Morgan Stanley | RESEARCH

IDEA

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Semiconductors | North America

Weekly: Earnings Week 6 (SMTC, MRVL)

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SEMICONDUCTORS

North America	
Industry View	**Attractive**

WHAT'S CHANGED

Marvell Technology Group Ltd (MRVL.O)	From	To
Price Target	$195.00	**$224.00**

Expect strong AI spending to remain the key theme through off cycle earnings this week, with SMTC and MRVL both positioned for strong data center results and outlooks.

SMTC (EW, reporting after market close on Tuesday, August 25th): We expect another strong data center quarter and outlook from Semtech, driven by optical transceivers and a growing set of AI connectivity opportunities. We are already modeling data center growth of 35% q/q in July and 22% q/q in October, with total infrastructure growing 26% and 18%, respectively. Supply and foundry capacity could limit some near term upside, but demand remains very strong and we still see room above our estimates as transceiver strength continues and NPO and ACC begin to layer in. We model data center revenue growing roughly 100% in FY27 and another 57% in FY28.

We are particularly excited about NPO, where Semtech sees content per bit increasing roughly 2.5x to 3x versus traditional optics and is engaged across multiple architectures as scale up bandwidth requirements increase. The 1.6T transition also appears to be progressing well, with management expecting greater than 50% share as volumes ramp, while ACCs should begin contributing more meaningfully later this year. Together, these opportunities give Semtech several incremental growth drivers beyond continued strength in traditional optical transceivers.

Outside data center, LoRa remains another area of strength, with management recently pointing to roughly 15% q/q and 40% y/y growth as smart metering, industrial automation and newer smart home applications expand the opportunity. Semtech has also announced the divestiture of the Sierra Wireless cellular module business, expected in 4QFY27. Given that this is the company's lowest margin business, the transaction should materially improve the margin profile, with pro forma gross margins around 60% and continued data center mix potentially taking consolidated margins further into the 60s over time.

MRVL (EW, reporting after market close on Thursday, August 27th): We expect a beat and raise quarter on continued connectivity strength and broader AI momentum, with networking still the biggest source of near term upside. Supply could constrain some upside, but we still see room above our 16% and 14% q/q data center growth estimates for the June quarter and October quarter guide. We model AI growing 60% in FY27 and 70% in FY28, with upside as both the TAM and XPU attach opportunity expand.

The longer term setup also continues to improve. MRVL raised its data center outlook last quarter to 50% growth in FY27 and 55% in FY28, and we think the XPU attach TAM keeps getting bigger. Scale up networking should be one of the most important areas of AI infrastructure investment over the next several years, while memory controllers become more important as memory constraints persist. The Google TPU agreement is also a meaningful win, with the full warrant framework implying a very large opportunity over time. Our thoughts are linked here, but we are particularly interested in Kestrel. We think expectations for over 100% ASIC and XPU attach growth in CY27 could prove conservative given Maia, Google TPU attach, and other programs.

We also like how the ASIC strategy has evolved toward more singles and doubles, with a larger number of XPU attach wins and smaller custom programs that can still be meaningful in aggregate. That should improve diversification and could be favorable for margins.

Valuation remains the issue. MRVL still trades at more than 2x the multiple of AVGO and NVDA, and we think meaningful estimate upside is needed from here rather than continued multiple expansion or just another long term framework raise. We are increasing our CY27 MW EPS multiple from 40x to 45x to reflect the Google opportunity, but that still leaves us below the current share price. We will reassess after earnings, with the upcoming investor day another potential catalyst.

AlphaSignals Earnings Preview

Focus KPI	Focus KPI Surprise	Likely impact to consensus EPS*
Semtech Corp. SMTC.O		
Data Center Revenue	↑ Likely upside surprise	↑ Modest revision higher

- We expect another strong data center quarter and outlook from Semtech, driven by optical transceivers and a growing set of AI connectivity opportunities.

Focus KPI	Focus KPI Surprise	Likely impact to consensus EPS*
Marvell Technology Group Ltd MRVL.O		
AI Revenue	↑ Likely upside surprise	↑ Modest revision higher

- We expect a beat and raise quarter on continued connectivity strength and broader AI momentum, with networking still the biggest source of near term upside.

*Likely impact to consensus EPS is for the next 12 months

Semtech Earnings Preview

The company is scheduled to report after the market close on Tuesday, August 25th.

We expect another strong data center quarter and outlook from Semtech, driven by optical transceivers and a growing set of AI connectivity opportunities. We are already modeling data center growth of 35% q/q in July and 22% q/q in October, with total infrastructure growing 26% and 18%, respectively. Supply and foundry capacity could limit some near term upside, but demand remains very strong and we still see room above our estimates as transceiver strength continues and NPO and ACC begin to layer in. We model data center revenue growing roughly 100% in FY27 and another 57% in FY28.

We are particularly excited about NPO, where Semtech sees content per bit increasing roughly 2.5x to 3x versus traditional optics and is engaged across multiple architectures as scale up bandwidth requirements increase. The 1.6T transition also appears to be progressing well, with management expecting greater than 50% share as volumes ramp, while ACCs should begin contributing more meaningfully later this year. Together, these opportunities give Semtech several incremental growth drivers beyond continued strength in traditional optical transceivers.

Outside data center, LoRa remains another area of strength, with management recently pointing to roughly 15% q/q and 40% y/y growth as smart metering, industrial automation and newer smart home applications expand the opportunity. Semtech has also announced the divestiture of the Sierra Wireless cellular module business, expected in 4QFY27. Given that this is the company's lowest margin business, the transaction should materially improve the margin profile, with pro forma gross margins around 60% and continued data center mix potentially taking consolidated margins further into the 60s over time.

Details on the July quarter: We model revenue of $328mn (up 12.6% q/q and up 27.2% y/y), essentially in line with the Street at $329mn. By segment, we forecast Signal Integrity to grow 24.6% q/q and 65.6% y/y to $127mn, Analog Mixed Signal and Wireless to $110mn, up 9.5% q/q and 19.9% y/y, and IoT Systems and Connectivity to grow 2.2% q/q and 1.6% y/y to $90mn. We estimate GM of 54.0%, ~30bps above the Street at 53.7%. We model EPS of $0.60, slightly below the Street at $0.61.

October quarter outlook: We model revenue of $357mn (up 9.0% q/q and up 33.7% y/y), modestly below the Street at $360mn. By segment we forecast Signal Integrity to grow 17.1% q/q and 82.4% y/y to $149mn, Analog Mixed Signal and Wireless to grow 4.9% q/q to $116mn, and IoT Systems and Connectivity to grow 2.4% q/q to $92mn. We expect gross margin to be 54.2%, ~30bps above the Street at 53.9%. We model EPS of $0.73, broadly in line with the Street at $0.73.

Exhibit 1: SMTC: MS vs. Cons

MS vs. Consensus

Figures in $ millions	F2Q27E		F3Q27E		F2027E		F2028E	
	MS	Cons.	MS	Cons.	MS	Cons.	MS	Cons.
Revenues	327.6	328.7	357.0	359.9	1,373.6	1,365.6	1,666.3	1,664.6
Q/Q change (%)	*27.2%*	*27.6%*	*9.0%*	*9.5%*				
Gross margin (%)	*54.0%*	*53.7%*	*54.2%*	*53.9%*	*53.9%*	*53.6%*	*54.9%*	*56.6%*
EPS	$0.60	$0.61	$0.73	$0.73	$2.71	$2.65	$3.66	$3.82

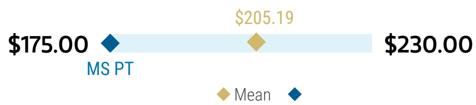
Risk Reward – Semtech Corp. (SMTC.O)

Value stock with AI opportunities

PRICE TARGET $175.00

We use a 48x non-GAAP P/E multiple on the company's CY27 EPS of $3.67. Our 48x multiple is a premium to their general peer group, but is in-line with small cap AI exposed names and reflects their data center prospects balanced with broad markets exposure.

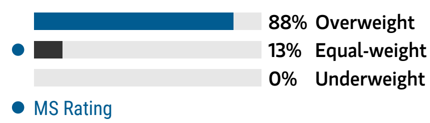
Consensus Price Target Distribution



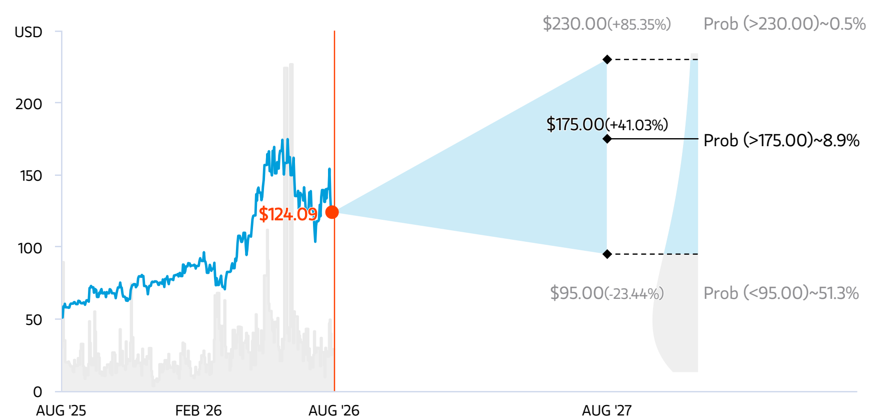
EQUAL-WEIGHT THESIS

Valuation is below small cap peers and opportunities to inflect in data center around new technologies, but macro uncertainty may weigh on broad markets demand. We are taking a show-me approach to new data center opportunities and see risk with macro uncertainty and high leverage.

Consensus Rating Distribution



RISK REWARD CHART AND OPTIONS IMPLIED PROBABILITIES (12M)



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

Base, and Bear case scenarios playing out were estimated with implied volatility data from the options market as of 21 Aug 2026. All figures are approximate risk-neutral probabilities of the stock reaching beyond the scenario price in either three-months' or one-years' time. View explanation of Options Probabilities methodology here

BULL CASE $230.00

60x on CY27 EPS of $3.84

We assume stronger than expected revenue growth from higher data center revenue and a stable macro environment. New opportunities in linear and CopperEdge strongly ramp in 2026 and 2027. Multiple increases from stronger AI data center prospects.

BASE CASE $175.00

48x CY27 non-GAAP EPS of $3.67

We compare Semtech to a group of networking and analog semiconductor peers. Our 48x multiple is a premium to their general peer group, but is in-line with small cap AI exposed names and reflects their data center prospects balanced with broad markets exposure.

BEAR CASE $95.00

50x CY27 non-GAAP EPS of $1.85

We assume significant global macro headwinds and US recession, limiting overall growth. Our bear case also assumes little to no adoption of Semtech's new data center technology.

Risk Reward – Semtech Corp. (SMTC.O)

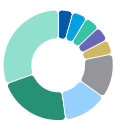
KEY EARNINGS INPUTS

Drivers	Jan 2026	Jan 2027e	Jan 2028e	Jan 2029e
Revenue ($M) ($, mm)	1,050	1,375	1,668	1,802
Non-GAAP Gross Margin (%) (%)	52.8	53.9	54.9	56.0
Non-GAAP EPS ($) ($)	1.71	2.72	3.67	4.13

INVESTMENT DRIVERS

TBD

GLOBAL REVENUE EXPOSURE



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

View explanation of regional hierarchies here

MS ALPHA MODELS

5/5 BEST	24 Month Horizon	4/5 MOST	3 Month Horizon

the highest favored Quintile and 5 is the least favored Quintile

RISKS TO PT/RATING

RISKS TO UPSIDE

- Announcement of new data center engagements
- Increased deployment of LPO/CPO in optical connections
- Stronger macro environment supporting a broad market rebound

RISKS TO DOWNSIDE

- New data center opportunities fail to materialize
- Hyperscaler capex spend slows, decreasing data center growth prospects
- Macro weakness, sustained tariffs, and geopolitical challenges weigh on the analog recovery and consumer spending

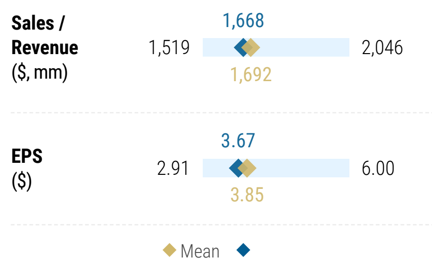
OWNERSHIP POSITIONING

Inst. Owners, % Active	55.6%
HF Sector Long/Short Ratio	2.1x
HF Sector Net Exposure	33.6%

Refinitiv; MSPB Content. Includes certain hedge fund exposures held with MSPB. Information may be inconsistent with or may not reflect broader market trends. Long/Short Ratio = Long Exposure / Short exposure. Sector % of Total Net Exposure = (For a particular sector: Long Exposure - Short Exposure) / (Across all sectors: Long Exposure – Short Exposure).

MS ESTIMATES VS. CONSENSUS

FY Jan 2028e



Marvell Earnings Preview

The company is scheduled to report before the market close on Thursday, August 27th.

We expect a beat and raise quarter on continued connectivity strength and broader AI momentum, with networking still the biggest source of near term upside. Supply could constrain some upside, but we still see room above our 16% and 14% q/q data center growth estimates for the June quarter and October quarter guide. We model AI growing 60% in FY27 and 70% in FY28, with upside as both the TAM and XPU attach opportunity expand.

The longer term setup also continues to improve. MRVL raised its data center outlook last quarter to 50% growth in FY27 and 55% in FY28, and we think the XPU attach TAM keeps getting bigger. Scale up networking should be one of the most important areas of AI infrastructure investment over the next several years, while memory controllers become more important as memory constraints persist. The Google TPU agreement is also a meaningful win, with the full warrant framework implying a very large opportunity over time. Our thoughts are linked here, but we are particularly interested in Kestrel. We think expectations for over 100% ASIC and XPU attach growth in CY27 could prove conservative given Maia, Google TPU attach, and other programs.

We also like how the ASIC strategy has evolved toward more singles and doubles, with a larger number of XPU attach wins and smaller custom programs that can still be meaningful in aggregate. That should improve diversification and could be favorable for margins.

Valuation remains the issue. MRVL still trades at more than 2x the multiple of AVGO and NVDA, and we think meaningful estimate upside is needed from here rather than continued multiple expansion or just another long term framework raise. We are increasing our CY27 MW EPS multiple from 40x to 45x to reflect the Google opportunity, but that still leaves us below the current share price. We will reassess after earnings, with the upcoming investor day another potential catalyst.

Details on the April quarter: We model revenue of $2.723bn (+12.6% q/q and +35.7% y/y), in-line with the Street at $2.710bn. By segment, we model Data Center at $2.132bn (+16.3% q/q and +43.0% y/y) and Communications and Other at $591mn (+1.0% q/q and +14.6% y/y). We estimate gross margins of 58.7%, roughly in-line with the Street at 58.8%, and EPS of $0.92, also in-line with the Street at $0.93.

July quarter outlook: We model revenue of $3.009bn (+10.5% q/q and +45.0% y/y), in-line with the Street at $3.020bn. By segment, we model Data Center at $2.426bn (+13.8% q/q and +59.8% y/y) and Communications and Other at $583mn (-1.4% q/q and +4.7% y/y). We estimate gross margins of 58.4%, ~10bps below the Street at 58.5%, and EPS of $1.05, modestly below the Street at $1.07.

Exhibit 2: MRVL: MS vs. Cons

MS vs. Consensus

Figures in $ MMs	F2Q27E		F3Q27E		FY2027E		FY2028E	
	MS	Cons.	MS	Cons.	MS	Cons.	MS	Cons.
Revenues	2,723.1	2,713.9	3,008.9	3,029.2	11,497.8	11,551.4	16,161.2	16,809.8
Q/Q Change	*12.6%*	*12.2%*	*10.5%*	*11.6%*				
Gross Margins	58.7%	58.7%	58.4%	58.4%	58.5%	58.4%	57.2%	56.9%
EPS	$ 0.92	$ 0.93	$ 1.05	$ 1.08	$ 3.98	$ 4.06	$ 5.93	$ 6.30

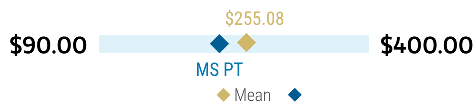
Risk Reward – Marvell Technology Group Ltd (MRVL.O)

Attractive growth capability but valuation leaves us EW

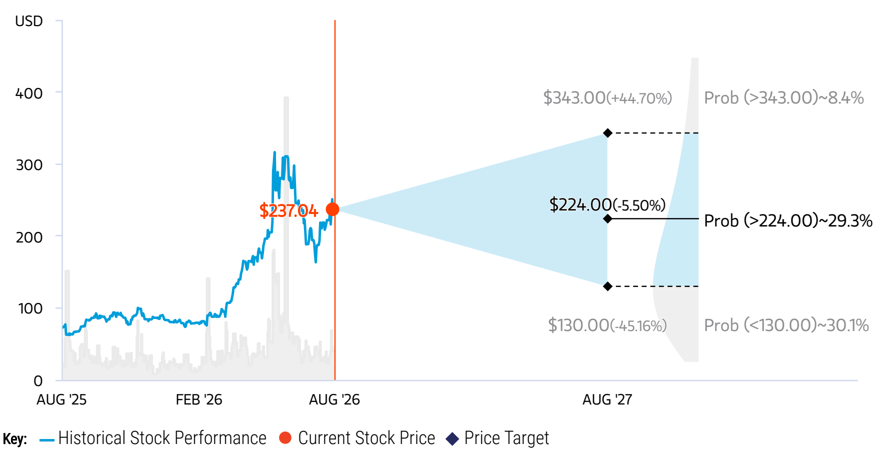
PRICE TARGET $224.00

~45X CY27e Base Case MW EPS $4.98, in-line with high growth AI semis

Consensus Price Target Distribution



RISK REWARD CHART AND OPTIONS IMPLIED PROBABILITIES (12M)

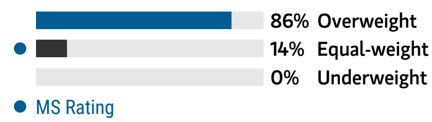


Base, and Bear case scenarios playing out were estimated with implied volatility data from the options market as of 21 Aug 2026. All figures are approximate risk-neutral probabilities of the stock reaching beyond the scenario price in either three-months' or one-years' time. View explanation of Options Probabilities methodology here

EQUAL-WEIGHT THESIS

- The company has AI related opportunity, primarily the higher speed elements of the Inphi optical businesses (PAM4 and 400ZR), and longer term cloud custom silicon. We do expect this growth to play out, in particular on the optical side, and we expect MRVL to outgrow data center spending overall. We remain EW given valuation as well as high stock compensation expense that weighs on enthusiasm.

Consensus Rating Distribution



BULL CASE $343.00

60X Bull Case CY27e MW EPS of $5.72

- CY27 Revenue comes in at $17bn+

- Marvell's AI opportunity comes in larger than expected, helping drive upside to revenue estimates as well as drive multiple expansion

- The company hits on a number of cloud growth opportunities that drive the multiple higher

BASE CASE $224.00

45X Base Case CY27e MW EPS of $4.98

- strong growth from optics and initial XPUXPUA attach programs starting to ramp

BEAR CASE $130.00

30X Bear Case CY27e MW EPS of $4.33

- Storage and enterprise data center remain weak, with little line of sight for a recovery

- Networking continues to be a headwind, as inventory both at customers and in the channel continue to offset tailwinds in the custom ASIC business

- Stock overshoots to the downside closer to its tangible book value

Risk Reward – Marvell Technology Group Ltd (MRVL.O)

KEY EARNINGS INPUTS

Drivers	Jan 2026	Jan 2027e	Jan 2028e	Jan 2029e
GAAP Revenue ($, mm)	8,195	11,498	16,161	21,394
MW Gross Margin (%)	58.9	58.0	56.8	56.0
MW EPS ($)	2.15	3.01	4.98	7.30
Inventory ($, mm)	1,388	1,934	2,687	3,284
DOI	126.2	127.5	126.9	118.0

INVESTMENT DRIVERS

- Company sees revenue growth in Storage and Networking resuming driven by the enterprise and storage markets
- Accretion from the Aquantia and Avera acquisitions come in above expectations

GLOBAL REVENUE EXPOSURE

- 0-10% APAC, ex Japan, Mainland China and India
- 0-10% Europe ex UK
- 30-40% Mainland China
- 50-60% North America

View explanation of regional hierarchies here

MS ALPHA MODELS

5/5 BEST	24 Month Horizon	5/5 MOST	3 Month Horizon

the highest favored Quintile and 5 is the least favored Quintile

RISKS TO PT/RATING

RISKS TO UPSIDE

- AI opportunities (Inphi optical businesses) realize earlier than expected
- Cloud custom silicon projects are larger than expected
- The storage market recovers

RISKS TO DOWNSIDE

- AI opportunities are smaller than expected
- The strength we estimate for Storage and Networking surprise to the downside
- Enterprise DC and Networking continue to weigh on results

OWNERSHIP POSITIONING

Inst. Owners, % Active	56.1%
HF Sector Long/Short Ratio	2.1x
HF Sector Net Exposure	33.6%

Refinitiv; MSPB Content. Includes certain hedge fund exposures held with MSPB. Information may be inconsistent with or may not reflect broader market trends. Long/Short Ratio = Long Exposure / Short exposure. Sector % of Total Net Exposure = (For a particular sector: Long Exposure - Short Exposure) / (Across all sectors: Long Exposure – Short Exposure).

MS ESTIMATES VS. CONSENSUS

FY Jan 2027e

Sales / Revenue ($, mm)	11,378	11,498	11,533	11,969
EBITDA ($, mm)	2,574	4,695	4,427	5,546
Net income ($, mm)	1,520	3,627	3,596	3,813
EPS ($)	3.94	3.98	4.06	4.20

◆ Mean ◆

Semiconductor Coverage – Valuation / Stock Performance

Exhibit 3: Weekly stock performance

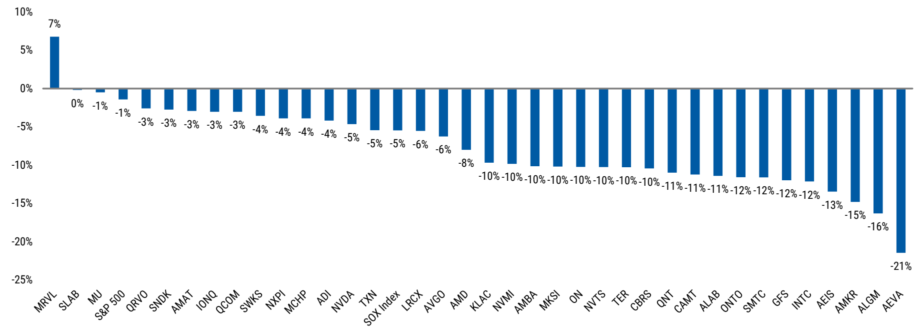


Exhibit 4: Monthly stock performance

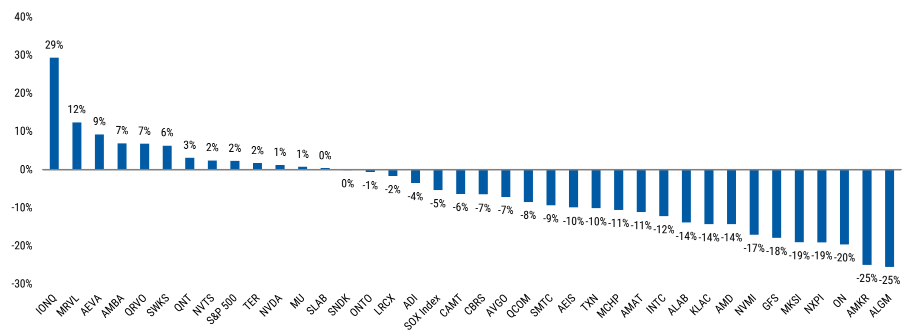
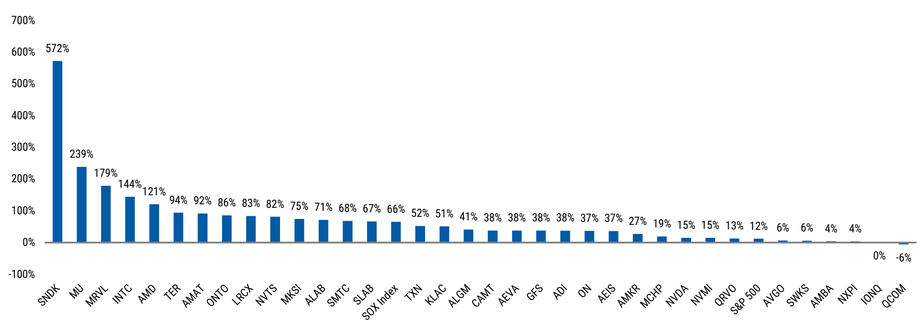


Exhibit 5: YTD stock performance



Semis Week Ahead

Exhibit 6: August 24th - August 28th, 2026

August 23rd-25th
Hot Chips
https://hotchips.org/

Monday, August 24th

Tuesday, August 25th
Jefferies Semis, IT Hardware & Comm Tech Conference - Day 1
AEIS, AEVA - NTS
SMTC Earnings
4:30pm ET

Wednesday, August 26th
SWKS Tech Day 2026
Jefferies Semis, IT Hardware & Comm Tech Conference - Day 2
NXP, AOSL - NTS
Deutsche Bank Tech Conference - Day 1
INTC - 1:35pm ET
CDNS - 3:25pm ET
NVDA Earnings
5:00pm ET

Thursday, August 27th
Deutsche Bank Tech Conference - Day 2
ON - 11:55am ET
ONTO - 12:00pm ET
NXP, NVTS - NTS
MRVL Earnings
4:45pm ET

Friday, August 28th

LOOKING AHEAD
August 31st-September 1st
Silicon Photonics Global Summit
https://www.siliconphotonicsglobalsummit.com/

August 31st - September 3rd
AVGO VMware Explore 2026
https://www.vmware.com/explore/us

September 2nd-4th
SEMICON Taiwan
https://www.semicontaiwan.org/en

Wednesday, September 2nd
AVGO Earnings
5:00pm ET

Thursday, September 3rd
AMBA Earnings
4:30pm ET

Tuesday, September 8th
Citi TMT Conference - Day 1
AMAT - 8:50am ET
AMD - 9:30am ET
NVMI - 10:10am ET
Goldman Sachs Communacopia + Tech Conference - Day 1
GFS - 5:25pm ET
Infineon - NTS
IONQ Investor Day

Wednesday, September 9th
Citi TMT Conference - Day 2
KLA - 9:30am ET
AMBA - 1:55pm ET
ONTO - 3:55pm ET
Goldman Sachs Communacopia + Tech Conference - Day 2
AMAT - 5:25pm ET
NXP, ASML - NTS

Thursday, September 10th
Citi TMT Conference - Day 3
AEIS - 8:50am ET

Friday, September 11th
Goldman Sachs Communacopia + Tech Conference - Day 4
AEVA - 11:50am ET
KLA - 12:30pm ET
AMD - NTS

September 8th-11th
SPIE Photomask Technology + EUV Lithography
https://spie.org/conferences-and-exhibitions/photomask-technology-and-extreme-ultraviolet-lithography

September 15th-17th
AI Infra Summit 2026
https://www.ai-infra-summit.com/

Wednesday, September 16th
ON Financial Analyst Day
2:00pm ET

September 22nd-24th
QCOM Snapdragon Summit
https://www.qualcomm.com/company/events/snapdragon-summit

Wednesday, September 23rd
TSMC North America OIP Ecosystem Forum
https://pr.tsmc.com/english/events

September 28th-October 1st
IMAPS Symposium 2026
https://imaps.org/page/IMAPS-Symposium

Wednesday, September 30th
SNPS Investor Day
1:00pm ET

Tuesday, October 6th
MRVL Investor Day
TBD

October 12th-15th
OCP Global Summit
https://www.opencompute.org/summit/global-summit

October 13th-15th
SEMICON West
https://www.semiconwest.org/

Thursday, October 15th
SMTC Data Center Teach-In
Link TBD

Tuesday, October 20th
Synaptics Tech Day 2026
https://investor.synaptics.com/events-and-presentations/events

October 20th-22nd
NVDA GTC Berlin
https://www.nvidia.com/en-eu/gtc/

Wednesday, October 21st
NVDA CEO Jensen Huang Keynote
5:00am-7:00am ET
Livestream/link: TBD

Wednesday, October 21st
NVDA Financial Analyst Q&A with NVIDIA Management
10:00am-12:00pm ET
Livestream/link: TBD

Friday, November 6th
TSMC Japan OIP Ecosystem Forum
https://pr.tsmc.com/english/events

November 10th-13th
SEMICON Europa
https://www.semiconeuropa.org/
electronica 2026
https://electronica.de/en/trade-fair/plan-your-visit/opening-hours/

Thursday, November 12th
TSMC Taiwan OIP Ecosystem Forum
https://pr.tsmc.com/english/events

November 15th-20th
SC26 (Supercomputing Conference)
https://sc26.supercomputing.org/

Tuesday, November 17th
TSMC China OIP Ecosystem Forum
https://pr.tsmc.com/english/events

November 30th-December 3rd
NVDA GTC Washington
https://www.nvidia.com/gtc/dc/

December 9th-11th
SEMICON Japan
https://www.semiconjapan.org/en

Thursday, December 17th
ONTO Investor Day
TBD

January 6th-9th, 2027
CES 2027
https://www.ces.tech/

March 7th-11th, 2027
OFC 2027
https://www.ofcconference.org/en-us/home/about/future-dates/

March 14th-18th, 2027
NVIDIA GTC 2027
https://www.nvidia.com/gtc/faq/

Semiconductor Coverage

Exhibit 7: MS vs. Street

		CY2027e EPS				CY2027e Revenue		
		MS	Consensus	% Diff		MS	Consensus	% Diff
OW	ADI	$16.94	$16.87	(4%)	ADI	$18,513	$18,566	(3%)
OW	AEIS	$16.91	$15.19	(4%)	AEIS	$3,261	$3,009	(3%)
OW	ALAB	$5.83	$6.39	(8%)	ALAB	$2,953	$3,041	(1%)
OW	ALGM	$1.48	$1.38	10%	ALGM	$1,264	$1,238	2%
OW	AMBA	$0.83	$1.05	3%	AMBA	$484	$493	0%
OW	AVGO	$19.59	$20.68	(3%)	AVGO	$180,289	$185,581	0%
OW	CBRS	$1.03	$1.30	(3%)	CBRS	$2,883	$2,954	0%
OW	KLAC	$6.23	$6.07	(1%)	KLAC	$20,430	$19,849	(0%)
OW	LRCX	$11.26	$10.60	(0%)	LRCX	$39,626	$38,025	(0%)
OW	MKSI	$19.03	$17.50	4%	MKSI	$6,443	$6,101	1%
OW	MU	$180.48	$159.56	45%	MU	$285,950	$259,867	18%
OW	NVDA	$8.98	$12.50	6%	NVDA	$393,005	$555,785	5%
OW	NXPI	$18.76	$18.18	4%	NXPI	$15,767	$15,932	1%
OW	ONTO	$12.53	$11.34	4%	ONTO	$1,967	$1,849	1%
OW	SNDK	$211.96	$233.19	43%	SNDK	$48,964	$52,890	7%
EW	AEVA	-$1.85	-$1.62	2%	AEVA	$74	$71	(19%)
EW	AMAT	$20.45	$19.56	2%	AMAT	$50,160	$48,298	3%
EW	AMD	$15.54	$15.72	1%	AMD	$88,987	$88,658	(5%)
EW	AMKR	$2.32	$2.75	(8%)	AMKR	$8,421	$8,614	(4%)
EW	CAMT	$5.01	$4.89	10%	CAMT	$788	$755	5%
EW	GFS	$2.44	$2.53	(4%)	GFS	$8,038	$8,202	(1%)
EW	INTC	$2.00	$2.07	21%	INTC	$71,264	$72,019	0%
EW	IONQ	-$0.94	-$2.61	(109%)	IONQ	$424	$391	3%
EW	MCHP	$4.10	$4.33	(1%)	MCHP	$7,095	$7,174	2%
EW	MRVL	$5.93	$6.11	3%	MRVL	$16,161	$16,363	2%
EW	NVMI	$14.13	$13.66	1%	NVMI	$1,414	$1,360	4%
EW	QCOM	$10.89	$10.95	(100%)	QCOM	$47,259	$46,777	(100%)
EW	QNT	-$1.55	-$1.65	(100%)	QNT	$63	$61	(100%)
EW	QRVO	$8.04	$7.92	(3%)	QRVO	$3,586	$3,630	(7%)
EW	SLAB	$4.14	$4.51	9%	SLAB	$1,073	$1,081	1%
EW	SMTC	$3.67	$3.72	(2%)	SMTC	$1,668	$1,639	0%
EW	SWKS	$5.31	$5.17	(4%)	SWKS	$4,101	$4,104	(3%)
EW	TER	$11.91	$11.75	0%	TER	$6,476	$6,241	2%
UW	NVTS	-$0.10	-$0.12	13%	NVTS	$68	$73	15%
UW	TXN	$9.80	$10.27	(1%)	TXN	$23,832	$24,977	(1%)
++	ON	$4.42	$4.50	8%	ON	$7,551	$7,394	(0%)

Revenue and EPS Growth

Exhibit 8: 2025-27e Revenue CAGR

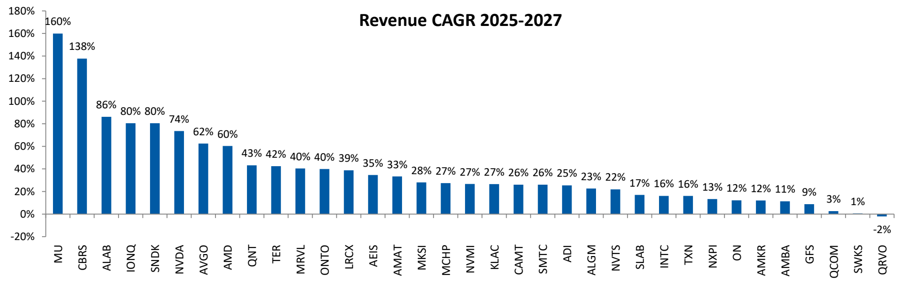
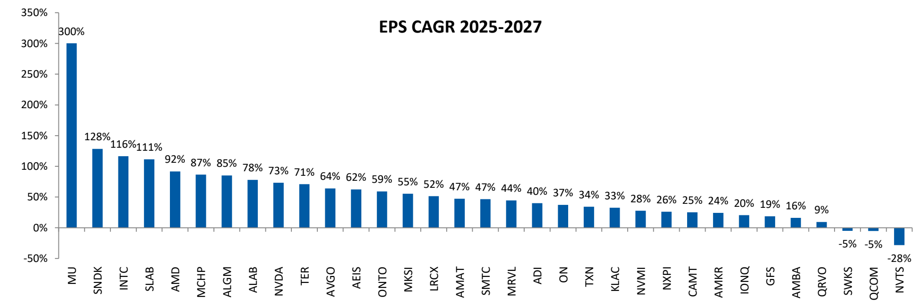


Exhibit 9: 2025-27e EPS CAGR



Inventory

Exhibit 10: Semiconductor Company inventory is at 114 days, up 2 days q/q, which is 2 days ahead of the seasonal increase of 5 days. DOI is 23 days above the historical median and trailing 4-quarters slightly increased...

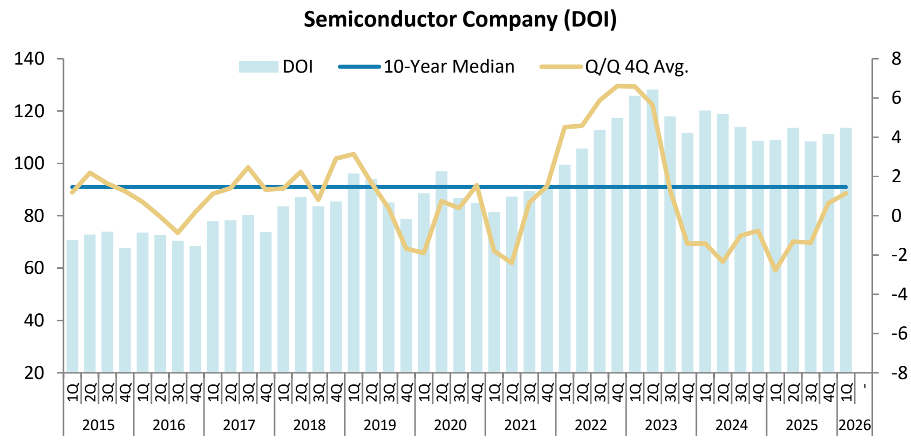


Exhibit 11: Semi Customer DOI increased 9 days sequentially to 60 days vs a seasonal increase of 8 days. DOI is above the historical median and trailing 4 quarters increased from last quarter

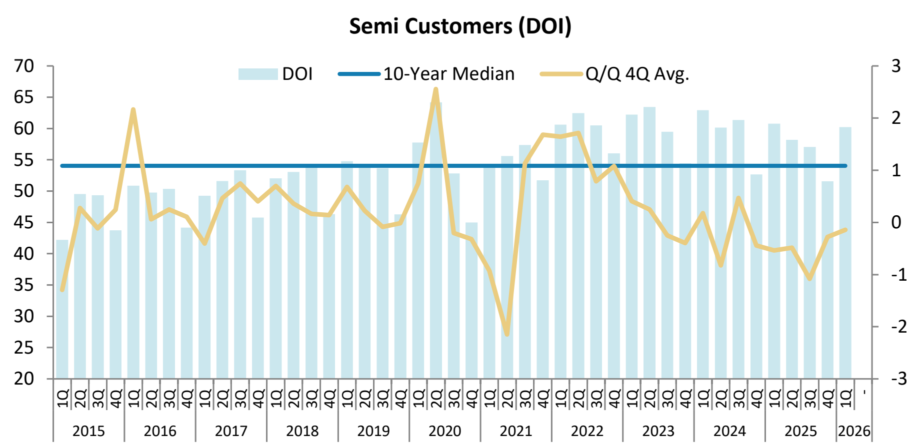
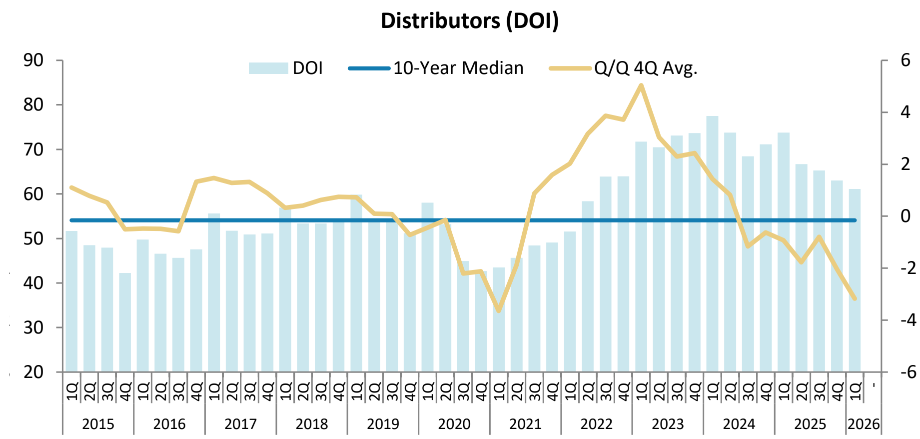


Exhibit 12: Distributor inventory is at 61 days, down 2 days q/q, below seasonal increase of 4 days. DOI is 7 days above the historical median while trailing 4-quarters decreased sequentially



Short Interest

Exhibit 13: Short Interest as % of Float

	21/Aug/25	22/May/26	21/Jun/26	22/Jul/26	21/Aug/26
ADI	1.7%	2.2%	2.0%	2.5%	2.0%
AEIS	6.4%	5.9%	5.7%	3.7%	4.7%
AEVA	11.1%	11.5%	10.4%	6.7%	7.9%
ALAB	5.3%	7.6%	6.9%	7.3%	5.3%
ALGM	4.4%	5.9%	6.4%	8.3%	5.9%
AMAT	1.9%	2.0%	2.5%	2.5%	1.8%
AMBA	5.0%	6.0%	5.1%	7.5%	11.8%
AMD	2.6%	2.2%	2.7%	2.5%	2.3%
AMKR	2.7%	3.0%	3.4%	3.6%	3.6%
AVGO	0.9%	1.1%	1.2%	1.5%	1.3%
CAMT	8.0%	6.5%	6.5%	5.8%	5.7%
CBRS			2.5%	5.7%	5.4%
GFS	1.8%	1.8%	1.4%	1.3%	1.2%
INTC	2.3%	2.6%	2.6%	2.4%	2.4%
IONQ	8.6%	20.7%	14.3%	10.9%	12.4%
KLAC	2.5%	2.4%	26.9%	0.3%	2.1%
LRCX	2.3%	2.3%	2.6%	2.3%	2.2%
MCHP	5.4%	5.5%	6.0%	7.2%	6.7%
MKSI	5.5%	5.3%	6.5%	7.3%	8.5%
MRVL	3.4%	3.2%	4.0%	3.9%	4.1%
MU	2.7%	3.3%	3.3%	2.8%	2.6%
NVDA	0.8%	1.2%	1.2%	1.3%	1.2%
NVMI	4.7%	4.8%	5.6%	4.6%	4.6%
NVTS	16.0%	16.0%	13.8%	13.2%	15.1%
NXPI	2.9%	2.6%	3.3%	3.5%	3.5%
ON	8.3%	7.5%	8.0%	7.6%	7.9%
ONTO	4.3%	2.1%	4.0%	5.4%	5.4%
QCOM	2.2%	4.7%	4.3%	3.8%	3.3%
QNT				12.7%	7.4%
QRVO	5.5%	6.7%	7.9%	7.7%	7.4%
SLAB	4.1%	5.7%	7.1%	6.9%	8.6%
SMTC	10.3%	6.7%	6.8%	6.0%	7.8%
SNDK	5.0%	7.4%	6.3%	4.9%	4.7%
SWKS	8.1%	15.1%	18.7%	19.2%	20.8%
TER	5.1%	3.5%	4.4%	5.8%	5.1%
TXN	1.8%	1.7%	2.1%	1.8%	1.8%
AVERAGE	4.9%	5.6%	6.3%	5.4%	5.7%
MEDIAN	4.5%	5.0%	5.6%	4.9%	4.7%

agreement to acquire Synaptics Incorporated ("Synaptics"), as announced on June 25, 2026. The proposed transaction is subject to approval by Synaptics' shareholders, receipt of required regulatory approval and other customary closing conditions. This report and the information provided herein is not intended to (i) provide voting advice, (ii) serve as an endorsement of the proposed transaction, or (iii) result in the procurement, withholding or revocation of a proxy or any other action by a security holder. Onsemi has agreed to pay

report.

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