	XLCPF	2324 TT	Doris Kao
	Delta Electronics (Thailand)	XLETF	DELTA TB	Suppapong Iemkongaek, CFA, CMT
	Everwin Precision	XSHZF	300115 CH	Katherine Zhu
	Genius Electronic Optical	GNSEF	3406 TT	Robert Cheng

APR - Technology Hardware Coverage Cluster

Investment rating	Company	BofA Ticker	Bloomberg symbol	Analyst
	Lens Tech	XLTGF	300433 CH	Katherine Zhu
	LG Display	LPHLF	034220 KS	Simon Woo, CFA
	LG Display-ADR	LPL	LPL US	Simon Woo, CFA
	Lianchuang Electronic	XWOFF	002036 CH	Katherine Zhu
	Pegatron	PGTRF	4938 TT	Robert Cheng
	Sanan Opto	XEQYF	600703 CH	Katherine Zhu
	Seoul Semiconductor	SLSOF	046890 KS	Simon Woo, CFA
	Shengyi	DGUNF	600183 CH	Mike Yang
	Sunway Communications	XWSVF	300136 CH	Katherine Zhu
	Tianma	XVZLF	000050 CH	Brad Lin
	Transsion	XCINF	688036 CH	Robert Cheng

*iQ*method℠ Measures Definitions

Business Performance	Numerator	Denominator
Return On Capital Employed	NOPAT = (EBIT + Interest Income) × (1 – Tax Rate) + Goodwill Amortization	Total Assets – Current Liabilities + ST Debt + Accumulated Goodwill Amortization
Return On Equity	Net Income	Shareholders' Equity
Operating Margin	Operating Profit	Sales
Earnings Growth	Expected 5 Year CAGR From Latest Actual	N/A
Free Cash Flow	Cash Flow From Operations – Total Capex	N/A
Quality of Earnings	**Numerator**	**Denominator**
Cash Realization Ratio	Cash Flow From Operations	Net Income
Asset Replacement Ratio	Capex	Depreciation
Tax Rate	Tax Charge	Pre-Tax Income
Net Debt-To-Equity Ratio	Net Debt = Total Debt – Cash & Equivalents	Total Equity
Interest Cover	EBIT	Interest Expense
Valuation Toolkit	**Numerator**	**Denominator**
Price / Earnings Ratio	Current Share Price	Diluted Earnings Per Share (Basis As Specified)
Price / Book Value	Current Share Price	Shareholders' Equity / Current Basic Shares
Dividend Yield	Annualised Declared Cash Dividend	Current Share Price
Free Cash Flow Yield	Cash Flow From Operations – Total Capex	Market Cap = Current Share Price × Current Basic Shares
Enterprise Value / Sales	EV = Current Share Price × Current Shares + Minority Equity + Net Debt + Other LT Liabilities	Sales
EV / EBITDA	Enterprise Value	Basic EBIT + Depreciation + Amortization

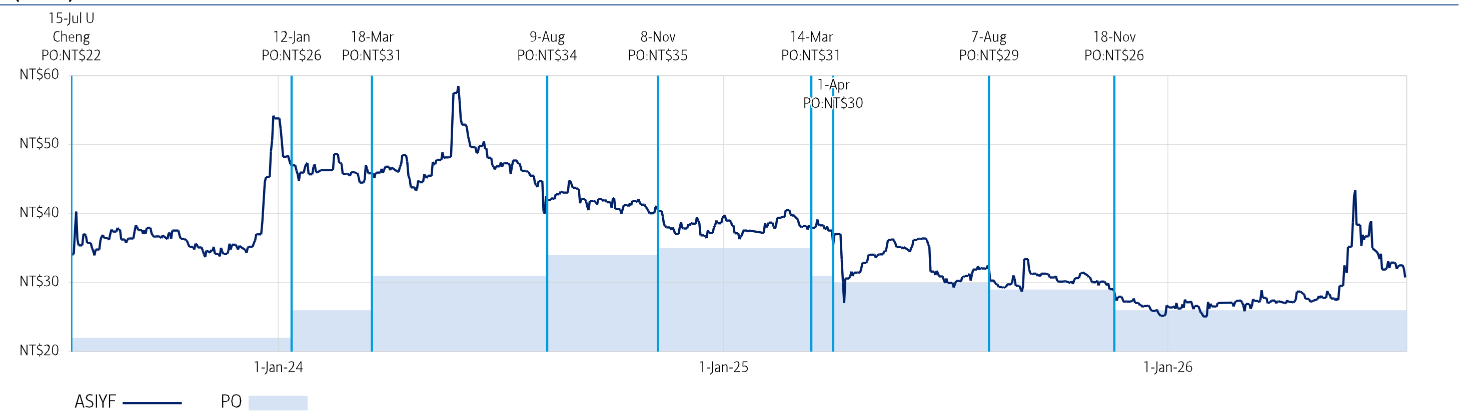
iQmethod℠ is the set of BofA Global Research standard measures that serve to maintain global consistency under three broad headings: Business Performance, Quality of Earnings, and validations. The key features of iQmethod are: A consistently structured, detailed, and transparent methodology. Guidelines to maximize the effectiveness of the comparative valuation process, and to identify some common pitfalls.

iQdatabase® is our real-time global research database that is sourced directly from our equity analysts' earnings models and includes forecasted as well as historical data for income statements, balance sheets, and cash flow statements for companies covered by BofA Global Research.

Disclosures

Important Disclosures

Acer (ASIYF) Price Chart



B: Buy, N: Neutral, U: Underperform, PO: Price Objective, NA: No longer valid, NR: No Rating

The Investment Opinion System is contained at the end of the report under the heading "Fundamental Equity Opinion Key". Dark grey shading indicates the security is restricted with the opinion suspended. Medium grey shading indicates the security is under review with the opinion withdrawn. Light grey shading indicates the security is not covered. Chart is current as of a date no more than one trading day prior to the date of the report.

Equity Investment Rating Distribution: Technology Group (as of 30 Jun 2026)

Coverage Universe	Count	Percent	Inv. Banking Relationships [R1]	Count	Percent
Buy	243	60.60%	Buy	123	50.62%
Hold	87	21.70%	Hold	45	51.72%
Sell	71	17.71%	Sell	21	29.58%

Equity Investment Rating Distribution: Global Group (as of 30 Jun 2026)

Coverage Universe	Count	Percent	Inv. Banking Relationships [R1]	Count	Percent
Buy	1987	56.11%	Buy	1190	59.89%
Hold	797	22.51%	Hold	496	62.23%
Sell	757	21.38%	Sell	391	51.65%

[R1] Issuers that were investment banking clients of BofA Securities or one of its affiliates within the past 12 months. For purposes of this Investment Rating Distribution, the coverage universe includes only stocks. A stock rated Neutral is included as a Hold, and a stock rated Underperform is included as a Sell.

FUNDAMENTAL EQUITY OPINION KEY: Opinions include a Volatility Risk Rating, an Investment Rating and an Income Rating. VOLATILITY RISK RATINGS, indicators of potential price fluctuation, are: A - Low, B - Medium and C - High. INVESTMENT RATINGS reflect the analyst's assessment of both a stock's absolute total return potential as well as its attractiveness for investment relative to other stocks within its Coverage Cluster (defined below). Our investment ratings are: 1 - Buy stocks are expected to have a total return of at least 10% and are the most attractive stocks in the coverage cluster; 2 - Neutral stocks are expected to remain flat or increase in value and are less attractive than Buy rated stocks and 3 - Underperform stocks are the least attractive stocks in a coverage cluster. An investment rating of 6 (No Rating) indicates that a stock is no longer trading on the basis of fundamentals. Analysts assign investment ratings considering, among other things, the 0-12 month total return expectation for a stock and the firm's guidelines for ratings dispersions (shown in the table below). The current price objective for a stock should be referenced to better understand the total return expectation at any given time. The price objective reflects the analyst's view of the potential price appreciation (depreciation).

Investment rating	Total return expectation (within 12-month period of date of initial rating)	Ratings dispersion guidelines for coverage cluster[R2]
Buy	≥ 10%	≤ 70%
Neutral	≥ 0%	≤ 30%
Underperform	N/A	≥ 20%

[R2] Ratings dispersions may vary from time to time where BofA Global Research believes it better reflects the investment prospects of stocks in a Coverage Cluster.

INCOME RATINGS, indicators of potential cash dividends, are: 7 - same/higher (dividend considered to be secure), 8 - same/lower (dividend not considered to be secure) and 9 - pays no cash dividend. *Coverage Cluster* is comprised of stocks covered by a single analyst or two or more analysts sharing a common industry, sector, region or other classification(s). A stock's coverage cluster is included in the most recent BofA Global Research report referencing the stock.

Price Charts for the securities referenced in this research report are available on the Price Charts website, or call 1-800-MERRILL to have them mailed.
The issuer is or was, within the last 12 months, an investment banking client of BofAS and/or one or more of its affiliates: Acer.
In the US, retail sales and/or distribution of this report may be made only in states where these securities are exempt from registration or have been qualified for sale: Acer.
BofAS or an affiliate expects to receive or intends to seek compensation for investment banking services from this issuer or an affiliate of the issuer within the next three months: Acer.
The country in which this issuer is organized has certain laws or regulations that limit or restrict ownership of the issuer's shares by nationals of other countries: Acer.
BofA Global Research personnel (including the analyst(s) responsible for this report) receive compensation based upon, among other factors, the overall profitability of Bank of America Corporation, including profits derived from investment banking. The analyst(s) responsible for this report may also receive compensation based upon, among other factors, the overall profitability of the Bank's sales and trading businesses relating to the class of securities or financial instruments for which such analyst is responsible.

Other Important Disclosures

From time to time research analysts conduct site visits of covered issuers. BofA Global Research policies prohibit research analysts from accepting payment or reimbursement for travel expenses from the issuer for such visits.
Prices are indicative and for information purposes only. Except as otherwise stated in the report, for any recommendation in relation to an equity security, the price referenced is the publicly traded price of the security as of close of business on the day prior to the date of the report or, if the report is published during intraday trading, the price referenced is indicative of the traded price as of the date and time of the report and in relation to a debt security (including equity preferred and CDS), prices are indicative as of the date and time of the report and are from various sources including BofA Securities trading desks.
The date and time of completion of the production of any recommendation in this report shall be the date and time of dissemination of this report as recorded in the report timestamp.

Recipients who are not institutional investors or market professionals should seek the advice of their independent financial advisor before considering information in this report in connection with any investment decision, or for a necessary explanation of its contents.
Officers of BofAS or one or more of its affiliates (other than research analysts) may have a financial interest in securities of the issuer(s) or in related investments.
Refer to BofA Global Research policies relating to conflicts of interest.

"BofA Securities" includes BofA Securities, Inc. ("BofAS") and its affiliates. Investors should contact their BofA Securities representative or Merrill Global Wealth Management financial advisor if they have questions concerning this report or concerning the appropriateness of any investment idea described herein for such investor. "BofA Securities" is a global brand for BofA Global Research.

Information relating to Non-US affiliates of BofA Securities and Distribution of Affiliate Research Reports:

BofAS and/or Merrill Lynch, Pierce, Fenner & Smith Incorporated ("MLPF&S") may in the future distribute, information of the following non-US affiliates in the US (short name: legal name, regulator): Merrill Lynch (South Africa): Merrill Lynch South Africa (Pty) Ltd., regulated by the Financial Sector Conduct Authority; MLI (UK): Merrill Lynch International, regulated by the Financial Conduct Authority (FCA) and the Prudential Regulation Authority (PRA); BofASE (France): BofA Securities Europe SA is authorized by the Autorité de Contrôle Prudentiel et de Résolution (ACPR) and regulated by the ACPR and the Autorité des Marchés Financiers (AMF). BofA Securities Europe SA ("BofASE") with registered address at 51, rue La Boétie, 75008 Paris is registered under no 842 602 690 RCS Paris. In accordance with the provisions of French Code Monétaire et Financier (Monetary and Financial Code), BofASE is an établissement de crédit et d'investissement (credit and investment institution) that is authorised and supervised by the European Central Bank and the Autorité de Contrôle Prudentiel et de Résolution (ACPR) and regulated by the ACPR and the Autorité des Marchés Financiers. BofASE's share capital can be found at www.bofaml.com/BofASEdisclaimer; BofA Europe (Milan): Bank of America Europe Designated Activity Company, Milan Branch, regulated by the Bank of Italy, the European Central Bank (ECB) and the Central Bank of Ireland (CBI); BofA Europe (Frankfurt): Bank of America Europe Designated Activity Company, Frankfurt Branch regulated by BaFin, the ECB and the CBI; BofA Europe (Zurich): Bank of America Europe Designated Activity Company, Zurich Branch, regulated by the Swiss Financial Market Supervisory Authority FINMA, the ECB and CBI; BofA Europe (Madrid): Bank of America Europe Designated Activity Company, Sucursal en España, regulated by the Bank of Spain, the ECB and the CBI; Merrill Lynch (Australia): Merrill Lynch Equities (Australia) Limited, regulated by the Australian Securities and Investments Commission; Merrill Lynch (Hong Kong): Merrill Lynch (Asia Pacific) Limited, regulated by the Hong Kong Securities and Futures Commission (HKSFC); Merrill Lynch (Singapore): Merrill Lynch (Singapore) Pte Ltd, regulated by the Monetary Authority of Singapore (MAS); Merrill Lynch (Canada): Merrill Lynch Canada Inc, regulated by the Canadian Investment Regulatory Organization; Merrill Lynch (Mexico): Merrill Lynch Mexico, SA de CV, Casa de Bolsa, regulated by the Comisión Nacional Bancaria y de Valores; BofAS Japan: BofA Securities Japan Co., Ltd., regulated by the Financial Services Agency; Merrill Lynch (Seoul): Merrill Lynch International, LLC Seoul Branch, regulated by the Financial Supervisory Service; Merrill Lynch (Taiwan): Merrill Lynch Securities (Taiwan) Ltd., regulated by the Securities and Futures Bureau; BofAS India: BofA Securities India Limited, regulated by the Securities and Exchange Board of India (SEBI); Merrill Lynch (Israel): Merrill Lynch Israel Limited, regulated by Israel Securities Authority; Merrill Lynch (DIFC): Merrill Lynch International (DIFC Branch), regulated by the Dubai Financial Services Authority (DFSA); Merrill Lynch (Brazil): Merrill Lynch S.A. Corretora de Títulos e Valores Mobiliários, regulated by Comissão de Valores Mobiliários; Merrill Lynch KSA Company: Merrill Lynch Kingdom of Saudi Arabia Company, regulated by the Capital Market Authority.
This information: has been approved for publication and is distributed in the United Kingdom (UK) to professional clients and eligible counterparties (as each is defined in the rules of the FCA and the PRA) by MLI (UK), which is authorized by the PRA and regulated by the FCA and the PRA - details about the extent of our regulation by the FCA and PRA are available from us on request; has been approved for publication and is distributed in the European Economic Area (EEA) by BofASE (France), which is authorized by the ACPR and regulated by the ACPR and the AMF; has been considered and distributed in Japan by BofAS Japan, a registered securities dealer under the Financial Instruments and Exchange Act in Japan, or its permitted affiliates; is issued and distributed in Hong Kong by Merrill Lynch (Hong Kong) which is regulated by HKSFC; is issued and distributed in Taiwan by Merrill Lynch (Taiwan); is issued and distributed in India by BofAS India; and is issued and distributed in Singapore to institutional investors and/or accredited investors (each as defined under the Financial Advisers Regulations) by Merrill Lynch (Singapore) (Company Registration No 198602883D). Merrill Lynch (Singapore) is regulated by MAS. Merrill Lynch Equities (Australia) Limited (ABN 65 006 276 795), AFS License 235132 (MLEA) distributes this information in Australia only to 'Wholesale' clients as defined by s.761G of the Corporations Act 2001. With the exception of Bank of America N.A., Australia Branch, neither MLEA nor any of its affiliates involved in preparing this information is an Authorised Deposit-Taking Institution under the Banking Act 1959 nor regulated by the Australian Prudential Regulation Authority. No approval is required for publication or distribution of this information in Brazil and its local distribution is by Merrill Lynch (Brazil) in accordance with applicable regulations. Merrill Lynch (DIFC) is authorized and regulated by the DFSA. Information prepared and issued by Merrill Lynch (DIFC) is done so in accordance with the requirements of the DFSA conduct of business rules. BofA Europe (Frankfurt) distributes this information in Germany and is regulated by BaFin, the ECB and the CBI. BofA Securities entities, including BofA Europe and BofASE (France), may outsource/delegate the marketing and/or provision of certain research services or aspects of research services to other branches or members of the BofA Securities group. You may be contacted by a different BofA Securities entity acting for and on behalf of your service provider where permitted by applicable law. This does not change your service provider. Please refer to the Electronic Communications Disclaimers for further information.
This information has been prepared and issued by BofAS and/or one or more of its non-US affiliates. The author(s) of this information may not be licensed to carry on regulated activities in your jurisdiction and, if not licensed, do not hold themselves out as being able to do so. BofAS and/or MLPF&S is the distributor of this information in the US and accepts full responsibility for information distributed to BofAS and/or MLPF&S clients in the US by its non-US affiliates. Any US person receiving this information and wishing to effect any transaction in any security discussed herein should do so through BofAS and/or MLPF&S and not such foreign affiliates. Hong Kong recipients of this information should contact Merrill Lynch (Asia Pacific) Limited in respect of any matters relating to dealing in securities or provision of specific advice on securities or any other matters arising from, or in connection with, this information. Singapore recipients of this information should contact Merrill Lynch (Singapore) Pte Ltd in respect of any matters arising from, or in connection with, this information. For clients that are not accredited investors, expert investors or institutional investors Merrill Lynch (Singapore) Pte Ltd accepts full responsibility for the contents of this information distributed to such clients in Singapore.

General Investment Related Disclosures:

Taiwan Readers: Neither the information nor any opinion expressed herein constitutes an offer or a solicitation of an offer to transact in any securities or other financial instrument. No part of this report may be used or reproduced or quoted in any manner whatsoever in Taiwan by the press or any other person without the express written consent of BofA Securities.
This document provides general information only, and has been prepared for, and is intended for general distribution to, BofA Securities clients. Neither the information nor any opinion expressed constitutes an offer or an invitation to make an offer, to buy or sell any securities or other financial instrument or any derivative related to such securities or instruments (e.g., options, futures, warrants, and contracts for differences). This document is not intended to provide personal investment advice and it does not take into account the specific investment objectives, financial situation and the particular needs of, and is not directed to, any specific person(s). This document and its content do not constitute, and should not be considered to constitute, investment advice for purposes of ERISA, the US tax code, the Investment Advisers Act or otherwise. Investors should seek financial advice regarding the appropriateness of investing in financial instruments and implementing investment strategies discussed or recommended in this document and should understand that statements regarding future prospects may not be realized. Any decision to purchase or subscribe for securities in any offering must be based solely on existing public information on such security or the information in the prospectus or other offering document issued in connection with such offering, and not on this document.
Securities and other financial instruments referred to herein, or recommended, offered or sold by BofA Securities, are not insured by the Federal Deposit Insurance Corporation and are not deposits or other obligations of any insured depository institution (including, Bank of America, N.A.). Investments in general and, derivatives, in particular, involve numerous risks, including, among others, market risk, counterparty default risk and liquidity risk. No security, financial instrument or derivative is suitable for all investors. Digital assets are extremely speculative, volatile and are largely unregulated. In some cases, securities and other financial instruments may be difficult to value or sell and reliable information about the value or risks related to the security or financial instrument may be difficult to obtain. Investors should note that income from such securities and other financial instruments, if any, may fluctuate and that price or value of such

securities and instruments may rise or fall and, in some cases, investors may lose their entire principal investment. Past performance is not necessarily a guide to future performance. Levels and basis for taxation may change.

This report may contain a short-term trading idea or recommendation, which highlights a specific near-term catalyst or event impacting the issuer or the market that is anticipated to have a short-term price impact on the equity securities of the issuer. Short-term trading ideas and recommendations are different from and do not affect a stock's fundamental equity rating, which reflects both a longer term total return expectation and attractiveness for investment relative to other stocks within its Coverage Cluster. Short-term trading ideas and recommendations may be more or less positive than a stock's fundamental equity rating.

BofA Securities is aware that the implementation of the ideas expressed in this report may depend upon an investor's ability to "short" securities or other financial instruments and that such action may be limited by regulations prohibiting or restricting "shortselling" in many jurisdictions. Investors are urged to seek advice regarding the applicability of such regulations prior to executing any short idea contained in this report.

Foreign currency rates of exchange may adversely affect the value, price or income of any security or financial instrument mentioned herein. Investors in such securities and instruments, including ADRs, effectively assume currency risk.

BofAS or one of its affiliates is a regular issuer of traded financial instruments linked to securities that may have been recommended in this report. BofAS or one of its affiliates may, at any time, hold a trading position (long or short) in the securities and financial instruments discussed in this report.

BofA Securities, through business units other than BofA Global Research, may have issued and may in the future issue trading ideas or recommendations that are inconsistent with, and reach different conclusions from, the information presented herein. Such ideas or recommendations may reflect different time frames, assumptions, views and analytical methods of the persons who prepared them, and BofA Securities is under no obligation to ensure that such other trading ideas or recommendations are brought to the attention of any recipient of this information.

In the event that the recipient received this information pursuant to a contract between the recipient and BofAS for the provision of research services for a separate fee, and in connection therewith BofAS may be deemed to be acting as an investment adviser, such status relates, if at all, solely to the person with whom BofAS has contracted directly and does not extend beyond the delivery of this report (unless otherwise agreed specifically in writing by BofAS). If such recipient uses the services of BofAS in connection with the sale or purchase of a security referred to herein, BofAS may act as principal for its own account or as agent for another person. BofAS is and continues to act solely as a broker-dealer in connection with the execution of any transactions, including transactions in any securities referred to herein.

Copyright and General Information:

Materials prepared by BofA Global Research personnel are based on public information. Facts and views presented in this material have not been reviewed by, and may not reflect information known to, professionals in other business areas of BofA Securities, including investment banking personnel. BofA Securities has established information barriers between BofA Global Research and certain business groups. As a result, BofA Securities does not disclose certain client relationships with, or compensation received from, such issuers. To the extent this material discusses any legal proceeding or issues, it has not been prepared as nor is it intended to express any legal conclusion, opinion or advice. Investors should consult their own legal advisers as to issues of law relating to the subject matter of this material. BofA Global Research personnel's knowledge of legal proceedings in which any BofA Securities entity and/or its directors, officers and employees may be plaintiffs, defendants, co-defendants or co-plaintiffs with or involving issuers mentioned in this material is based on public information. Facts and views presented in this material that relate to any such proceedings have not been reviewed by, discussed with, and may not reflect information known to, professionals in other business areas of BofA Securities in connection with the legal proceedings or matters relevant to such proceedings.

This information has been prepared independently of any issuer of securities mentioned herein and not in connection with any proposed offering of securities or as agent of any issuer of any securities. None of BofAS any of its affiliates or their research analysts has any authority whatsoever to make any representation or warranty on behalf of the issuer(s). BofA Global Research policy prohibits research personnel from disclosing a recommendation, investment rating, or investment thesis for review by an issuer prior to the publication of a research report containing such rating, recommendation or investment thesis.

Any information relating to sustainability in this material is limited as discussed herein and is not intended to provide a comprehensive view on any sustainability claim with respect to any issuer or security.

Any information relating to the tax status of financial instruments discussed herein is not intended to provide tax advice or to be used by anyone to provide tax advice. Investors are urged to seek tax advice based on their particular circumstances from an independent tax professional.

The information herein (other than disclosure information relating to BofA Securities and its affiliates) was obtained from various sources and we do not guarantee its accuracy. This information may contain links to third-party websites. BofA Securities is not responsible for the content of any third-party website or any linked content contained in a third-party website. Content contained on such third-party websites is not part of this information and is not incorporated by reference. The inclusion of a link does not imply any endorsement by or any affiliation with BofA Securities. Access to any third-party website is at your own risk, and you should always review the terms and privacy policies at third-party websites before submitting any personal information to them. BofA Securities is not responsible for such terms and privacy policies and expressly disclaims any liability for them.

All opinions, projections and estimates constitute the judgment of the author as of the date of publication and are subject to change without notice. Prices also are subject to change without notice. BofA Securities is under no obligation to update this information and BofA Securities ability to publish information on the subject issuer(s) in the future is subject to applicable quiet periods. You should therefore assume that BofA Securities will not update any fact, circumstance or opinion contained herein.

Subject to the quiet period applicable under laws of the various jurisdictions in which we distribute research reports and other legal and BofA Securities policy-related restrictions on the publication of research reports, fundamental equity reports are produced on a regular basis as necessary to keep the investment recommendation current.

Certain outstanding reports or investment opinions relating to securities, financial instruments and/or issuers may no longer be current. Always refer to the most recent research report relating to an issuer prior to making an investment decision.

In some cases, an issuer may be classified as Restricted or may be Under Review or Extended Review. In each case, investors should consider any investment opinion relating to such issuer (or its security and/or financial instruments) to be suspended or withdrawn and should not rely on the analyses and investment opinion(s) pertaining to such issuer (or its securities and/or financial instruments) nor should the analyses or opinion(s) be considered a solicitation of any kind. Sales persons and financial advisors affiliated with BofAS or any of its affiliates may not solicit purchases of securities or financial instruments that are Restricted or Under Review and may only solicit securities under Extended Review in accordance with firm policies.

Neither BofA Securities nor any officer or employee of BofA Securities accepts any liability whatsoever for any direct, indirect or consequential damages or losses arising from any use of this information.