Morgan Stanley | RESEARCH

UPDATE

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Greater China Technology Hardware | Asia Pacific

SEMICON Taiwan 2026 Takeaways

Key takeaways from CEO fireside chat, which included Hon Hai (HH) Chairman Young Liu and Unimicron (UMTC) Chairman Shan-Chieh Chien:

- HH sees AI demand as unprecedented in speed and scale, pressuring the supply chain to expand capacity while raising capital intensity.
- Management views diversification as structural, accelerated by geopolitics and countries' push for local production. We have written about this here, here, and here.
- HH's strategy is "*Made with Taiwan*", exporting Taiwan's manufacturing IP, system-integration know-how and execution speed to end markets via local partnerships and production.
- UMTC said AI lifts ABF substrate demand and complexity (large sizes, higher layer counts, more advanced designs), widening supply constraints. This aligns with our view, which we have written here, here, and here.
- UMTC said it has held more than 10 meetings in the past 18 months with suppliers and customers to align demand forecast and capacity, by actively preparing capacity, preparing new facilities, securing land.
- Supply of upstream key materials, such as ABR and T-glass, remains tight.

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GREATER CHINA TECHNOLOGY HARDWARE

Asia Pacific
Industry View **In-Line**

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(as of August 31, 2026)
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	Coverage Universe		Investment Banking Clients (IBC)			Other Material Investment Services Clients (MISC)	
Stock Rating Category	Count	% of Total	Count	% of Total IBC	% of Rating Category	Count	% of Total Other MISC
Overweight/Buy	1555	42%	450	48%	29%	767	44%
Equal-weight/Hold	1577	43%	395	42%	25%	770	44%
Not-Rated/Hold	3	0%	1	0%	33%	1	0%
Underweight/Sell	559	15%	93	10%	17%	216	12%
Total	3,694		939			1754	

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

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COMPANY (TICKER)	RATING (AS OF)	PRICE* (09/02/2026)
Andy Meng, CFA		
AAC Technologies Holdings (2018.HK)	O (01/29/2024)	HK$43.26
Accelink Technologies Co. Ltd. (002281.SZ)	U (05/12/2022)	Rmb173.44
BYD Electronics (0285.HK)	O (04/28/2023)	HK$25.80
China TransInfo Technology Co Ltd (002373.SZ)	E (07/18/2023)	Rmb7.83

Dahua Technology Co. Ltd. (002236.SZ)	E (12/12/2024)	Rmb16.39
Eoptolink Technology Inc Ltd (300502.SZ)	O (02/27/2026)	Rmb386.70
Genius Electronic Optical Co. Ltd. (3406.TW)	E (04/23/2025)	NT$1,050.00
GoerTek Inc (002241.SZ)	E (08/14/2026)	Rmb24.14
Gosuncn Technology Group Co Ltd (300098.SZ)	U (11/07/2022)	Rmb4.60
HIKVision Digital Technology (002415.SZ)	E (12/12/2024)	Rmb35.18
Largan Precision (3008.TW)	O (07/10/2026)	NT$7,810.00
LianChuang Electronic Technology Co Ltd (002036.SZ)	U (06/12/2024)	Rmb7.08
Lingyi Itech Guangdong Co (002600.SZ)	U (04/23/2025)	Rmb12.69
Lingyi Itech Guangdong Co (1688.HK)	O (08/14/2026)	HK$6.53
Luxshare Precision Industry Co., Ltd. (2475.HK)	O (08/14/2026)	HK$63.60
Luxshare Precision Industry Co., Ltd. (002475.SZ)	O (10/24/2016)	Rmb57.08
OFILM Group Co Ltd (002456.SZ)	U (06/12/2024)	Rmb7.71
Q Technology (Group) Company Ltd (1478.HK)	U (03/23/2026)	HK$5.82
Quectel Wireless Solutions Co Ltd (603236.SS)	E (10/09/2024)	Rmb63.60
Shanghai Conant Optical Co Ltd (2276.HK)	O (04/10/2026)	HK$42.60
Shenzhen Transsion Holdings Co Ltd (688036.SS)	E (03/23/2026)	Rmb56.21
Sunny Optical (2382.HK)	E (03/23/2026)	HK$71.70
Suzhou TFC Optical Communication Co Ltd. (300394.SZ)	E (11/06/2025)	Rmb250.00
Wingtech Technology Co Ltd (600745.SS)	U (05/18/2026)	Rmb18.76
Xiaomi Corp (1810.HK)	O (04/14/2021)	HK$28.06
Yangtze Optical Fibre and Cable JSC Ltd (601869.SS)	U (10/13/2021)	Rmb407.80
Yangtze Optical Fibre and Cable JSC Ltd (6869.HK)	O (07/15/2026)	HK$169.40
Yongxin Optics Co Ltd (603297.SS)	E (11/15/2022)	Rmb111.38
Zhejiang Crystal-Optech Co Ltd (002273.SZ)	O (11/15/2022)	Rmb25.69
Zhongji Innolight Co Ltd (300308.SZ)	++	Rmb822.40
ZTE Corporation (0763.HK)	O (06/04/2026)	HK$23.50
ZTE Corporation (000063.SZ)	E (06/04/2026)	Rmb33.49
Derrick Yang		
Accton Technology Corporation (2345.TW)	O (06/06/2024)	NT$2,140.00
Advantech (2395.TW)	O (01/20/2021)	NT$692.00
AirTAC International (1590.TW)	O (04/16/2025)	NT$1,395.00
Asia Vital Components Co. Ltd. (3017.TW)	O (07/30/2024)	NT$3,310.00
AU Optronics (2409.TW)	E (02/10/2026)	NT$26.40
Auras Technology Co Ltd (3324.TWO)	E (05/04/2023)	NT$1,435.00
Bizlink (3665.TW)	O (03/10/2025)	NT$2,170.00
BOE Technology (000725.SZ)	O (09/06/2019)	Rmb5.79
Chenbro (8210.TW)	O (07/23/2025)	NT$968.00
Chroma Ate Inc. (2360.TW)	O (10/05/2021)	NT$1,975.00
Delta Electronics Inc. (2308.TW)	O (07/13/2017)	NT$1,730.00
E Ink Holdings Inc. (8069.TWO)	E (08/10/2026)	NT$154.50
Ennostar Inc (3714.TW)	U (09/23/2022)	NT$62.00
Fositek Corp (6805.TW)	O (06/25/2025)	NT$2,110.00
Hiwin Technologies Corp. (2049.TW)	O (03/30/2026)	NT$352.00
Innolux (3481.TW)	E (04/07/2025)	NT$49.05
King Slide Works Co. Ltd. (2059.TW)	O (11/08/2023)	NT$13,865.00
Lens Technology (300433.SZ)	E (07/22/2020)	Rmb36.91
Lite-On Technology (2301.TW)	E (01/15/2025)	NT$315.00
TCL Corp. (000100.SZ)	E (04/07/2025)	Rmb4.89
Tianma Microelectronics (000050.SZ)	U (01/24/2018)	Rmb6.62
Wuhan Jingce Electronic Group Co Ltd (300567.SZ)	E (11/26/2021)	Rmb197.56
Howard Kao		
Acer Inc. (2353.TW)	U (04/23/2025)	NT$32.15
Asustek Computer Inc. (2357.TW)	U (11/16/2025)	NT$1,010.00
Catcher Technology (2474.TW)	U (11/17/2025)	NT$211.00

Compal Electronics (2324.TW)	U (04/23/2025)	NT$39.70
FIT Hon Teng Ltd (6088.HK)	O (11/03/2025)	HK$5.17
Foxconn Industrial Internet Co. Ltd. (601138.SS)	O (07/10/2019)	Rmb61.80
Giga-Byte Technology Co. Ltd. (2376.TW)	E (11/16/2025)	NT$361.50
Gold Circuit Electronics Ltd. (2368.TW)	O (10/06/2022)	NT$1,175.00
Hon Hai Precision (2317.TW)	O (03/15/2024)	NT$251.00
Inspur Electronic Information (000977.SZ)	E (08/28/2023)	Rmb85.69
LandMark Optoelectronics Corporation (3081.TWO)	E (03/26/2026)	NT$3,395.00
Lenovo (0992.HK)	O (07/10/2026)	HK$30.60
Lotes Co. Ltd. (3533.TW)	E (05/12/2025)	NT$1,705.00
Nan Ya PCB (8046.TW)	O (02/23/2026)	NT$1,200.00
Pegatron Corporation (4938.TW)	E (03/25/2026)	NT$91.70
Quanta Computer Inc. (2382.TW)	O (05/01/2023)	NT$337.00
Shengyi Technology Co Ltd. (600183.SS)	E (05/26/2022)	Rmb144.98
Shennan Circuits Co Ltd (002916.SZ)	E (08/24/2023)	Rmb348.39
Unimicron (3037.TW)	O (02/23/2026)	NT$973.00
Visual Photonics Epitaxy Co Ltd (2455.TW)	E (09/11/2023)	NT$542.00
Wistron Corporation (3231.TW)	O (07/12/2023)	NT$185.50
Wiwynn Corp (6669.TW)	O (11/10/2025)	NT$2,610.00
Yageo Corp. (2327.TW)	O (10/28/2025)	NT$540.00
Zhen Ding (4958.TW)	++	NT$507.00

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

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