Morgan Stanley | RESEARCH

IDEA

April 16, 2026 07:10 PM GMT

Foxconn Industrial Internet Co. Ltd. | Asia Pacific

Grow with AI Infrastructure Demand Surge; Stay OW

WHAT'S CHANGED

Foxconn Industrial Internet Co. Ltd. (601138.SS)	From	To
Price Target	Rmb82.00	**Rmb82.80**

Reaction to earnings

Unchanged	**Modest upside**	**Modest revision higher**
Impact to our thesis	Financial results versus consensus	Direction of next 12-month consensus EPS

Source: Company data, Morgan Stanley Research

We expect FII to keep its AI compute rack supply share for major GPU platforms and expand the inroads to AI ASIC rack solution. The ongoing automation upgrade and internal component sourcing help raise the operational efficiency and fuel margin.

Key Takeaways

- 1Q26 revenue growth is indicated at >15% YoY across the board with AI server rack shipment a major driver.
- Mechanical parts for upcoming foldable smartphones and CPO switches were in sampling in 1Q26 and both are scheduled for mass production by end of 3Q26.
- FII handles L5/L6/L10 assembly work for AI ASIC server customers and expects the contribution to be higher in 2H26 vs. 1H26.
- CPO switch assembly will become a new business driver for FII at both revenue and gross margin, starting from 3Q26
- 800G above switch, LEO satellite, CPO switch and foldable smartphones are major business drivers, in addition to Vera Rubin POD introduction.

Stay OW; new Rmb82.8 price target implies P/Es of 27x for 2026e and 20x for 2027e: We raise our earnings estimates 1.5% for 2026, and 5.2% for 2027, and introduce our 2028 estimates. We reflect enhanced output for AI server/rack integration work with further automation upgrade as well as favorable mix shift across different product lines. The stock trades at 19x 2026e P/E, still attractive relative to Chinese AI hardware peers' 33-80x.

Major business drivers in 2026: 1) CPU switch adoption will start to grow this year and FII expects to enter mass production (L10 assembly) in 3Q26 with >10,000 units this year. This is a margin accretive product line for FII; 2) FII aims to roll out L10/L11 integration work for VR NVL72 rack and Groq3 LPX rack (for inference) in 3Q26; 3) new AI ASIC customer addition (MSe Google) with contribution turning more meaningful in 2H26; and 4) increased component offerings – from liquid cooling, power delivery and high-speed data transmission – for new VR platform.

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Foxconn Industrial Internet Co. Ltd. (601138.SS, 601138 CG)

Greater China Technology Hardware | China

Stock Rating	**Overweight**
Industry View	**In-Line**
Price target	Rmb82.80
Up/downside to price target (%)	40
Shr price, close (Apr 16, 2026)	Rmb59.32
52-Week Range	Rmb83.88-17.13
Sh out, dil, curr (mn)	18,780
Mkt cap, curr (mn)	US$163,398
EV, curr (mn)	US$166,023
Avg daily trading value (mn)	US$1,145

Fiscal Year Ending	**12/25**	**12/26e**	**12/27e**	**12/28e**
EPS (Rmb)**	1.78	3.08	4.04	4.97
Prior EPS (Rmb)**	1.74	3.03	3.84	-
EPS (Rmb)§	1.75	3.09	3.92	4.77
Revenue, net (Rmb mn)	902,887	1,303,496	1,639,127	1,973,903
EBITDA (Rmb mn)	52,809	81,704	104,594	127,250
ModelWare net inc (Rmb mn)	35,286	61,120	80,320	98,739
P/E	34.9	19.3	14.7	11.9
P/BV	7.4	6.9	6.6	6.3
ROE (%)	23.0	36.6	46.7	55.5
EV/EBITDA	23.7	13.3	10.6	8.9
Div yld (%)	2.6	4.8	6.3	7.7
FCF yld ratio (%)**	(2.0)	1.4	1.8	3.2
Leverage (EOP) (%)	5.5	(17.6)	(5.6)	5.7

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

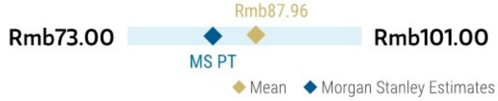
Risk Reward – Foxconn Industrial Internet Co. Ltd. (601138.SS)

Steady share gains with AI server offerings

PRICE TARGET Rmb82.80

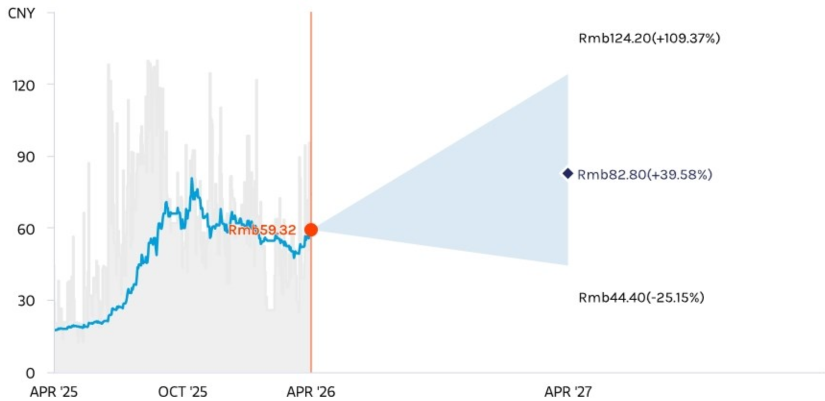
Base case, derived from a multi-stage residual income (RI) valuation model. Key assumptions:
- A 10% cost of equity, in line with our tech hardware coverage universe.
- A medium-term growth rate of 18%, reflecting the benefits of its ongoing investment, enriched solution offerings and multi-year AI demand opportunity.
- A terminal growth rate of 5%.

Consensus Price Target Distribution



Source: Refinitiv, Morgan Stanley Research

RISK REWARD CHART



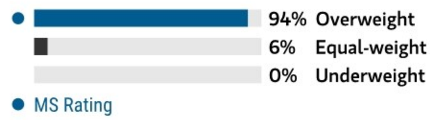
Key: Historical Stock Performance ● Current Stock Price ◆ Price Target

Source: Refinitiv, Morgan Stanley Research

OVERWEIGHT THESIS

- We remain positive on FII as we believe FII will keep its AI compute rack supply share for major GPU platforms and expand the inroads to AI ASIC rack solution.
- FII has extended its offerings to various types of board assemblies for the AI server rack system, such as computing boards, switch trays, SmartNIC and DPUs, as well as server rack assembly.
- The company has demonstrated strong execution and is enjoying scale benefits.
- As a result, we expect P/E to re-rate to 27x in 2026e.

Consensus Rating Distribution



Source: Refinitiv, Morgan Stanley Research

Risk Reward Themes

Secular Growth: *Positive*

View descriptions of Risk Rewards Themes here

BULL CASE Rmb124.20

40x 2026e base-case P/E

Faster AI business revenue contribution; stronger 5G and data center momentum: 1) Faster progress in AI server business; 2) higher networking and communication revenue growth; and 3) better-than-expected consumer product shipments over the next few years.

BASE CASE Rmb82.80

27x 2026e base-case P/E

Smooth AI business progress; stable growth in 5G and data center-related demand: 1) AI server business should ramp with data center-related demand continuing; 2) stable networking equipment growth should be sustained over the next few years; and 3) smartphone casing share should remain stable.

BEAR CASE Rmb44.40

14x 2026e base-case P/E

Slower-than-expected development in AI business; 5G and data center momentum slows: 1) Server and storage revenue declines slightly over the next few years; 2) networking business shows minimal revenue growth; and 3) smartphone shipments are lower.

Risk Reward – Foxconn Industrial Internet Co. Ltd. (601138.SS)

KEY EARNINGS INPUTS

Drivers	2025	2026e	2027e	2028e
Telecom & Networking Equipment YoY (%)	3.5	14.7	14.9	11.4
Cloud Equipment YoY (%)	88.7	58.9	29.6	23.4
Precision tools & Industrial Robot YoY (%)	(26.2)	132.7	50.8	0.0

INVESTMENT DRIVERS

- Expanding AI server supply share
- IIoT solutions project wins
- 5G standard confirmation driving 5G-related demand
- Server/storage manufacturing market share gains

GLOBAL REVENUE EXPOSURE

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

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

- Faster project win progress in IIoT solutions
- Lower competition in its manufacturing business
- Faster-than-expected 5G and data center demand
- Stronger macro outlook

RISKS TO DOWNSIDE

- Slow project win progress in IIoT solutions
- Increased competition in its manufacturing business
- Lower-than-expected 5G and data center demand
- Weaker macro outlook

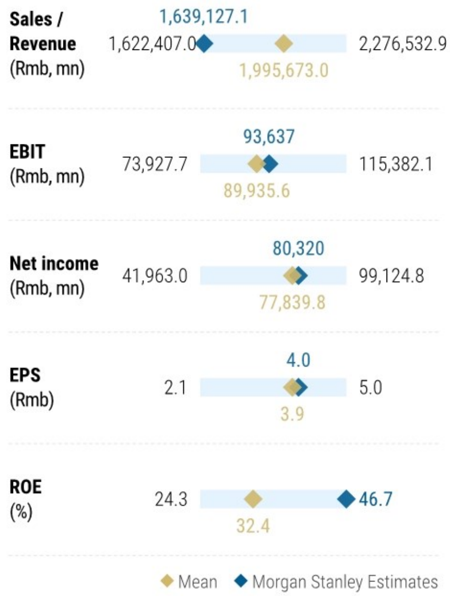
OWNERSHIP POSITIONING

Inst. Owners, % Active 76.9%

Source: Refinitiv, Morgan Stanley Research

MS ESTIMATES VS. CONSENSUS

FY Dec 2027e



Source: Refinitiv, Morgan Stanley Research

Vertical Integration for AI Server Offerings

FII is not only growing its assembly share from AI GPU servers to AI ASIC servers, but also increased component offerings, from liquid cooling, power delivery and high-speed data transmission, for new VR platform. We believe this vertical integration could drive increased profitability for its AI server business.

Exhibit 1: FII's key component offerings into AI server rack

Source: FII

Estimate Revisions

We raise our earnings estimates 1%, and 5% for 2026, and 2027, respectively, and introduce our 2028 EPS estimate of Rmb4.97. This is to reflect higher margin assumptions thanks to favorable product mix.

Exhibit 2: Estimate changes

Year to Dec. 31	2026E			2027E			2028E
(RMB mn)	New	Old	% diff	New	Old	% diff	New
P&L Summary							
Net sales	**1,303,496**	**1,316,798**	**-1%**	**1,639,127**	**1,651,254**	**-1%**	**1,973,903**
COGS	(1,207,389)	(1,226,470)		(1,518,904)	(1,538,933)		(1,829,581)
Gross profit	**96,107**	**90,328**	**6%**	**120,224**	**112,321**	**7%**	**144,322**
Operating Exp.	(23,962)	(21,761)		(26,586)	(25,189)		(30,106)
Operating income	**72,145**	**68,567**	**5%**	**93,637**	**87,132**	**7%**	**114,216**
Total non-operating Inc.	(1,200)	800		(400)	800		400
Pre-tax income	**70,945**	**69,367**	**2%**	**93,237**	**87,932**	**6%**	**114,616**
Income tax	(9,770)	(9,072)		(12,857)	(11,552)		(15,817)
Minority interest	(55)	(60)		(60)	(60)		(60)
Net income	**61,120**	**60,235**	**1%**	**80,320**	**76,320**	**5%**	**98,739**
EPS (RMB)	**3.08**	**3.03**	**1%**	**4.04**	**3.84**	**5%**	**4.97**
Margins							
Gross margin	7.4%	6.9%		7.3%	6.8%		7.3%
Operating margin	5.5%	5.2%		5.7%	5.3%		5.8%
Pretax margin	5.4%	5.3%		5.7%	5.3%		5.8%
Net margin	4.7%	4.6%		4.9%	4.6%		5.0%

Source: Morgan Stanley Research (E) estimates

Valuation Methodology

We raise our price target 1%, from Rmb82.00 to Rmb82.80, primarily reflecting our higher 2026-27 earnings estimates. We continue to employ a multi-stage residual income (RI) valuation model, the same methodology that we use to value other companies in our Greater China Technology Hardware coverage.

Key assumptions in our RI valuation model are unchanged: cost of equity of 10% and terminal growth rate of 5%. Our new price target (which is also our base-case scenario value) implies 27x our 2026 base-case EPS estimate.

We raise our bull-case scenario value from Rmb123.00 to Rmb124.20 (same magnitude as the base case). This implies 40x our 2026 base-case EPS estimate. In this scenario, we assume faster progress in the AI server business and better-than-expected shipments of consumer products.

We raise our bear-case scenario value from Rmb44.00 to Rmb44.40 (same magnitude as the base case). This implies 14x our 2026 base-case EPS estimate. In this scenario, we assume slower progress in the AI server business and lower-than-expected shipments of consumer products.

Exhibit 3: FII: Residual income (RI) model – base case

Residual Income Valuation

RMB mn		2026E	2027E	2028E	2029E	2030E	2031E	2032E	2033E	2034E	2035E	2036E
Total Equity		171,822	178,010	185,523	290,492	416,177	566,310	745,288	958,306	1,211,491	1,512,071	1,829,430
Core Net Profit		61,120	80,320	97,539	115,096	135,813	160,260	189,107	223,146	263,312	310,708	327,486
Return on Equity		36.1%	45.9%	53.7%	48.4%	38.4%	32.6%	28.8%	26.2%	24.3%	22.8%	19.6%
Beta (Last 60 Mths)	1.0											
Equity Risk Premium (Rm-Rf)	7.9%											
Risk Free Rate (Rf)	3.0%											
Cost of Equity	10.3%											
Terminal Growth Rate	5%											
Continuing Value Spread	15%											
2029-2035 growth rate	18%											
Residual Income		42,190	60,308	76,262	69,642	80,227	90,740	102,027	114,603	128,898	145,334	132,777
Spread		25.2%	35.1%	42.8%	37.5%	27.6%	21.8%	18.0%	15.4%	13.5%	12.0%	8.8%
Beginning Equity Capital		171,822										
PV of Forecast Period		547,922										
PV of Continuing Value		924,238										
Equity Value		1,643,982										
No. of Shares		19,858										
Projected Price (EoY)		**82.8**										
Implied 2025 P/E		**27 x**										

Source: Morgan Stanley Research estimates.

FII: Financial Summary

Exhibit 4: FII: Quarterly financial summary

FII: Income Statement Summary

RMB mn	1Q26E	2Q26E	3Q26E	4Q26E	1Q27E	2Q27E	3Q27E	4Q27E	2025	2026E	2027E
Sales	**271,276**	**308,077**	**337,255**	**386,888**	**348,050**	**392,146**	**432,163**	**466,768**	**902,887**	**1,303,496**	**1,639,127**
COGS	-251,433	-285,466	-312,521	-357,969	-323,138	-363,275	-400,336	-432,155	-840,558	-1,207,389	-1,518,904
Gross profit	**19,843**	**22,611**	**24,734**	**28,919**	**24,911**	**28,871**	**31,827**	**34,614**	**62,329**	**96,107**	**120,224**
Operating expenses	-5,290	-5,792	-6,071	-6,809	-5,812	-6,470	-6,742	-7,562	-18,328	-23,962	-26,586
OPEX - Promotion	-407	-462	-506	-619	-522	-588	-648	-653	-1,193	-1,994	-2,412
OPEX - ADM	-1,628	-1,787	-1,855	-2,321	-1,810	-1,961	-2,074	-2,240	-5,984	-7,591	-8,085
Operating profit	**14,553**	**16,819**	**18,663**	**22,110**	**19,099**	**22,401**	**25,086**	**27,052**	**44,001**	**72,145**	**93,637**
Non-operating income	-300	-300	-300	-300	-100	-100	-100	-100	-2,959	-1,200	-400
Pre-tax profit	**14,253**	**16,519**	**18,363**	**21,810**	**18,999**	**22,301**	**24,986**	**26,952**	**41,042**	**70,945**	**93,237**
Income Tax	-1,535	-2,540	-2,760	-2,934	-2,046	-3,429	-3,756	-3,626	-5,713	-9,770	-12,857
Minorities	-15	-10	-15	-15	-15	-10	-15	-20	-44	-55	-60
Net Profit	**12,703**	**13,969**	**15,588**	**18,861**	**16,938**	**18,861**	**21,215**	**23,306**	**35,286**	**61,120**	**80,320**
Adj.wtd.avg.shrs(m)	19,858	19,858	19,858	19,858	19,858	19,858	19,858	19,858	19,858	19,858	19,858
EPS (RMB)	**0.64**	**0.70**	**0.78**	**0.95**	**0.85**	**0.95**	**1.07**	**1.17**	**1.78**	**3.08**	**4.04**
Margins											
Gross Margin	7.3%	7.3%	7.3%	7.5%	7.2%	7.4%	7.4%	7.4%	6.9%	7.4%	7.3%
Operating margin	5.4%	5.5%	5.5%	5.7%	5.5%	5.7%	5.8%	5.8%	4.9%	5.5%	5.7%
Pre-tax margin	5.3%	5.4%	5.4%	5.6%	5.5%	5.7%	5.8%	5.8%	4.5%	5.4%	5.7%
Net margin	4.7%	4.5%	4.6%	4.9%	4.9%	4.8%	4.9%	5.0%	3.9%	4.7%	4.9%
% QoQ											
Sales	-9%	14%	9%	15%	-10%	13%	10%	8%			
Gross profit	-9%	14%	9%	17%	-14%	16%	10%	9%			
Operating profit	-10%	16%	11%	18%	-14%	17%	12%	8%			
Pre-tax profit	-4%	16%	11%	19%	-13%	17%	12%	8%			
Net Profit	-1%	10%	12%	21%	-10%	11%	12%	10%			
% YoY											
Sales	69%	54%	39%	29%	28%	27%	28%	21%	48%	44%	26%
Gross profit	86%	76%	46%	32%	26%	28%	29%	20%	43%	54%	25%
Operating profit	121%	100%	46%	36%	31%	33%	34%	22%	64%	64%	30%
Pre-tax profit	142%	103%	50%	47%	33%	35%	36%	24%	58%	73%	31%
Net profit	143%	103%	50%	47%	33%	35%	36%	24%	52%	73%	31%

Source: Company data, Morgan Stanley Research. e = Morgan Stanley Research estimates.

Exhibit 5: FII: Financial summary

Consolidated Income Statement

RMB mn (Year End Dec)	2024	2025	2026E	2027E	2028E
Net sales	**609,135**	**902,887**	**1,303,496**	**1,639,127**	**1,973,903**
COGS	-565,477	-840,558	-1,207,389	-1,518,904	-1,829,581
Gross profit	**43,659**	**62,329**	**96,107**	**120,224**	**144,322**
Operating expenses	-16,822	-18,328	-23,962	-26,586	-30,106
OPEX - Promotion	-1,036	-1,193	-1,994	-2,412	-2,029
OPEX - ADM	-5,156	-5,984	-7,591	-8,085	-9,737
Operating income	**26,836**	**44,001**	**72,145**	**93,637**	**114,216**
Non-operating income	-863	-2,959	-1,200	-400	400
Net Interest income	656	-1,673	-1,600	-800	0
Disposal of fixed asset	-1,202	-1,696	0	0	0
Investment income	-975	-558	0	0	0
Disposal of investment	18	30	0	0	0
Exchange gain	0	0	0	0	0
Others	640	939	400	400	400
Pre-tax income	**25,974**	**41,042**	**70,945**	**93,237**	**114,616**
Income tax	-2,719	-5,713	-9,770	-12,857	-15,817
Minorities	-39	-44	-55	-60	-60
Net Income	**23,216**	**35,286**	**61,120**	**80,320**	**98,739**
EPS (RMB)	**1.17**	**1.78**	**3.08**	**4.04**	**4.97**

Consolidated Cash Flow Statement

RMB mn (Year End Dec)	2024	2025	2026E	2027E	2028E
Cashflow from operations	**23,820**	**5,238**	**37,255**	**39,006**	**59,632**
Net Profits	23,216	35,286	61,120	80,320	98,739
Depreciation & Amortization	6,596	8,809	9,559	10,957	13,034
Equity investment losses (income)	-975	-558	0	0	0
Disposal of Investment	18	30	0	0	0
Working Capital Change	-11,324	-42,902	-53,444	-45,561	-45,449
Other adjustments	6,288	4,574	20,020	-6,709	-6,692
Cashflow from Investing	**-10,898**	**-29,746**	**-20,481**	**-17,881**	**-21,533**
(Purchases) Sale of fixed asset / (capex)	-11,012	-16,445	-14,220	-17,881	-21,533
(Purchases) Sale of LT investment	-1,008	-7	-6,528	0	0
(Purchases) Sale of ST investment	0	0	266	0	0
Other adjustments	1,122	-13,294	0	0	0
Cashflow from financing	**-24,432**	**47,397**	**22,989**	**-41,543**	**-58,630**
Increase in L-T debt	-9,026	66,424	-4	0	0
Increase in S-T debt	0	1	0	0	0
Cash Dividend Paid	-13,832	-16,740	-56,412	-74,133	-91,133
Dir& Emp Bonus Paid	0	0	0	0	0
Other adjustments	-1,617	-2,297	79,405	32,590	32,503
Exchange rate adjustment	468	-440	0	0	0
Net change in cash	**-11,041**	**22,449**	**39,763**	**-20,418**	**-20,531**

Consolidated Balance Sheet

RMB mn (Year End Dec)	2024	2025	2026E	2027E	2028E
Cash	72,434	94,759	134,522	114,104	93,573
Mkt securities	265	282	16	16	16
Accounts/Notes receivables	94,508	110,742	273,734	344,217	414,520
Inventory	85,266	150,913	144,887	182,268	219,550
Other current asset	640	939	400	400	400
Current Assets	**274,008**	**402,772**	**579,215**	**673,371**	**767,116**
Long-term investments	7,106	6,028	12,556	12,556	12,556
Fixed assets	23,183	31,862	36,523	43,447	51,947
Other assets	13,227	15,561	15,561	15,561	15,561
Total Assets	**317,524**	**456,224**	**643,856**	**744,936**	**847,180**
S/T borrowings	35,992	104,229	104,229	104,229	104,229
AP/NP	93,835	137,955	241,478	303,781	365,916
Other ST liabilities	29,052	38,215	120,739	151,890	182,958
Total current liabilities	**158,879**	**280,399**	**466,446**	**559,900**	**653,103**
L/T debt	0	4	0	0	0
Other liabilities	5,508	8,707	5,587	7,026	8,461
Total Liabilities	**164,387**	**289,110**	**472,033**	**566,926**	**661,564**
Common shares	19,868	19,858	19,858	19,858	19,858
Retained Earnings	97,090	111,108	115,816	122,003	129,609
Shareholders' equity	**153,136**	**167,114**	**171,822**	**178,010**	**185,616**
Total Liab./Shrhldr's Equity	**317,524**	**456,224**	**643,856**	**744,936**	**847,180**

Consolidated Financial Ratios

	2024	2025	2026E	2027E	2028E
Margins (%)					
Gross margin	7.2%	6.9%	7.4%	7.3%	7.3%
Operating margin	4.4%	4.9%	5.5%	5.7%	5.8%
Pretax margin	4.3%	4.5%	5.4%	5.7%	5.8%
Net margin	3.8%	3.9%	4.7%	4.9%	5.0%
YoY growth (%)					
Sales	27.9%	48.2%	44.4%	25.7%	20.4%
Operating profits	22.4%	64.0%	64.0%	29.8%	22.0%
Pretax profits	12.3%	58.0%	72.9%	31.4%	22.9%
Net profits	10.3%	52.0%	73.2%	31.4%	22.9%
Cash dividend payout ratio	55%	92%	92%	92%	92%
Adjusted cash dividend (RMB)	0.6	1.6	2.8	3.7	4.6
Yield	1.1%	2.8%	4.8%	6.3%	7.7%
Net Debt/Equity (Net of mkt secs.)	-24%	6%	-18%	-6%	6%
Net Debt/Equity	-24%	6%	-18%	-6%	6%
Liabilities/Equity	107%	173%	275%	318%	356%
Liabilities/Assets	52%	63%	73%	76%	78%
ROAE	16%	22%	36%	46%	54%
ROAA	8%	9%	11%	12%	12%
AR/NR Turnover (days)	54.8	41.5	53.8	68.8	70.2
AP/NP Turnover (days)	54.5	50.3	57.4	65.5	66.8
Inventory Turnover (days)	52.3	51.3	44.7	39.3	40.1
Cash conversion cycle (days)	52.6	42.4	41.2	42.6	43.4

Source: Company data, Morgan Stanley Research. e = Morgan Stanley Research estimates.

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 March 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	1534	42%	461	50%	30%	698	43%
Equal-weight/Hold	1573	43%	372	40%	24%	716	44%
Not-Rated/Hold	4	0%	1	0%	25%	1	0%
Underweight/Sell	568	15%	89	10%	16%	209	13%
Total	3,679		923			1624	

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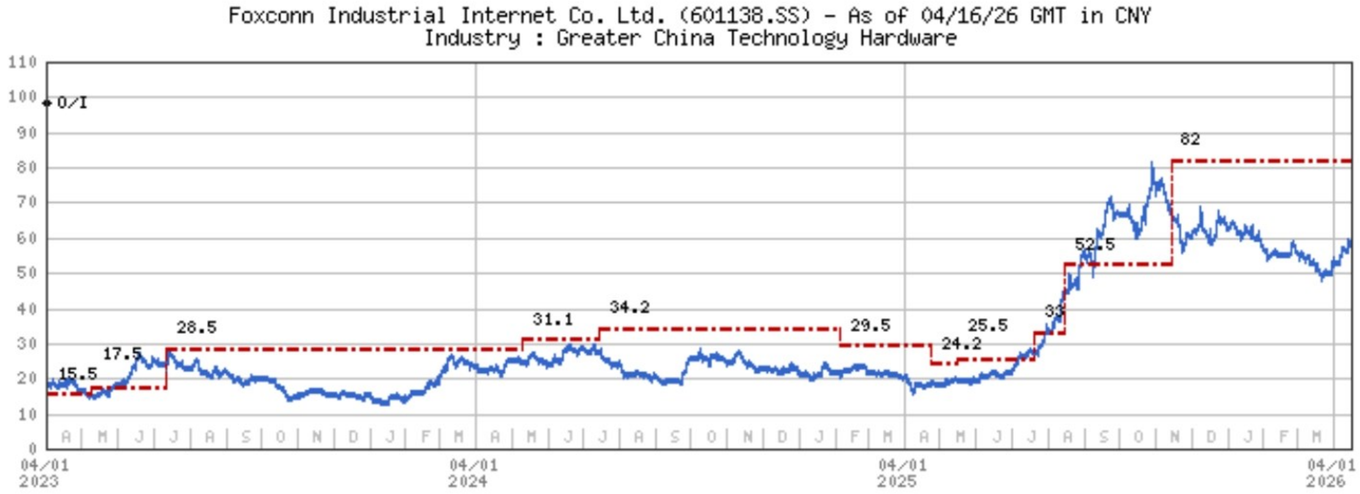
Stock Price, Price Target and Rating History (See Rating Definitions)



Stock Rating History: 4/1/21 : O/I

Price Target History: 3/20/20 : 20; 5/4/21 : 18.8; 3/30/22 : 12.6; 5/23/22 : 12; 11/10/22 : 11.8; 3/17/23 : 15.5; 5/9/23 : 17.5; 7/12/23 : 28.5; 5/10/24 : 31.1; 7/15/24 : 34.2; 2/5/25 : 29.5; 4/23/25 : 24.2; 5/16/25 : 25.5; 7/21/25 : 33; 8/15/25 : 52.5; 11/14/25 : 82

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)
Stock and Industry Ratings (abbreviations below) appear as ◆ Stock Rating/Industry View
Stock Ratings: Overweight (O) Equal-weight (E) Underweight (U) Not-Rated (NR) No Rating Available (NA)
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COMPANY (TICKER)	RATING (AS OF)	PRICE* (04/16/2026)
Andy Meng, CFA		
AAC Technologies Holdings (2018.HK)	O (01/29/2024)	HK$37.20
Accelink Technologies Co. Ltd. (002281.SZ)	U (05/12/2022)	Rmb106.21
BYD Electronics (0285.HK)	O (04/28/2023)	HK$28.56
China TransInfo Technology Co Ltd (002373.SZ)	E (07/18/2023)	Rmb9.86
Dahua Technology Co. Ltd. (002236.SZ)	E (12/12/2024)	Rmb19.17
Eoptolink Technology Inc Ltd (300502.SZ)	O (02/27/2026)	Rmb537.50
Genius Electronic Optical Co. Ltd. (3406.TW)	E (04/23/2025)	NT$511.00
Gosuncn Technology Group Co Ltd (300098.SZ)	U (11/07/2022)	Rmb5.45
HIKVision Digital Technology (002415.SZ)	E (12/12/2024)	Rmb33.54
Largan Precision (3008.TW)	E (10/17/2025)	NT$2,820.00
LianChuang Electronic Technology Co Ltd (002036.SZ)	U (06/12/2024)	Rmb9.23
OFILM Group Co Ltd (002456.SZ)	U (06/12/2024)	Rmb9.40
Q Technology (Group) Company Ltd (1478.HK)	U (03/23/2026)	HK$8.37
Quectel Wireless Solutions Co Ltd (603236.SS)	E (10/09/2024)	Rmb77.72
Shanghai Conant Optical Co Ltd (2276.HK)	O (04/10/2026)	HK$46.80
Shenzhen Transsion Holdings Co Ltd (688036.SS)	E (03/23/2026)	Rmb53.69
Sunny Optical (2382.HK)	E (03/23/2026)	HK$63.45
Suzhou TFC Optical Communication Co Ltd. (300394.SZ)	E (11/06/2025)	Rmb355.57
Wingtech Technology Co Ltd (600745.SS)	E (11/10/2023)	Rmb31.17
Xiaomi Corp (1810.HK)	O (04/14/2021)	HK$32.06
Yangtze Optical Fibre and Cable JSC Ltd (601869.SS)	U (10/13/2021)	Rmb368.52
Yangtze Optical Fibre and Cable JSC Ltd (6869.HK)	E (04/20/2023)	HK$218.00
Yongxin Optics Co Ltd (603297.SS)	E (11/15/2022)	Rmb110.72
Zhejiang Crystal-Optech Co Ltd (002273.SZ)	O (11/15/2022)	Rmb29.45
Zhongji Innolight Co Ltd (300308.SZ)	++	Rmb809.61

ZTE Corporation (0763.HK)	E (03/11/2024)	HK$23.40
ZTE Corporation (000063.SZ)	U (07/02/2021)	Rmb35.40
Derrick Yang		
Accton Technology Corporation (2345.TW)	O (06/06/2024)	NT$2,035.00
Advantech (2395.TW)	O (01/20/2021)	NT$355.00
AirTAC International (1590.TW)	O (04/16/2025)	NT$1,225.00
AU Optronics (2409.TW)	E (02/10/2026)	NT$20.70
Bizlink (3665.TW)	O (03/10/2025)	NT$2,395.00
BOE Technology (000725.SZ)	O (09/06/2019)	Rmb4.03
BOE Varitronix Ltd (0710.HK)	O (06/20/2023)	HK$4.39
Chenbro (8210.TW)	O (07/23/2025)	NT$1,020.00
Chroma Ate Inc. (2360.TW)	O (10/05/2021)	NT$2,050.00
E Ink Holdings Inc. (8069.TWO)	E (01/07/2026)	NT$155.00
Ennostar Inc (3714.TW)	U (09/23/2022)	NT$76.00
Hiwin Technologies Corp. (2049.TW)	O (03/30/2026)	NT$279.00
Innolux (3481.TW)	E (04/07/2025)	NT$27.25
King Slide Works Co. Ltd. (2059.TW)	O (11/08/2023)	NT$3,445.00
Lens Technology (300433.SZ)	E (07/22/2020)	Rmb25.64
Radiant Opto-Electronics Corporation (6176.TW)	E (03/01/2024)	NT$90.70
Sanan Optoelectronics (600703.SS)	U (08/21/2023)	Rmb12.13
TCL Corp. (000100.SZ)	E (04/07/2025)	Rmb4.33
Tianma Microelectronics (000050.SZ)	U (01/24/2018)	Rmb8.29
Wuhan Jingce Electronic Group Co Ltd (300567.SZ)	E (11/26/2021)	Rmb130.40
Howard Kao		
Acer Inc. (2353.TW)	U (04/23/2025)	NT$28.40
Asustek Computer Inc. (2357.TW)	U (11/16/2025)	NT$589.00
Compal Electronics (2324.TW)	U (04/23/2025)	NT$29.40
FIT Hon Teng Ltd (6088.HK)	O (11/03/2025)	HK$7.87
Giga-Byte Technology Co. Ltd. (2376.TW)	E (11/16/2025)	NT$281.00
Gold Circuit Electronics Ltd. (2368.TW)	O (10/06/2022)	NT$1,165.00
Inspur Electronic Information (000977.SZ)	E (08/28/2023)	Rmb68.28
Lenovo (0992.HK)	E (11/16/2025)	HK$11.10
Lotes Co. Ltd. (3533.TW)	E (05/12/2025)	NT$2,510.00
Nan Ya PCB (8046.TW)	O (02/23/2026)	NT$721.00
Pegatron Corporation (4938.TW)	E (03/25/2026)	NT$80.10
Quanta Computer Inc. (2382.TW)	O (05/01/2023)	NT$318.50
Shengyi Technology Co Ltd. (600183.SS)	E (05/26/2022)	Rmb67.56
Shennan Circuits Co Ltd (002916.SZ)	E (08/24/2023)	Rmb270.14
Unimicron (3037.TW)	O (02/23/2026)	NT$645.00
Wistron Corporation (3231.TW)	O (07/12/2023)	NT$134.00
Wiwynn Corp (6669.TW)	O (11/10/2025)	NT$3,700.00
Yageo Corp. (2327.TW)	O (10/28/2025)	NT$325.00
Zhen Ding (4958.TW)	E (08/02/2022)	NT$256.50
Sharon Shih		
Asia Vital Components Co. Ltd. (3017.TW)	O (07/30/2024)	NT$2,440.00
Auras Technology Co Ltd (3324.TWO)	E (05/04/2023)	NT$1,045.00
Catcher Technology (2474.TW)	U (11/17/2025)	NT$197.50
Delta Electronics Inc. (2308.TW)	O (07/13/2017)	NT$1,845.00
Fositek Corp (6805.TW)	O (06/25/2025)	NT$1,900.00
Foxconn Industrial Internet Co. Ltd. (601138.SS)	O (07/10/2019)	Rmb59.32
Foxconn Technology (2354.TW)	U (04/23/2025)	NT$52.60
GoerTek Inc (002241.SZ)	U (04/23/2025)	Rmb24.22
Hon Hai Precision (2317.TW)	O (03/15/2024)	NT$207.00
LandMark Optoelectronics Corporation (3081.TWO)	E (03/26/2026)	NT$2,365.00
Lingyi Itech Guangdong Co (002600.SZ)	U (04/23/2025)	Rmb13.74

Lite-On Technology (2301.TW)	E (01/15/2025)	NT$161.00
Luxshare Precision Industry Co., Ltd. (002475.SZ)	O (10/24/2016)	Rmb60.45
Sunonwealth Electric Machine Industry Co (2421.TW)	E (02/23/2024)	NT$147.00
Tong Hsing (6271.TW)	E (03/18/2019)	NT$185.00
Visual Photonics Epitaxy Co Ltd (2455.TW)	E (09/11/2023)	NT$290.00

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