Morgan Stanley | RESEARCH

IDEA

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Chenbro | Asia Pacific

Outlook Stays Solid, Despite Near-term Hiccup

WHAT'S CHANGED		
Chenbro (8210.TW)	**From**	**To**
Price Target	NT$1,780.00	**NT$1,600.00**

Management remains positive on the outlook in 2H26 and 2027, as it is confident of picking up the shortfall from delayed shipment/revenue recognition in the coming months.

Short-term hiccup, but 2H outlook solid: July monthly sales of NT$2,462mn (-24% MoM/+42% YoY) were a negative surprise to the market, which management attributed to slower pull-in from its major customer owing to the memory shortage and the change in logistics arrangement. Management is not too worried about this and is confident that it can make up the near-term shortfall during the rest of the year. It thus remains optimistic on the outlook in 2H26, as the demand from its GPU/ASIC server clusters and general servers is strong, driving orders for its chassis and rack offerings. Owing to the short-term hiccup, we now expect its 3Q26 revenue to grow by a single digit % QoQ vs. the prior double digit % QoQ.

Rack offerings emerging as another pillar for growth: On top of the share gains in the chassis market, Chenbro is turning more aggressively in the rack business. It has been the qualified supplier for two major GPU vendors. Moreover, it has penetrated into the CDU (Collant Distribution Unit) rack at multiple hyperscalers. Going forward, Chenbro might continue looking for opportunities in components in the AI space, where it can leverage its mechanical expertise and existing customer relationships. Revenue contribution from racks was 5-10% in 2025, might be over 10% in 2026 and even higher in 2027.

More diversified global footprint: Chenbro has a pretty aggressive capacity expansion plan in the pipeline, besides the existing ones in Taiwan and China. The Malaysian factory could start pilot production from 4Q26, mainly for chassis products . Meanwhile, the US capacity will start to ramp from 2H27 and the majority of the capacity will be for rack production. Lastly, its BoD has approved a capex plan of up to NT$600mn to set up a subsidiary in Vietnam, which might start mass production from 1Q27 (most for racks, especially CDU racks), as Chenbro will need to leverage the capacity to optimize the operation for its newly won projects in 2Q26. The total capex stays unchanged at NT$2.5-3.0bn for 2026.

Stay OW: We can understand the market's negative take on the weaker July monthly sales, but we think sentiment should improve if Chenbro can deliver a strong rebound in the coming months with the delayed shipment/recognition flowing in. We think the thesis of its own share gains in the chassis and rack businesses amid a growing AI cape cycle remains intact. Stay OW with a lower PT of NT$1,600 (27x 2027 P/E).

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Chenbro (8210.TW, 8210 TT)

Greater China Technology Hardware | Taiwan

Stock Rating	**Overweight**
Industry View	**In-Line**
Price target	NT$1,600.00
Up/downside to price target (%)	43
Shr price, close (Aug 7, 2026)	NT$1,115.00
52-Week Range	NT$1,590.00-505.00
Sh out, dil, curr (mn)	122
Mkt cap, curr (mn)	NT$136,517
EV, curr (mn)	NT$133,964
Avg daily trading value (mn)	NT$2,409

Fiscal Year Ending	12/25	12/26e	12/27e	12/28e
EPS (NT$)**	29.06	47.77	58.77	68.77
EPS (NT$)§	28.97	48.96	65.82	82.99
Revenue, net (NT$ mn)	22,001	32,467	42,173	49,177
EBITDA (NT$ mn)	5,101	8,347	10,106	11,733
ModelWare net inc (NT $ mn)	3,558	5,849	7,196	8,420
P/E	34.6	23.3	19.0	16.2
P/BV	11.4	9.2	7.1	5.7
RNOA (%)	48.5	68.8	67.5	74.5
ROE (%)	49.0	52.8	47.3	43.0
EV/EBITDA	24.2	15.8	12.7	10.5
Div yld (%)	0.7	1.3	2.1	2.5
FCF yld ratio (%)**	2.1	2.8	4.8	5.8
Leverage (EOP) (%)	(28.3)	(34.1)	(45.7)	(54.8)

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

Results Summary

Off revenue of NT$7,821mn (+10% QoQ/+44% YoY), GM dropped 0.2ppts QoQ, to 32.6%, likely on a less favorable product mix and lower NRE income, though this is above MSe at 31.6% and consensus at 31.4%.

Opex was NT$638mn (opex ratio of 8.2%), vs. MSe of NT$602mn (opex ratio 7.9%) and consensus of NT$607mn (opex ratio 7.7%), leading to operating profit of NT$1,926mn (OPM 24.6%), 7%/3% higher than MSe at NT$1,807mn (OPM 23.8%)/consensus at NT $1,870mn (OPM 23.7%).

With the non-op loss of NT$22mn, net profit of NT$1,383mn (EPS NT$11.29) was 4% higher than MSe at NT$1,330mn (EPS NT$10.86) but 2% short of consensus at NT $1,411mn (EPS NT$11.23).

Exhibit 1: Chenbro: 2Q26 results summary

	Actual	QoQ	YoY	Ms est.	Variance	Consensus	Variance
Net sales	**7,821**	**10%**	**44%**	**7,596**	**3%**	**7,882**	**-1%**
COGS	-5,268	10%	38%	-5,197	1%	-5,405	-3%
Gross profit	**2,553**	**9%**	**57%**	**2,399**	**6%**	**2,478**	**3%**
Operating expenses	-638	13%	60%	-602	6%	-607	5%
Operating income	**1,926**	**8%**	**55%**	**1,807**	**7%**	**1,870**	**3%**
Non-operating income	-22	-277%	-79%	5	NM	2	NM
Pre-tax income	**1,904**	**6%**	**67%**	**1,812**	**5%**	**1,872**	**2%**
Income tax	-500	17%	71%	-453	10%	-461	8%
Net income	**1,383**	**4%**	**67%**	**1,330**	**4%**	**1,411**	**-2%**
Adj.wtd.avg.shrs (mn)	125	0%	4%	122	2%	122	2%
EPS (NT$)	**11.29**	**5%**	**64%**	**10.86**	**4%**	**11.23**	**1%**
Margin (%)		***ppt***	***ppt***		***ppt***		***ppt***
Gross margin	32.6%	-0.2	2.7	31.6%	1.1	31.4%	1.2
Operating margin	24.6%	-0.4	1.8	23.8%	0.8	23.7%	0.9
Pre-tax margin	24.3%	-0.9	3.5	23.8%	0.5	23.7%	0.6
Net margin	17.7%	-1.1	2.5	17.5%	0.2	17.9%	-0.2

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

Quarterly Financial Summary

Exhibit 2: Quarterly Financial Summary

NT$ mn	1Q25	2Q25	3Q25	4Q25	1Q26	2Q26E	3Q26E	4Q26E	2025	2026E	2027E
Sales	**4,154**	**5,443**	**5,665**	**6,740**	**7,107**	**7,821**	**8,368**	**9,171**	**22,001**	**32,467**	**42,173**
COGS	-2,954	-3,815	-3,890	-4,748	-4,774	-5,268	-5,696	-6,269	-15,407	-22,007	-29,294
Gross profit	**1,199**	**1,628**	**1,775**	**1,992**	**2,333**	**2,553**	**2,672**	**2,902**	**6,594**	**10,460**	**12,879**
Operating expenses	-366	-399	-487	-640	-564	-638	-686	-744	-1,893	-2,632	-3,322
- Promotion	-107	-111	-136	-180	-146	-146	-159	-174	-535	-626	-787
- ADM	-175	-201	-243	-326	-287	-353	-377	-413	-944	-1,429	-1,842
- R&D	-83	-87	-105	-131	-134	-141	-151	-157	-407	-582	-693
Operating profit	**885**	**1,244**	**1,293**	**1,345**	**1,779**	**1,926**	**1,996**	**2,168**	**4,767**	**7,869**	**9,597**
Non-operating income	18	-108	54	100	13	-22	5	5	65	0	40
Interest income	-3	-1	-3	2	-10	8	-5	-5	-5	-11	-20
Investment income	0	3	0	2	-1	2	0	0	5	1	0
Disposal of investment	0	0	0	0	0	0	0	0	0	0	0
Disposal of fixed assets	0	1	0	0	0	0	0	0	1	0	0
Exchange gain	17	-121	29	63	13	-41	0	0	-12	-28	0
Other	5	10	29	33	10	9	10	10	76	39	60
Pre-tax profit	903	1,137	1,347	1,445	1,792	1,904	2,001	2,173	4,832	7,870	9,637
Income tax	-226	-292	-318	-336	-427	-500	-480	-522	-1,171	-1,928	-2,357
Net profit	**667**	**829**	**993**	**1,069**	**1,336**	**1,383**	**1,500**	**1,630**	**3,558**	**5,849**	**7,196**
Adj.wtd.avg.shrs (m)	121	121	124	122	125	122	122	122	122	122	122
EPS (NT$)	**5.53**	**6.87**	**8.01**	**8.73**	**10.73**	**11.29**	**12.25**	**13.32**	**29.06**	**47.77**	**58.77**
Margins											
Gross margin	28.9%	29.9%	31.3%	29.6%	32.8%	32.6%	31.9%	31.6%	30.0%	32.2%	30.5%
Operating margin	21.3%	22.9%	22.8%	20.0%	25.0%	24.6%	23.9%	23.6%	21.7%	24.2%	22.8%
Pre-tax margin	21.7%	20.9%	23.8%	21.4%	25.2%	24.3%	23.9%	23.7%	22.0%	24.2%	22.9%
Net margin	16.1%	15.2%	17.5%	15.9%	18.8%	17.7%	17.9%	17.8%	16.2%	18.0%	17.1%
QoQ Growth											
Sales	7%	31%	4%	19%	5%	10%	7%	10%			
Gross profit	25%	36%	9%	12%	17%	9%	5%	9%			
Operating profit	51%	41%	4%	4%	32%	8%	4%	9%			
Pre-tax profit	43%	26%	19%	7%	24%	6%	5%	9%			
Net profit	41%	24%	20%	8%	25%	4%	8%	9%			
YoY Growth											
Sales	50%	51%	33%	74%	71%	44%	48%	36%	52%	48%	30%
Gross profit	74%	78%	44%	108%	95%	57%	51%	46%	74%	59%	23%
Operating profit	99%	113%	45%	130%	101%	55%	54%	61%	90%	65%	22%
Pre-tax profit	83%	87%	53%	129%	98%	67%	49%	50%	85%	63%	22%
Net profit	83%	83%	54%	127%	100%	67%	51%	52%	84%	64%	23%

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

Financial Summary

Exhibit 3: Financial Summary

Income Statement

NT$ mn; FY End Dec	2024	2025	2026E	2027E	2028E
Net sales	**14,517**	**22,001**	**32,467**	**42,173**	**49,177**
COGS	-10,727	-15,407	-22,007	-29,294	-34,190
Gross profit	**3,790**	**6,594**	**10,460**	**12,879**	**14,987**
Operating expenses	-1,347	-1,886	-2,637	-3,322	-3,830
- Promotion	-394	-535	-626	-787	-882
- ADM	-666	-944	-1,429	-1,842	-2,158
- R&D	-287	-407	-582	-693	-791
Operating income	**2,443**	**4,708**	**7,823**	**9,557**	**11,157**
Non-operating income	105	65	0	40	40
Interest income	-19	-5	-11	-20	-20
Investment income	-3	5	1	0	0
Disposal of investment	0	0	0	0	0
Disposal of fixed assets	0	1	0	0	0
Exchange gain	97	-12	-28	0	0
Other	29	76	39	60	60
Pre-tax income	2,548	4,773	7,824	9,597	11,197
Income tax	-615	-1,215	-1,975	-2,401	-2,777
Net income	**1,934**	**3,558**	**5,849**	**7,196**	**8,420**
EPS (NT$)	**16.05**	**29.06**	**47.77**	**58.77**	**68.77**
Diluted EPS (NT$)	**15.48**	**28.41**	**46.69**	**57.45**	**67.22**

Balance Sheet

NT$ mn	2024	2025	2026E	2027E	2028E
Cash	3,800	5,688	7,735	11,498	16,012
Mkt securities	0	0	0	0	0
Accounts/Notes receivables	3,670	6,459	9,532	12,381	14,437
Inventory	2,187	3,925	5,606	7,463	8,710
Other current assets	929	511	511	511	511
Current Assets	10,585	16,583	23,384	31,853	39,670
Long-term investments	0	0	1	1	1
Fixed assets	5,314	5,591	6,768	6,719	6,643
Other assets	744	1,283	1,283	1,283	1,283
Total Assets	**16,644**	**23,456**	**31,436**	**39,856**	**47,597**
S/T borrowings	641	1,222	1,222	1,222	1,222
AP/NP	3,721	6,196	8,850	11,781	13,750
Other ST liabilities	1,832	3,048	4,239	5,350	6,168
Other liabilities	514	581	581	581	581
L/T debt	2,671	1,332	1,332	1,332	1,332
Total Liabilities	**9,380**	**12,380**	**16,224**	**20,266**	**23,054**
Common shares	1,210	1,253	1,253	1,253	1,253
Capital Collection	0	0	0	0	0
APIC	383	1,572	1,572	1,572	1,572
Retained earnings	4,598	7,057	11,191	15,569	20,523
Treasury Stock	0	0	0	0	0
Other shareholders' equity	1073	1195	1195	1195	1195
Shareholders' equity	**7,264**	**11,077**	**15,211**	**19,590**	**24,543**
Total Liab./Shrhldr's Equity	**16,644**	**23,456**	**31,436**	**39,856**	**47,597**

Cash Flow Statement

NT$ mn	2024	2025	2026E	2027E
Cashflow from operations	**2,697**	**3,087**	**5,461**	**7,080**
Net Profits	1,934	3,558	5,849	7,196
Depreciation	346	387	523	549
Equity investment losses (income)	3	-5	-1	0
Other adjustments	415	-854	-909	-664
Cashflow from investing	**-1,589**	**-493**	**-1,700**	**-500**
(Purchases) sale of FA (capex)	-789	-978	-1,700	-500
(Purchases) sale of L/T investment	0	0	0	0
(Purchases) sale of S/T investment	1	1	0	0
Other adjustments	-6	-10	0	0
Cashflow from financing	**-348**	**-705**	**-1,714**	**-2,817**
Increase in L/T debt	-1,085	-363	0	0
Increase in S/T debt	257	573	0	0
Issuance of stock	0	0	0	0
Cash dividends	-603	-907	-1,714	-2,817
Dir.& Emp. Bonus	0	0	0	0
Changes in Treasury Stocks	0	0	0	0
Other adjustments	-9	-8	0	0
Exchange rate adjustment	93	-1	0	0
Net change in cash	853	1,888	2,047	3,763

Financial Ratios

	2024	2025	2026E	2027E
Margins				
Gross margin	26.1%	30.0%	32.2%	30.5%
Operating margin	16.8%	21.4%	24.1%	22.7%
Pretax margin	17.6%	21.7%	24.1%	22.8%
Net margin	13.3%	16.2%	18.0%	17.1%
YoY growth				
Sales	29.1%	51.6%	47.6%	29.9%
Operating profits	70.2%	92.7%	66.2%	22.2%
Pretax profits	81.6%	87.3%	63.9%	22.7%
Net profits	78.1%	84.0%	64.4%	23.0%
EPS	77.8%	81.1%	64.4%	23.0%
Net Debt/Equity (Net of mkt secs.)	-7%	-28%	-34%	-46%
Net Debt/Equity	-7%	-28%	-34%	-46%
Liabilities/Equity	129%	112%	107%	103%
Liabilities/Assets	56%	53%	52%	51%
ROAE	30.1%	38.8%	44.5%	41.4%
ROAA	12.6%	17.7%	21.3%	20.2%
AR/NR Turnover (days)	92	84	90	95
AP/NP Turnover (days)	115	117	125	129
Inventory Turnover (days)	69	72	79	81
Cash conversion cycle (days)	45	39	44	48

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

Estimate Revisions

We keep our earnings estimates for 2026-28 essentially unchanged after factoring in 2Q26 key actuals.

Exhibit 4: Estimate revisions

	2026e Earnings Estimates			2027e Earnings Estimates			2028e Earnings Estimates		
NT$mn	**New**	**Old**	**Variance**	**New**	**Old**	**Variance**	**New**	**Old**	**Variance**
Net sales	**32,467**	**33,442**	**-3%**	**42,173**	**41,504**	**2%**	**49,177**	**48,078**	**2%**
COGS	-22,007	-23,052	-5%	-29,294	-28,858	2%	-34,190	-33,421	2%
Gross profit	**10,460**	**10,390**	**1%**	**12,879**	**12,646**	**2%**	**14,987**	**14,657**	**2%**
Operating expenses	-2,632	-2,589	2%	-3,322	-3,077	8%	-3,830	-3,492	10%
Operating income	**7,869**	**7,840**	**0%**	**9,597**	**9,610**	**0%**	**11,217**	**11,225**	**0%**
Non-operating income	0	28	-99%	40	40	0%	40	40	0%
Pre-tax income	**7,870**	**7,868**	**0%**	**9,637**	**9,650**	**0%**	**11,257**	**11,265**	**0%**
Income tax	-1,928	-1,903	1%	-2,357	-2,338	1%	-2,752	-2,729	1%
Net income	**5,849**	**5,848**	**0%**	**7,196**	**7,195**	**0%**	**8,420**	**8,420**	**0%**
EPS (NT$)	**47.77**	**47.77**	**0%**	**58.77**	**58.77**	**0%**	**68.77**	**68.77**	**0%**
Margins (%)			***ppt***			***ppt***			***ppt***
Gross margin	32.2%	31.1%	1.2	30.5%	30.5%	0.1	30.5%	30.5%	0.0
Operating margin	24.2%	23.4%	0.8	22.8%	23.2%	-0.4	22.8%	23.3%	-0.5
Pre-tax margin	24.2%	23.5%	0.7	22.9%	23.2%	-0.4	22.9%	23.4%	-0.5
Net margin	18.0%	17.5%	0.5	17.1%	17.3%	-0.3	17.1%	17.5%	-0.4

Source: Morgan Stanley Research (e) estimates

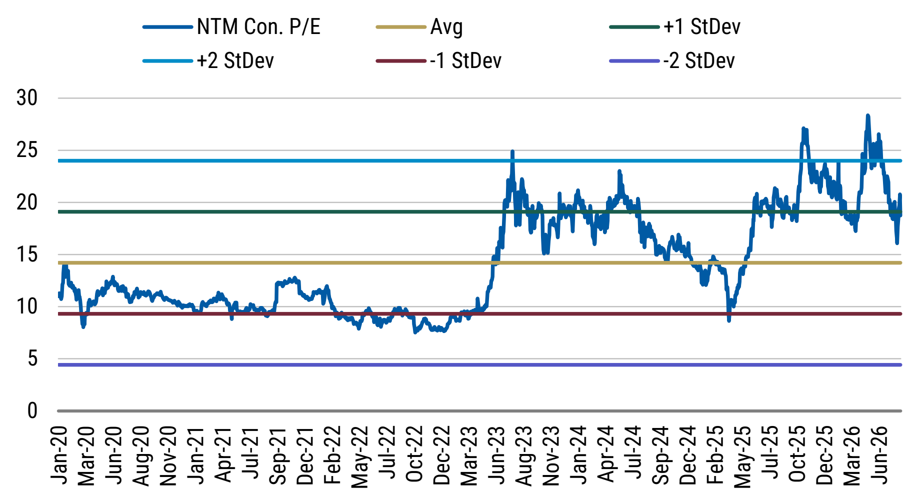
Valuation Methodology

Our price target of NT$1,600 (previously NT$1,780) is derived from 27x 2027e P/E (vs. 30x 2027e previously): We use price/earnings as our valuation methodology because we believe it appropriately captures Chenbro's earnings growth potential. We lower our target multiple to factor in weaker market sentiment toward the stock on the softer fundamental performance and overall to AI names. We believe our target P/E multiple of 27x is justified by an earnings CAGR of 33% for 2025-28, implying a PEG of 0.8. This is in line with the PEG of 0.8 in 2014-24, when the stock traded at an average P/E of 12x for a 15% earnings CAGR.

Bull case scenario value - NT$2,250 (-4%): We apply a 38x P/E multiple (40x 2027e previously) to our base case estimate for 2027e. This scenario mainly assumes a better outlook for AI capex and more project wins from new customers.

Bear case scenario value - NT$650 (-13%): We apply a 11x P/E multiple (13x 2027e previously) to our base case estimate for 2027e. This scenario mainly assumes lukewarm datacenter demand amid softening IT capex budgets and slower progress in its new product offerings.

Exhibit 5: Chenbro: NTM P/E chart



Source: Factset, Morgan Stanley Research

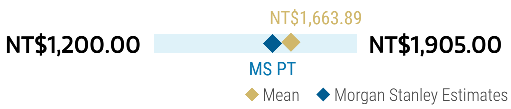
Risk Reward – Chenbro (8210.TW)

Outlook remains solid despite near-term hiccup

PRICE TARGET NT$1,600.00

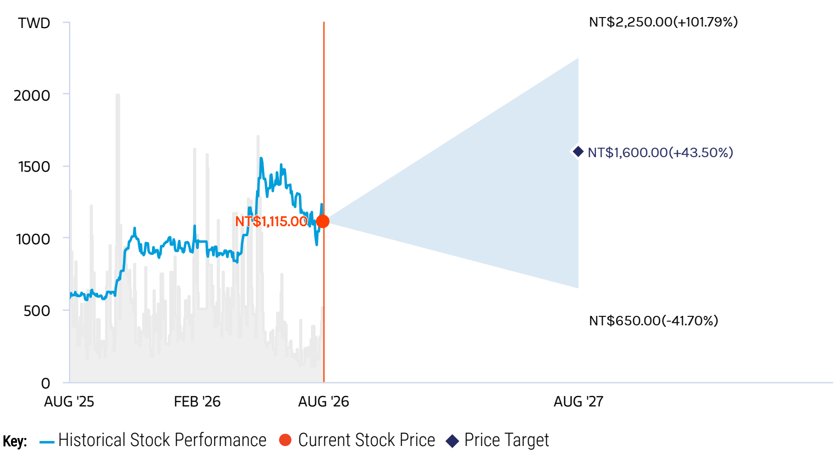
Base case, derived from 27x 2027e P/E. We view our target multiple as justified by the 33% earnings CAGR we see for 2025-28, which implies a PEG of 0.8. This is in line the average of 0.8 over 2014-24, when the stock was trading at an average P/E of 12x for a 15% earnings CAGR.

Consensus Price Target Distribution



Source: Refinitiv, Morgan Stanley Research

RISK REWARD CHART



Source: Refinitiv, Morgan Stanley Research

OVERWEIGHT THESIS

- We expect Chenbro to benefit from AI deployment as one of the major global chassis suppliers with strong design capability, solid execution and close supply chain partner relationships.
- We view the move into customized rack solutions for its hyperscaler customer as a strategic step that could significantly expand its addressable market.
- Continued diversification of geographic production locations could help mitigate geopolitical risk and strengthen cooperation with customers through geographic proximity.
- OW with PT of NT$1,600 based on 27x 2027 EPS. We view our target multiple as justified by our earnings CAGR estimate, which implies a 0.8 PEG vs. its average of 0.8x over 2014-24.

Consensus Rating Distribution

82%	Overweight
18%	Equal-weight
0%	Underweight

● MS Rating

Source: Refinitiv, Morgan Stanley Research

Risk Reward Themes

Technology Diffusion: *Positive*

View descriptions of Risk Rewards Themes here

BULL CASE NT$2,250.00

38x 2027 P/E

This scenario mainly assumes a better outlook for AI capex and more project wins from new customers.

BASE CASE NT$1,600.00

27x 2027 P/E

We expect Chenbro to benefit from AI deployment, mainly on the back of cloud capex growth along with higher chassis content and share gains. Its broader product offering by stepping into the customized rack space adds growth opportunities and further margin expansion.

BEAR CASE NT$650.00

11x 2027 P/E

This scenario mainly assumes lukewarm datacenter demand amid softening IT capex budgets and slower progress in its new product offerings.

Risk Reward – Chenbro (8210.TW)

KEY EARNINGS INPUTS

Drivers	Dec 2025	Dec 2026e	Dec 2027e	Dec 2028e
AI server revenue YoY growth (%)	102.9	59.1	41.3	20.1
General server revenue YoY growth (%)	(2.0)	24.9	(1.7)	2.6

INVESTMENT DRIVERS

- Global cloud capex
- Global server shipments

GLOBAL REVENUE EXPOSURE

- 0-10% Japan
- 10-20% APAC, ex Japan, Mainland China and India
- 10-20% Mainland China
- 10-20% North America
- 30-40% Europe ex UK

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

MS ALPHA MODELS

1/5 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

- Stronger AI capex outlook
- Larger market share gains within existing customers
- Faster penetration into new customers
- Higher entry barrier among peers that leads to higher ASP/profitability
- Better macro outlook

RISKS TO DOWNSIDE

- Softer AI capex
- Less share gains within existing customers
- Slower penetration into new customers
- Intensifying competition leading to lower ASP/profitability
- Continuous macro uncertainties

OWNERSHIP POSITIONING

Inst. Owners, % Active 52.4%

Source: Refinitiv, Morgan Stanley Research

MS ESTIMATES VS. CONSENSUS

FY Dec 2026e

	Low	Morgan Stanley Estimates	Mean	High
Sales / Revenue (NT$, mn)	31,758	32,467	33,874	35,785
EBITDA (NT$, mn)	8,095	8,347	8,676	9,253
Net income (NT$, mn)	5,733	5,849	6,124	6,521
EPS (NT$)	45.82	47.77	48.96	52.12

◆ Mean ◆ Morgan Stanley Estimates

Source: Refinitiv, Morgan Stanley Research

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

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(as of July 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	1529	42%	442	47%	29%	750	43%
Equal-weight/Hold	1582	43%	396	42%	25%	773	44%
Not-Rated/Hold	3	0%	1	0%	33%	1	0%
Underweight/Sell	560	15%	97	10%	17%	217	12%
Total	3,674		936			1741	

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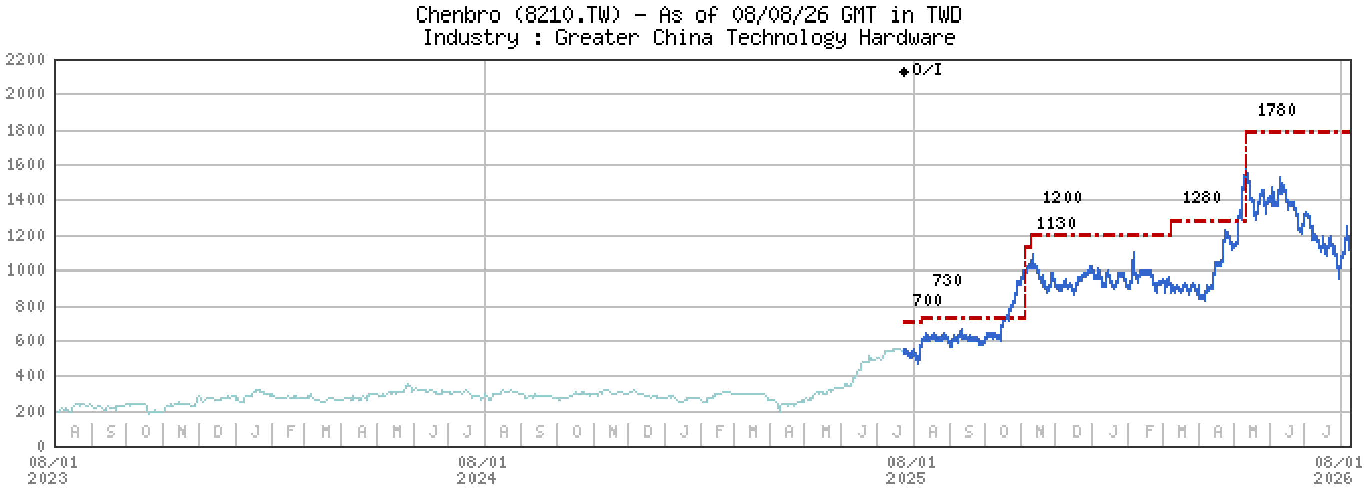
Stock Price, Price Target and Rating History (See Rating Definitions)



Stock Rating History: 7/23/25 : O/I

Price Target History: 7/23/25 : 700; 8/6/25 : 730; 11/4/25 : 1130; 11/10/25 : 1200; 3/9/26 : 1280; 5/11/26 : 1780

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)
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Stock Ratings: Overweight (O) Equal-weight (E) Underweight (U) Not-Rated (NR) No Rating Available (NA)
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Andy Meng, CFA		
AAC Technologies Holdings (2018.HK)	O (01/29/2024)	HK$41.38
Accelink Technologies Co. Ltd. (002281.SZ)	U (05/12/2022)	Rmb193.04
BYD Electronics (0285.HK)	O (04/28/2023)	HK$23.94
China TransInfo Technology Co Ltd (002373.SZ)	E (07/18/2023)	Rmb7.83
Dahua Technology Co. Ltd. (002236.SZ)	E (12/12/2024)	Rmb16.84
Eoptolink Technology Inc Ltd (300502.SZ)	O (02/27/2026)	Rmb420.95
Genius Electronic Optical Co. Ltd. (3406.TW)	E (04/23/2025)	NT$546.00
GoerTek Inc (002241.SZ)	U (04/23/2025)	Rmb23.29
Gosuncn Technology Group Co Ltd (300098.SZ)	U (11/07/2022)	Rmb4.67
HIKVision Digital Technology (002415.SZ)	E (12/12/2024)	Rmb37.24
Largan Precision (3008.TW)	O (07/10/2026)	NT$4,385.00
LianChuang Electronic Technology Co Ltd (002036.SZ)	U (06/12/2024)	Rmb7.29
Lingyi Itech Guangdong Co (002600.SZ)	U (04/23/2025)	Rmb12.72
Luxshare Precision Industry Co., Ltd. (002475.SZ)	O (10/24/2016)	Rmb56.99
OFILM Group Co Ltd (002456.SZ)	U (06/12/2024)	Rmb7.62
Q Technology (Group) Company Ltd (1478.HK)	U (03/23/2026)	HK$7.28
Quectel Wireless Solutions Co Ltd (603236.SS)	E (10/09/2024)	Rmb49.48
Shanghai Conant Optical Co Ltd (2276.HK)	O (04/10/2026)	HK$35.22
Shenzhen Transsion Holdings Co Ltd (688036.SS)	E (03/23/2026)	Rmb57.03
Sunny Optical (2382.HK)	E (03/23/2026)	HK$58.95
Suzhou TFC Optical Communication Co Ltd. (300394.SZ)	E (11/06/2025)	Rmb230.68
Wingtech Technology Co Ltd (600745.SS)	U (05/18/2026)	Rmb16.82
Xiaomi Corp (1810.HK)	O (04/14/2021)	HK$27.06
Yangtze Optical Fibre and Cable JSC Ltd (601869.SS)	U (10/13/2021)	Rmb338.69
Yangtze Optical Fibre and Cable JSC Ltd (6869.HK)	O (07/15/2026)	HK$124.10
Yongxin Optics Co Ltd (603297.SS)	E (11/15/2022)	Rmb105.16

Zhejiang Crystal-Optech Co Ltd (002273.SZ)	O (11/15/2022)	Rmb27.63
Zhongji Innolight Co Ltd (300308.SZ)	++	Rmb919.87
ZTE Corporation (0763.HK)	O (06/04/2026)	HK$24.70
ZTE Corporation (000063.SZ)	E (06/04/2026)	Rmb34.70
Derrick Yang		
Accton Technology Corporation (2345.TW)	O (06/06/2024)	NT$2,215.00
Advantech (2395.TW)	O (01/20/2021)	NT$634.00
AirTAC International (1590.TW)	O (04/16/2025)	NT$1,545.00
Asia Vital Components Co. Ltd. (3017.TW)	O (07/30/2024)	NT$2,785.00
AU Optronics (2409.TW)	E (02/10/2026)	NT$24.55
Auras Technology Co Ltd (3324.TWO)	E (05/04/2023)	NT$1,015.00
Bizlink (3665.TW)	O (03/10/2025)	NT$2,200.00
BOE Technology (000725.SZ)	O (09/06/2019)	Rmb6.07
Chenbro (8210.TW)	O (07/23/2025)	NT$1,115.00
Chroma Ate Inc. (2360.TW)	O (10/05/2021)	NT$2,030.00
Delta Electronics Inc. (2308.TW)	O (07/13/2017)	NT$1,650.00
E Ink Holdings Inc. (8069.TWO)	O (05/11/2026)	NT$196.00
Ennostar Inc (3714.TW)	U (09/23/2022)	NT$59.40
Fositek Corp (6805.TW)	O (06/25/2025)	NT$1,670.00
Hiwin Technologies Corp. (2049.TW)	O (03/30/2026)	NT$387.00
Innolux (3481.TW)	E (04/07/2025)	NT$47.55
King Slide Works Co. Ltd. (2059.TW)	O (11/08/2023)	NT$11,110.00
Lens Technology (300433.SZ)	E (07/22/2020)	Rmb35.90
Lite-On Technology (2301.TW)	E (01/15/2025)	NT$247.00
TCL Corp. (000100.SZ)	E (04/07/2025)	Rmb4.86
Tianma Microelectronics (000050.SZ)	U (01/24/2018)	Rmb6.76
Wuhan Jingce Electronic Group Co Ltd (300567.SZ)	E (11/26/2021)	Rmb223.91
Howard Kao		
Acer Inc. (2353.TW)	U (04/23/2025)	NT$30.25
Asustek Computer Inc. (2357.TW)	U (11/16/2025)	NT$817.00
Catcher Technology (2474.TW)	U (11/17/2025)	NT$187.50
Compal Electronics (2324.TW)	U (04/23/2025)	NT$36.55
FIT Hon Teng Ltd (6088.HK)	O (11/03/2025)	HK$5.98
Foxconn Industrial Internet Co. Ltd. (601138.SS)	O (07/10/2019)	Rmb68.18
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$982.00
Hon Hai Precision (2317.TW)	O (03/15/2024)	NT$260.00
Inspur Electronic Information (000977.SZ)	E (08/28/2023)	Rmb77.99
LandMark Optoelectronics Corporation (3081.TWO)	E (03/26/2026)	NT$2,305.00
Lenovo (0992.HK)	O (07/10/2026)	HK$28.10
Lotes Co. Ltd. (3533.TW)	E (05/12/2025)	NT$1,910.00
Nan Ya PCB (8046.TW)	O (02/23/2026)	NT$1,080.00
Pegatron Corporation (4938.TW)	E (03/25/2026)	NT$87.10
Quanta Computer Inc. (2382.TW)	O (05/01/2023)	NT$298.00
Shengyi Technology Co Ltd. (600183.SS)	E (05/26/2022)	Rmb139.98
Shennan Circuits Co Ltd (002916.SZ)	E (08/24/2023)	Rmb382.63
Unimicron (3037.TW)	O (02/23/2026)	NT$955.00
Visual Photonics Epitaxy Co Ltd (2455.TW)	E (09/11/2023)	NT$364.00
Wistron Corporation (3231.TW)	O (07/12/2023)	NT$183.50
Wiwynn Corp (6669.TW)	O (11/10/2025)	NT$6,100.00
Yageo Corp. (2327.TW)	O (10/28/2025)	NT$540.00
Zhen Ding (4958.TW)	O (05/18/2026)	NT$473.00

Stock Ratings are subject to change. Please see latest research for each company.

* Historical prices are not split adjusted.