Dynamic Holding

Near-term overhang from cost/margin but Thailand/AI ramp a bigger focus; trim PO

Reiterate Rating: BUY | PO: 200.00 TWD | Price: 122.00 TWD

11 August 2026

Equity

Key Changes

(NT$)	Previous	Current
Price Obj.	245.00	200.00
2026E EPS	3.69	0.24
2027E EPS	23.89	13.32
2028E EPS	36.36	28.05
2026E EBITDA (m)	5,051.6	3,591.4
2027E EBITDA (m)	12,905.2	10,358.9
2028E EBITDA (m)	17,825.4	16,411.7

2Q26 OP behind on GM miss; 2026 capex raised

2Q26 OP (operating profits) of NT$68mn was 81%/78% behind BofAe/consensus given a miss in GM (gross margin), which was caused by rising CCL (copper clad laminate) costs. In addition, FX (foreign exchange) loss further pressured bottom-line from non-op side in 2Q26. The firm now expects 2026 capex to be NT$38.3bn after the newly announced plans in July/August, including the expansion in Huangshi P3 factory, with the output gradually kick off from 3Q27 and an expected revenue scale of NT$10bn annually.

Expect to pass through the cost pressure continuously

To mitigate the impact from cost inflation, the firm raised the ASP in June/July again (after in April), and it will likely raise the pricing further in August/September. For 3Q26, we expect sequential revenue growth across auto, storage (DDR5), networking/server (including accelerator cards) areas.

Updates on Thailand/high-end AI contribution

For the Thailand capacity, currently utilization is ~60% but it is expected to be fully loaded from 1Q27. With the ramp high-end capacity, AI (artificial intelligence) related business is expected to contribute ~40% of revenue in 2027, and the company cites the annual revenue from Thailand could reach NT$42bn in 2028 following the further expansion in Thailand.

Cut estimates and PO to NT$200 but reit. Buy

We cut 2026-28E EPS by 23-94% after factoring in 2Q26 results and updated outlook. Our PO goes to NT$200 (was NT$245), and it is now based on 15x P/E (was 18x) given a tad pressured margin profile, while the valuation period is rolled over to 2027E (from 2H26-1H27E). Reiterate Buy on the stock in view of its increasing exposure to AI server market, which will also bolster its earnings growth and profitability into 2027-28.

Estimates (Dec) (NT$)	2024A	2025A	2026E	2027E	2028E
Net Income (Adjusted - mn)	1,051	749	67	3,776	7,954
EPS	3.78	2.70	0.236	13.32	28.05
EPS Change (YoY)	4.7%	-28.7%	-91.2%	NM	110.7%
Dividend / Share	1.50	1.08	0.100	5.30	11.20
Free Cash Flow / Share	(12.59)	(19.51)	(101.68)	(10.50)	(1.58)
Valuation (Dec)					
P/E	32.24x	45.25x	516.13x	9.16x	4.35x
Dividend Yield	1.23%	0.885%	0.082%	4.34%	9.18%
EV / EBITDA*	27.64x	27.26x	21.57x	7.48x	4.72x
Free Cash Flow Yield*	-10.11%	-15.66%	-83.35%	-8.61%	-1.29%

* For full definitions of *iQmethod*SM measures, see page 7.

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Stock Data

Price	122.00 TWD
Price Objective	200.00 TWD
Date Established	11-Aug-2026
Investment Opinion	C-1-7
52-Week Range	84.06 TWD-203.50 TWD
Mrkt Val / Shares Out (mn)	1,074 USD / 283.6
Market Value (mn)	34,596 TWD
Average Daily Value (mn)	25.59 USD
Free Float	86.6%
BofA Ticker / Exchange	XLHCF / TAI
Bloomberg / Reuters	3715 TT / 3715.TW
ROE (2026E)	0.6%
Net Dbt to Eqty (Dec-2025A)	82.6%

DDR – double data rate

iQprofile℠ Dynamic Holding

Key Income Statement Data (Dec)	2024A	2025A	2026E	2027E	2028E
(NT$ Millions)					
Sales	17,787	19,453	28,228	57,541	76,541
Gross Profit	4,110	3,762	4,627	13,278	21,109
Sell General & Admin Expense	(1,840)	(1,697)	(2,523)	(4,685)	(5,254)
Operating Profit	1,537	1,160	910	6,818	13,000
Net Interest & Other Income	30	(99)	(822)	(1,355)	(1,557)
Associates	NA	NA	NA	NA	NA
Pretax Income	1,568	1,060	88	5,463	11,443
Tax (expense) / Benefit	(492)	(279)	(52)	(1,639)	(3,433)
Net Income (Adjusted)	1,051	749	67	3,776	7,954
Average Fully Diluted Shares Outstanding	278	278	284	284	284
Key Cash Flow Statement Data					
Net Income	1,051	749	67	3,776	7,954
Depreciation & Amortization	1,265	1,682	2,682	3,541	3,411
Change in Working Capital	(976)	(1,801)	3,912	715	1,403
Deferred Taxation Charge	NA	NA	NA	NA	NA
Other Adjustments, Net	361	(38)	(542)	48	56
Cash Flow from Operations	1,701	592	6,119	8,080	12,825
Capital Expenditure	(5,197)	(6,012)	(34,953)	(11,059)	(13,272)
(Acquisition) / Disposal of Investments	30	(45)	(10)	0	0
Other Cash Inflow / (Outflow)	21	26	20	0	0
Cash Flow from Investing	(5,147)	(6,031)	(34,943)	(11,059)	(13,272)
Shares Issue / (Repurchase)	0	619	0	0	0
Cost of Dividends Paid	(417)	(417)	(306)	(27)	(1,510)
Cash Flow from Financing	2,724	8,050	28,660	(27)	1,490
Free Cash Flow	(3,496)	(5,419)	(28,834)	(2,979)	(447)
Net Debt	8,843	10,456	37,802	40,808	42,765
Change in Net Debt	3,962	1,658	27,347	3,006	1,958
Key Balance Sheet Data					
Property, Plant & Equipment	15,475	18,473	49,323	56,866	66,753
Other Non-Current Assets	2,741	2,391	4,153	4,128	4,102
Trade Receivables	5,661	6,840	6,474	8,942	8,831
Cash & Equivalents	2,849	5,571	5,824	2,819	3,861
Other Current Assets	4,176	5,370	5,192	8,035	10,803
Total Assets	30,902	38,645	70,967	80,789	94,349
Long-Term Debt	3,562	10,471	33,276	33,276	33,276
Other Non-Current Liabilities	1,689	1,933	3,212	3,212	3,212
Short-Term Debt	8,130	5,556	10,350	10,350	13,350
Other Current Liabilities	9,441	8,022	11,562	17,588	21,648
Total Liabilities	22,822	25,981	58,401	64,426	71,486
Total Equity	8,080	12,664	12,566	16,363	22,863
Total Equity & Liabilities	30,902	38,645	70,967	80,789	94,349
iQ**method*℠ **- Bus Performance					
Return On Capital Employed	7.5%	4.7%	1.5%	8.3%	13.8%
Return On Equity	14.4%	8.0%	0.6%	30.0%	45.0%
Operating Margin	8.6%	6.0%	3.2%	11.8%	17.0%
EBITDA Margin	15.8%	14.6%	12.7%	18.0%	21.4%
iQ**method*℠ **- Quality of Earnings					
Cash Realization Ratio	1.6x	0.8x	NM	2.1x	1.6x
Asset Replacement Ratio	4.2x	3.6x	13.2x	3.1x	3.9x
Tax Rate (Reported)	31.4%	26.3%	58.5%	30.0%	30.0%
Net Debt-to-Equity Ratio	109.4%	82.6%	300.8%	249.4%	187.1%
Interest Cover	2.9x	2.0x	0.7x	3.8x	6.5x

Key Metrics

* For full definitions of *iQmethod*℠ measures, see page 7.

Company Sector

Electronics

Company Description

Prior to the restructuring in 2022, Dynamic Holding was founded as Dynamic Electronics in 1988, and it has been one of the major PCB suppliers in Greater China. The company's capacity has been mainly located in mainland China (Huangshi, Kunshan), but it has also established a factory in Thailand from 2023. The firm's business has been centered on auto-grade PCB since 2014, but it became resolved to the transformation and focused more on AI (networking/server) related PCB from 2024.

Investment Rationale

We have a Buy rating on Dynamic Holding, as we expect it to benefit from the early-mover advantage as a high-end HDI/PCB supplier with sizable output/capacity outside of Greater China, which becomes critical to AI server customers. With the ramp of AI server-related PCB business, we expect its bottom line growth to be fueled by improving gross margin and operating leverage in the upcoming years.

Stock Data

Price to Book Value	3.2x

Exhibit 1: 2Q26 result review
2Q26 GM behind given ongoing pressure from higher CCL costs

(NT$mn)	2Q25A	1Q26A	2Q26A	QoQ %	YoY %	BofAe	Diff (%)	Consensus	Diff (%)
Revenue	4,629	5,632	6,869	22.0%	48.4%	6,352	8.1%	6,355	8.1%
Gross profit	994	908	963	6.1%	-3.1%	1,175	-18.1%	1,123	-14.2%
Gross margin (%)	21.5%	16.1%	14.0%	-2.1 ppt	-7.5 ppt	18.5%	-4.5 ppt	17.7%	-3.6 ppt
Operating Income	379	130	68	-48.1%	-82.1%	349	-80.6%	303	-77.6%
Operating margin (%)	8.2%	2.3%	1.0%	-1.3 ppt	-7.2 ppt	5.5%	-4.5 ppt	4.8%	-3.8 ppt
Pre-tax Income	468	-416	-322	22.7%	NM	323	NM	265	NM
Pre-tax margin (%)	10.1%	-7.4%	-4.7%	2.7 ppt	-14.8 ppt	5.1%	-9.8 ppt	4.2%	-8.9 ppt
Net Income	258	-209	-230	-9.7%	NM	168	NM	152	NM
Net margin (%)	5.6%	-3.7%	-3.3%	0.4 ppt	-8.9 ppt	2.6%	-6.0 ppt	2.4%	-5.7 ppt
EPS (NT$)	0.93	-0.74	-0.81	-9.7%	NM	0.59	NM	0.53	NM

Source: BofA Global Research estimates, company data, Bloomberg

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Exhibit 2: Earnings estimate change
We cut 2026-28E EPS by 23-94% after baking in the assumption of softer gross margins

(NT$mn)	BofA 26 (E)			BofA 27 (E)			BofA 28 (E)		
	New	Old	Diff (%)	New	Old	Diff (%)	New	Old	Diff (%)
Total sales	28,228	27,849	1.4	57,541	53,555	7.4	76,541	71,677	6.8
Gross profit	4,627	5,633	-17.9	13,278	14,034	-5.4	21,109	20,635	2.3
Gross margin	*16.4%*	*20.2%*	-3.8 ppt	*23.1%*	*26.2%*	-3.1 ppt	*27.6%*	*28.8%*	-1.2 ppt
Operating profit	910	2,099	-56.7	6,818	9,005	-24.3	13,000	14,068	-7.6
Operating margin	*3.2%*	*7.5%*	-4.3 ppt	*11.8%*	*16.8%*	-5.0 ppt	*17.0%*	*19.6%*	-2.6 ppt
Pretax income	88	1,617	-94.6	5,463	9,260	-41.0	11,443	13,921	-17.8
Pretax margin	*0.3%*	*5.8%*	-5.5 ppt	*9.5%*	*17.3%*	-7.8 ppt	*15.0%*	*19.4%*	-4.5 ppt
Net income	67	1,047	-93.6	3,776	6,776	-44.3	7,954	10,315	-22.9
Net margin	*0.2%*	*3.8%*	-3.5 ppt	*6.6%*	*12.7%*	-6.1 ppt	*10.4%*	*14.4%*	-4.0 ppt
EPS (NT$)	0.24	3.69	-93.6	13.32	23.89	-44.3	28.05	36.36	-22.9

Source: BofA Global Research estimates

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Exhibit 3: BofAe vs consensus
We are 27% behind consensus for 2027E EPS given the assumption of softer gross margin and bigger non-op loss

(NT$mn)	2026E			2027E		
	BofAe	Consensus	Diff (%)	BofAe	Consensus	Diff (%)
Total sales	28,228	28,953	-2.5	57,541	49,641	15.9
Gross profit	4,627	5,996	-22.8	13,278	12,430	6.8
Gross margin	*16.4%*	*20.7%*	-4.3 ppt	*23.1%*	*25.0%*	-2.0 ppt
Operating profit	910	2,342	-61.2	6,818	7,383	-7.7
Operating margin	*3.2%*	*8.1%*	-4.9 ppt	*11.8%*	*14.9%*	-3.0 ppt
Pretax income	88	1,882	-95.3	5,463	7,430	-26.5
Pretax margin	*0.3%*	*6.5%*	-6.2 ppt	*9.5%*	*15.0%*	-5.5 ppt
Net income	67	1,293	-94.8	3,776	5,136	-26.5
Net margin	*0.2%*	*4.5%*	-4.2 ppt	*6.6%*	*10.3%*	-3.8 ppt
EPS (NT$)	0.24	4.56	-94.8	13.32	18.11	-26.5

Source: BofA Global Research estimates, Bloomberg

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Exhibit 4: Income statement

We expect the company's gross margin to reach ~25% level in 2027-28

NT$mn	1Q26	2Q26	3Q26E	4Q26E	1Q27E	2Q27E	3Q27E	4Q27E	2025	2026E	2027E	2028E
Revenue	5,632	6,869	7,738	7,991	9,712	14,565	15,585	17,680	19,453	28,228	57,541	76,541
Cost of Revenue	-4,724	-5,906	-6,500	-6,472	-7,721	-11,361	-11,923	-13,260	-15,691	-23,602	-44,264	-55,432
Gross profit	908	963	1,238	1,518	1,991	3,204	3,663	4,420	3,762	4,627	13,278	21,109
Operating exp	-777	-895	-1,006	-1,039	-1,214	-1,675	-1,714	-1,856	-2,602	-3,717	-6,460	-8,109
Operating income	130	68	232	479	777	1,529	1,948	2,564	1,160	910	6,818	13,000
Non-opt net	-546	-322	38	8	-341	-337	-336	-341	-99	-822	-1,355	-1,557
Income before tax	-416	-254	271	488	436	1,192	1,612	2,223	1,060	88	5,463	11,443
Income Tax	163	13	-81	-146	-131	-358	-484	-667	-279	-52	-1,639	-3,433
Net income	-253	-241	189	341	305	835	1,128	1,556	781	37	3,824	8,010
EPS (NT$)	-0.7	-0.8	0.6	1.2	1.0	2.9	3.9	5.4	2.7	0.2	13.3	28.0
Margin %												
Gross margin	16.1%	14.0%	16.0%	19.0%	20.5%	22.0%	23.5%	25.0%	19.3%	16.4%	23.1%	27.6%
Operating expenses	13.8%	13.0%	13.0%	13.0%	12.5%	11.5%	11.0%	10.5%	13.4%	13.2%	11.2%	10.6%
Operating margin	2.3%	1.0%	3.0%	6.0%	8.0%	10.5%	12.5%	14.5%	6.0%	3.2%	11.8%	17.0%
Pretax margin	-7.4%	-3.7%	3.5%	6.1%	4.5%	8.2%	10.3%	12.6%	5.5%	0.3%	9.5%	15.0%
Net margin	-4.5%	-3.5%	2.4%	4.3%	3.1%	5.7%	7.2%	8.8%	4.0%	0.1%	6.6%	10.5%
Sequential growth %												
Revenue	3.8%	22.0%	12.7%	3.3%	21.5%	50.0%	7.0%	13.4%	9.4%	45.1%	103.8%	33.0%
Gross profit	-5.8%	6.1%	28.6%	22.6%	31.1%	60.9%	14.3%	20.7%	-8.5%	23.0%	187.0%	59.0%
Operating exp	-0.1%	15.1%	12.4%	3.3%	16.9%	38.0%	2.4%	8.3%	1.1%	42.9%	73.8%	25.5%
Operating income	-29.8%	-48.0%	242.2%	106.5%	62.1%	96.8%	27.4%	31.6%	-24.5%	-21.6%	649.4%	90.7%
Net income	n.a.	4.6%	n.a.	80.2%	-10.7%	173.7%	35.2%	37.9%	-27.4%	-95.3%	10367.7%	109.5%

Source: BofA Global Research estimates, company data

BofA GLOBAL RESEARCH

Price objective basis & risk

Dynamic Holding (XLHCF)

PO of NT$200 is based on 15x 2027E P/E, roughly in-line with the company's average P/E in its trading history, in view of the growing exposure to AI server market. The multiple (15x) is also at around 30% discount vs 22x we apply to major peers, considering a smaller scale by the company. In our view, the 15x multiple can be justified by expanding OPM (operating margin) and ROE to around 11% and 22% in 2026-28 (vs 8% and 15% respectively in 2023-25), and a growing exposure to AI server PCB to 40+% in 2027/28.

Downside risks are 1) a slower demand growth from AI server customers, which will negatively impact the company's capacity utilization rate, margin profile, and profitability, 2) a less-satisfactory execution in the capacity expansion/ramp for high-end HDI/PCB in Thailand, which could curtail the company's growth trajectory and undermine its track record to the customers, and 3) sharper competition from peers in the PCB industry, which will lead to pressured margin outlook and/or capped upside to the company's market share in AI server PCB.

Analyst Certification

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APR - Technology Hardware Coverage Cluster

Investment rating	Company	BofA Ticker	Bloomberg symbol	Analyst
BUY				
	AAC Technologies	AACAF	2018 HK	Katherine Zhu
	Advantech	ADTEF	2395 TT	Robert Cheng
	Asia Vital Components	AVMPF	3017 TT	Doris Kao

APR - Technology Hardware Coverage Cluster

Investment rating	Company	BofA Ticker	Bloomberg symbol	Analyst
	BizLink	BIZLF	3665 TT	Doris Kao
	Chenbro	CEOMF	8210 TT	Doris Kao
	Cowell	CWLLF	1415 HK	Katherine Zhu
	Crystal-Optech	XMKAF	002273 CH	Katherine Zhu
	Delta Electronics (Thailand)	XLETF	DELTA TB	Suppapong Iemkongaek, CFA, CMT
	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				
	Asustek	AKCPF	2357 TT	Robert Cheng
	Auras Technology	AUTCF	3324 TT	Doris Kao
	BYD Electronic	BYDIF	285 HK	Katherine Zhu
	DS Precision	XBASF	002384 CH	Katherine Zhu
	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
UNDERPERFORM				
	Acer	ASIYF	2353 TT	Robert Cheng
	Catcher Tech	CHERF	2474 TT	Robert Cheng
	Compal Electron	XLCPF	2324 TT	Doris Kao
	Everwin Precision	XSHZF	300115 CH	Katherine Zhu
	Genius Electronic Optical	GNSEF	3406 TT	Robert Cheng
	Lens Tech	XLTGF	300433 CH	Katherine Zhu
	LG Display	LPHLF	034220 KS	Simon Woo, CFA

APR - Technology Hardware Coverage Cluster

Investment rating	Company	BofA Ticker	Bloomberg symbol	Analyst
	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
	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

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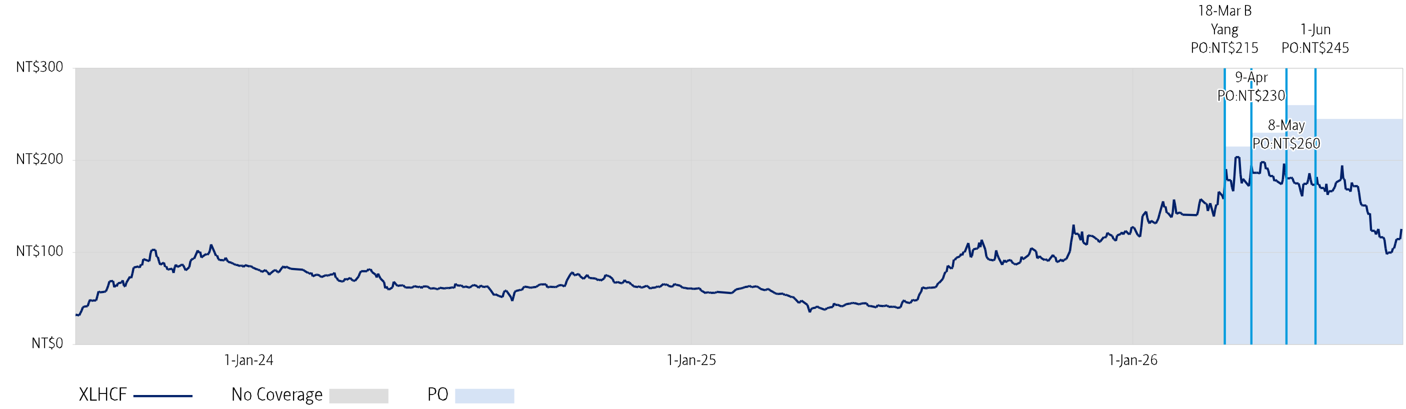
Dynamic Holding (XLHCF) Price Chart



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: Electronics Group (as of 30 Jun 2026)

Coverage Universe	Count	Percent	Inv. Banking Relationships [R1]	Count	Percent
Buy	34	55.74%	Buy	16	47.06%
Hold	10	16.39%	Hold	3	30.00%
Sell	17	27.87%	Sell	6	35.29%

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.

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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.

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