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E Ink Holdings Inc. | Asia Pacific

June Sales +23% MoM/-1% YoY

In this report, we focus on E Ink's monthly sales, which we believe could be a catalyst for its share price.

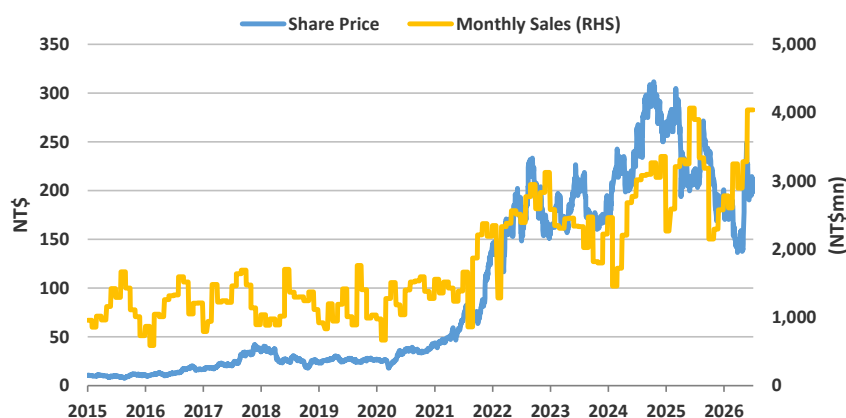
Details:

- June sales were NT\$4,041mn (+23% MoM/-1% YoY).
- 2Q26 sales came in at NT\$10,216mn (+18% QoQ/-4% YoY), largely in line with our estimate at NT\$10,043mn (+16% QoQ/-5% YoY) and the consensus at NT\$10,227mn (+18% QoQ/-4% YoY).

Our view:

- Management retained its guidance of revenue to grow by 20-25% in 2026, driven by 20-30% growth from ESLs, single-digit % growth from e-readers/e-notes and high-single-digit % of revenue contribution from signage (mostly retail media and indoor applications).
- That said, the potential impact to the end demand for its e-readers/e-notes from the rising memory costs is worth monitoring.
- Longer term, we continue to believe in secular demand in e-paper from various applications and E Ink's dominant to ride on the trend
- Stay OW with PT of NT\$250 (19x 2027 P/E vs. currently at 15x).

Exhibit 1: E Ink's monthly sales vs. its share price since 2015



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

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Asia Summer School 2026

E Ink Holdings Inc. (8069.TWO, 8069 TT)

Greater China Technology Hardware | Taiwan

Stock Rating	Overweight
Industry View	In-Line
Price target	NT\$250.00
Up/downside to price target (%)	26
Shr price, close (Jul 8, 2026)	NT\$199.00
52-Week Range	NT\$286.00-135.00
Sh out, dil, curr (mn)	1,150
Mkt cap, curr (mn)	NT\$228,883
EV, curr (mn)	NT\$234,440
Avg daily trading value (mn)	NT\$1,371

Fiscal Year Ending	12/25	12/26e	12/27e	12/28e
EPS (NT\$)**	9.14	11.37	13.07	15.67
EPS (NT\$)§	10.09	12.00	14.30	16.14
Revenue, net (NT\$ mn)	36,116	43,339	49,878	59,024
EBITDA (NT\$ mn)	13,458	16,456	19,062	22,755
ModelWare net inc (NT\$ mn)	10,515	13,077	15,037	18,027
P/E	21.7	17.5	15.2	12.7
P/BV	3.3	3.0	2.8	2.5
RNOA (%)	13.8	14.6	16.9	20.3
ROE (%)	18.2	18.7	19.7	21.8
EV/EBITDA	17.5	13.9	11.7	9.5
Div yld (%)	3.0	3.7	4.3	5.1
FCF yld ratio (%)**	4.2	5.3	6.1	7.3
Leverage (EOP) (%)	2.1	(4.9)	(11.1)	(17.5)

Unless otherwise noted, all metrics are based on Morgan Stanley ModelWare framework

§ = Consensus data is provided by Refinitiv Estimates

** = Based on consensus methodology

e = Morgan Stanley Research estimates

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Catalyst Event Reaction

Company / Catalyst	Date	Impact to thesis	Catalyst versus expectation
E Ink Holdings Inc. 8069.TWO			
June 2026 sales	08 Jul 2026	Unchanged	In-line

Source: Company data, Morgan Stanley Research

Valuation Methodology and Risks

E Ink Holdings Inc. (8069.TWO)

Base case, 19x 2027e P/E. We believe this valuation methodology best captures E Ink's earnings growth momentum. We view our target multiple of 19x as fair, considering our estimated 20% earnings CAGR for 2025-28. The implied PEG of 1.0x is slightly higher than its typical level in 2020-25, when the stock was trading at an average P/E of 21x one-year forward consensus EPS with a 24% earnings CAGR.

Risks to Upside

- Firmer-than-expected ESL orders
- Stronger demand for e-readers and e-notes
- Better macro conditions
- Milder competition
- Brisker inventory digestion

Risks to Downside

- Softer-than-expected ESL orders
- Slower demand for e-readers and e-notes
- Macro headwinds
- Intensified competition
- More protracted inventory digestion

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(as of June 30, 2026)

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	Count	% of Total	Count	% of Total IBC	% of Rating Category	Count	% of Total Other MISC
Overweight/Buy	1544	42%	453	49%	29%	757	44%
Equal-weight/Hold	1577	43%	390	42%	25%	769	44%
Not-Rated/Hold	3	0%	1	0%	33%	1	0%
Underweight/Sell	544	15%	89	10%	16%	204	12%
Total	3,668		933			1731	

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

E Ink Holdings Inc. (8069.TW) - As of 07/04/26 GMT in TWD
Industry : Greater China Technology Hardware



Stock Rating History: 7/1/21 : NA/I; 6/23/22 : 0/I; 11/15/22 : E/I; 5/17/23 : 0/I; 4/30/24 : E/I; 6/10/24 : 0/I; 5/8/25 : E/I; 8/8/25 : 0/I; 1/7/26 : E/I; 5/11/26 : 0/I

Price Target History: 6/23/22 : 275; 8/17/22 : 280; 11/15/22 : 200; 3/9/23 : 185; 5/17/23 : 250; 11/16/23 : 217; 2/19/24 : 249; 3/7/24 : 280; 4/30/24 : 200; 6/10/24 : 260; 8/2/24 : 360; 5/8/25 : 250; 5/22/25 : 240; 8/8/25 : 280; 8/14/25 : 310; 11/19/25 : 265; 1/7/26 : 205; 5/11/26 : 250

Source: Morgan Stanley Research Date Format : MM/DD/YY Price Target --- No Price Target Assigned (NA)

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INDUSTRY COVERAGE: Greater China Technology Hardware

COMPANY (TICKER)	RATING (AS OF)	PRICE* (07/08/2026)
Andy Meng, CFA		
AAC Technologies Holdings (2018.HK)	O (01/29/2024)	HK\$39.02
Accelink Technologies Co. Ltd. (002281.SZ)	U (05/12/2022)	Rmb216.81
BYD Electronics (0285.HK)	O (04/28/2023)	HK\$21.36
China TransInfo Technology Co Ltd (002373.SZ)	E (07/18/2023)	Rmb7.10
Dahua Technology Co. Ltd. (002236.SZ)	E (12/12/2024)	Rmb16.96
Eoptolink Technology Inc Ltd (300502.SZ)	O (02/27/2026)	Rmb510.84
Genius Electronic Optical Co. Ltd. (3406.TW)	E (04/23/2025)	NT\$612.00
GoerTek Inc (002241.SZ)	U (04/23/2025)	Rmb20.41
Gosuncn Technology Group Co Ltd (300098.SZ)	U (11/07/2022)	Rmb4.40
HIKVision Digital Technology (002415.SZ)	E (12/12/2024)	Rmb34.35
Largan Precision (3008.TW)	E (10/17/2025)	NT\$3,950.00
LianChuang Electronic Technology Co Ltd (002036.SZ)	U (06/12/2024)	Rmb6.55
Lingyi Itech Guangdong Co (002600.SZ)	U (04/23/2025)	Rmb15.06
Luxshare Precision Industry Co., Ltd. (002475.SZ)	O (10/24/2016)	Rmb62.47
OFILM Group Co Ltd (002456.SZ)	U (06/12/2024)	Rmb8.78
Q Technology (Group) Company Ltd (1478.HK)	U (03/23/2026)	HK\$6.92
Quectel Wireless Solutions Co Ltd (603236.SS)	E (10/09/2024)	Rmb50.12
Shanghai Conant Optical Co Ltd (2276.HK)	O (04/10/2026)	HK\$32.34
Shenzhen Transsion Holdings Co Ltd (688036.SS)	E (03/23/2026)	Rmb62.25
Sunny Optical (2382.HK)	E (03/23/2026)	HK\$57.45
Suzhou TFC Optical Communication Co Ltd. (300394.SZ)	E (11/06/2025)	Rmb245.68
Wingtech Technology Co Ltd (600745.SS)	U (05/18/2026)	Rmb18.53
Xiaomi Corp (1810.HK)	O (04/14/2021)	HK\$25.30
Yangtze Optical Fibre and Cable JSC Ltd (601869.SS)	U (10/13/2021)	Rmb410.00

Yangtze Optical Fibre and Cable JSC Ltd (6869.HK)	E (04/20/2023)	HK\$151.90
Yongxin Optics Co Ltd (603297.SS)	E (11/15/2022)	Rmb120.56
Zhejiang Crystal-Optech Co Ltd (002273.SZ)	O (11/15/2022)	Rmb32.04
Zhongji Innolight Co Ltd (300308.SZ)	++	Rmb1,128.35
ZTE Corporation (0763.HK)	O (06/04/2026)	HK\$23.20
ZTE Corporation (000063.SZ)	E (06/04/2026)	Rmb36.87
Derrick Yang		
Accton Technology Corporation (2345.TW)	O (06/06/2024)	NT\$2,415.00
Advantech (2395.TW)	O (01/20/2021)	NT\$546.00
AirTAC International (1590.TW)	O (04/16/2025)	NT\$1,345.00
Asia Vital Components Co. Ltd. (3017.TW)	O (07/30/2024)	NT\$2,325.00
AU Optronics (2409.TW)	E (02/10/2026)	NT\$29.55
Auras Technology Co Ltd (3324.TWO)	E (05/04/2023)	NT\$925.00
Bizlink (3665.TW)	O (03/10/2025)	NT\$1,900.00
BOE Technology (000725.SZ)	O (09/06/2019)	Rmb7.63
Chenbro (8210.TW)	O (07/23/2025)	NT\$1,195.00
Chroma Ate Inc. (2360.TW)	O (10/05/2021)	NT\$1,855.00
Delta Electronics Inc. (2308.TW)	O (07/13/2017)	NT\$1,885.00
E Ink Holdings Inc. (8069.TWO)	O (05/11/2026)	NT\$199.00
Ennostar Inc (3714.TW)	U (09/23/2022)	NT\$61.90
Fositek Corp (6805.TW)	O (06/25/2025)	NT\$1,395.00
Hiwin Technologies Corp. (2049.TW)	O (03/30/2026)	NT\$340.00
Innolux (3481.TW)	E (04/07/2025)	NT\$65.20
King Slide Works Co. Ltd. (2059.TW)	O (11/08/2023)	NT\$8,095.00
Lens Technology (300433.SZ)	E (07/22/2020)	Rmb46.05
Lite-On Technology (2301.TW)	E (01/15/2025)	NT\$214.00
Radiant Opto-Electronics Corporation (6176.TW)	E (03/01/2024)	NT\$90.90
TCL Corp. (000100.SZ)	E (04/07/2025)	Rmb5.04
Tianma Microelectronics (000050.SZ)	U (01/24/2018)	Rmb7.86
Wuhan Jingce Electronic Group Co Ltd (300567.SZ)	E (11/26/2021)	Rmb297.10
Howard Kao		
Acer Inc. (2353.TW)	U (04/23/2025)	NT\$32.30
Asustek Computer Inc. (2357.TW)	U (11/16/2025)	NT\$687.00
Catcher Technology (2474.TW)	U (11/17/2025)	NT\$195.00
Compal Electronics (2324.TW)	U (04/23/2025)	NT\$35.50
FIT Hon Teng Ltd (6088.HK)	O (11/03/2025)	HK\$6.17
Foxconn Industrial Internet Co. Ltd. (601138.SS)	O (07/10/2019)	Rmb66.01
Giga-Byte Technology Co. Ltd. (2376.TW)	E (11/16/2025)	NT\$335.00
Gold Circuit Electronics Ltd. (2368.TW)	O (10/06/2022)	NT\$1,150.00
Hon Hai Precision (2317.TW)	O (03/15/2024)	NT\$237.50
Inspur Electronic Information (000977.SZ)	E (08/28/2023)	Rmb78.17
LandMark Optoelectronics Corporation (3081.TWO)	E (03/26/2026)	NT\$2,095.00
Lenovo (0992.HK)	E (11/16/2025)	HK\$22.32
Lotes Co. Ltd. (3533.TW)	E (05/12/2025)	NT\$1,990.00
Nan Ya PCB (8046.TW)	O (02/23/2026)	NT\$1,105.00
Pegatron Corporation (4938.TW)	E (03/25/2026)	NT\$83.80
Quanta Computer Inc. (2382.TW)	O (05/01/2023)	NT\$377.00
Shengyi Technology Co Ltd. (600183.SS)	E (05/26/2022)	Rmb145.46
Shennan Circuits Co Ltd (002916.SZ)	E (08/24/2023)	Rmb402.33
Unimicron (3037.TW)	O (02/23/2026)	NT\$863.00
Visual Photonics Epitaxy Co Ltd (2455.TW)	E (09/11/2023)	NT\$335.00
Wistron Corporation (3231.TW)	O (07/12/2023)	NT\$146.50
Wiwynn Corp (6669.TW)	O (11/10/2025)	NT\$5,050.00
Yageo Corp. (2327.TW)	O (10/28/2025)	NT\$891.00
Zhen Ding (4958.TW)	O (05/18/2026)	NT\$565.00

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