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APAC Tech

Positioning for the AI and memory upcycle



Equities

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Technology

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Executive Summary

- **Continued AI strength with hyperscale capex revised up:** +97%/45% YoY in 2026-27E; revised up 4% / 3%. Cost effective ASIC/CPU seeing more room to grow. Server shipment to grow 19%/17% YoY in 2026-27E.
- **Higher memory pricing impacting conventional CE supply chain:** Branded companies under pressure with higher BOM costs. UBS PC / Smartphone forecast revised to -11% / -10% YoY in 2026. Component and IC fabless suffering from softer unit shipments, longer inventory digestion, and rising foundry costs.
- **IC design service: prefer firmer project pipeline and expanding TAM**
  - **Buy:** GUC, Alchip; **Neutral:** Faraday
- **Fabless IC makers: selective on edge AI exposure and discounted plays**
  - **Buy:** Elan, Asmedia; **Neutral:** Novatek, Parade
- **Specialty semi and back-end foundries: selective on price hike and technology migration beneficiaries**
  - **Buy:** Chroma, Chipbond, ChipMOS; **Neutral:** Powertech
- **Display, compound semi, and hardware: identify beneficiaries from AI-related opportunities**
  - **Buy:** Accton, Lotes, Win Semi; **Neutral:** AUO, **Sell:** Innolux

Coverage Universe

Company	Ticker	Market cap (US$m)	Price 23-Sep (LC$)	Price target (LC$)	Rating	EPS (LC$)			PE (x)		PB (x)		ROE (%)		Div Yld (%)	
						2025A	2026E	2027E	2026E	2027E	2026E	2027E	2026E	2027E	2026E	2027E
IC design service / Fabless																
Alchip	3661.TW	9,616	3,760	6,600	Buy	69.22	159.82	221.11	23.5	17.0	4.7	4.0	24.4	25.3	0.9	2.1
ASMedia	5269.TW	3,480	1,480	1,700	Buy	72.71	103.73	114.12	14.3	13.0	2.6	2.3	19.5	18.8	3.9	4.2
Elan	2458.TW	1,161	129	170	Buy	8.53	8.25	10.87	15.6	11.9	3.5	3.1	22.3	26.9	5.2	6.8
Faraday	3035.TW	1,671	204	190	Neutral	2.81	3.45	8.70	59.1	23.5	3.8	3.4	6.7	15.2	0.9	0.9
Global Unichip	3443.TW	35,315	8,385	8,660	Buy	28.13	58.23	139.12	144.0	60.3	62.2	33.7	50.4	72.5	0.2	0.3
Novatek	3034.TW	10,428	545	540	Neutral	26.86	35.07	34.39	15.5	15.8	5.0	4.8	31.8	30.9	4.2	5.5
Parade	4966.TWO	1,400	564	565	Neutral	34.75	30.75	41.18	18.3	13.7	1.9	1.8	10.6	13.4	2.7	3.6
Specialty semi and back-end foundries																
Chipbond	6147.TWO	5,022	215	340	Buy	3.76	5.50	8.22	39.0	26.1	4.1	3.9	8.4	11.7	1.0	1.4
ChipMOS	8150.TW	2,370	107.0	166	Buy	0.69	4.50	6.50	23.8	16.5	2.8	2.6	12.5	16.3	1.2	2.1
Chroma	2360.TW	31,102	2,325	2,960	Buy	27.71	45.34	62.34	51.3	37.3	28.3	20.6	57.6	64.0	0.8	1.4
Powertech	6239.TW	6,839	287	260	Neutral	7.47	12.58	15.24	22.8	18.8	3.4	3.1	15.7	17.1	1.6	2.2
Display, compound semi, and hardware																
Accton	2345.TW	33,345	1,890	3,688	Buy	47.13	87.08	120.60	21.7	15.7	11.7	8.2	66.0	61.8	0.8	2.8
AUO	2409.TW	8,261	34.7	21.9	Neutral	2.23	3.81	1.48	9.1	23.4	1.5	1.5	7.7	3.9	1.8	1.8
Innolux	3481.TW	12,453	49.6	26.0	Sell	0.03	2.98	0.60	16.7	82.2	1.7	1.7	10.4	2.1	2.0	2.0
Lotes	3533.TW	5,980	1,690	2,650	Buy	70.14	83.22	116.64	20.3	14.5	4.2	3.6	22.4	26.6	2.1	2.5
WIN Semi	3105.TWO	6,625	497	500	Buy	4.00	7.79	11.27	63.8	44.1	4.9	4.6	7.8	10.8	0.8	1.1

Note: Priced as of 23 Sep 2026.

Source: Company data, UBSe

APAC Semiconductors Valuation: Foundry & fabless

Company	Ticker	Market cap (US$m)	Price 23-Sep (LC$)	Price target (LC$)	Rating	EPS (LC$)			PE (x)		PB (x)		ROE (%)		Div Yld (%)	
						2025A	2026E	2027E	2026E	2027E	2026E	2027E	2026E	2027E	2026E	2027E
Foundry & Memory																
Hua Hong	1347.HK	25,302	114	148	Neutral	0.03	0.10	0.14	144.8	100.7	3.2	3.2	2.4	3.2	0.1	0.1
Nanya Tech	2408.TW	54,187	515	640	Buy	2.13	76.97	116.41	6.5	4.3	3.4	2.2	77.9	61.7	6.2	5.8
PSMC	6770.TW	9,708	73.1	100.0	Buy	-1.87	7.26	9.70	10.1	7.5	2.9	2.3	32.6	33.7	3.5	4.6
SMIC	0981.HK	65,189	63.8	102.4	Buy	0.09	0.16	0.23	52.2	34.9	2.4	2.3	5.2	6.7	0.0	0.0
TSMC	2330.TW	2,018,080	2,500	3,650	Buy	66.24	108.96	149.14	22.7	16.6	8.4	6.1	43.4	42.7	1.2	1.6
UMC	2303.TW	61,943	160	230	Buy	3.34	7.71	7.93	20.3	19.7	4.1	3.8	22.3	19.9	3.4	3.5
Vanguard	5347.TWO	10,156	173	168	Neutral	4.30	6.36	8.41	27.2	20.6	3.5	3.2	13.4	16.3	2.6	2.6
WIN Semi	3105.TWO	6,625	497	500	Buy	4.00	7.79	11.27	63.8	44.1	4.9	4.6	7.8	10.8	0.8	1.1
Fabless																
Alchip	3661.TW	9,616	3,760	6,600	Buy	69.22	159.82	221.11	23.5	17.0	4.7	4.0	24.4	25.3	0.9	2.1
ASMedia	5269.TW	3,480	1,480	1,700	Buy	72.71	103.73	114.12	14.3	13.0	2.6	2.3	19.5	18.8	3.9	4.2
Aspeed	5274.TWO	24,105	20,280	22,000	Buy	103.92	188.93	328.47	107.3	61.7	68.8	41.8	77.5	84.3	0.7	1.2
Faraday	3035.TW	1,671	204	190	Neutral	2.81	3.45	8.70	59.1	23.5	3.8	3.4	6.7	15.2	0.9	0.9
Global Unichip	3443.TW	35,315	8,385	8,660	Buy	28.13	58.23	139.12	144.0	60.3	62.2	33.7	50.4	72.5	0.2	0.3
MediaTek	2454.TW	261,486	5,185	7,300	Buy	66.17	67.63	177.51	76.7	29.2	18.6	14.4	25.5	55.4	1.0	2.7
Novatek	3034.TW	10,428	545	540	Neutral	26.86	35.07	34.39	15.5	15.8	5.0	4.8	31.8	30.9	4.2	5.5
Parade	4966.TWO	1,400	564	565	Neutral	34.75	30.75	41.18	18.3	13.7	1.9	1.8	10.6	13.4	2.7	3.6
Realtek	2379.TW	12,272	761	690	Neutral	28.77	33.75	40.38	21.7	18.1	8.2	7.1	35.2	42.0	3.6	4.4
Silergy	6415.TW	5,206	426	700	Buy	6.40	11.81	19.45	36.1	21.9	4.0	3.6	11.7	17.2	1.1	1.8

Note: Priced as of 23 Sep 2026.

Source: Company data, Refinitiv Eikon, UBSe

APAC Semiconductors Valuation: Backend & silicon wafers

Company	Ticker	Market cap (US$m)	Price 23-Sep (LC$)	Price target (LC$)	Rating	EPS (LC$)			PE (x)		PB (x)		ROE (%)		Div Yld (%)	
						2025A	2026E	2027E	2026E	2027E	2026E	2027E	2026E	2027E	2026E	2027E
Semi-backend																
All Ring	6187.TWO	3,711	1,205	1,700	Buy	15.27	30.33	47.75	39.9	25.3	12.6	9.9	35.6	43.9	1.8	2.8
Amkor	AMKR.O	13,096	53.3	80.0	Buy	1.51	2.60	2.80	20.5	19.0	2.6	2.4	13.6	13.1	0.6	0.7
ASE	3711.TW	95,673	693	835	Buy	9.37	18.95	31.05	36.1	22.0	6.9	5.8	21.2	28.5	1.8	3.0
ASMPT	0522.HK	9,038	176	200	Buy	2.55	5.03	7.43	34.0	23.0	3.9	3.5	11.8	16.0	1.5	2.3
Chipbond	6147.TWO	4,976	176	290	Buy	3.76	5.64	8.23	37.7	25.8	3.2	3.0	8.7	12.1	1.3	1.9
ChipMOS	8150.TW	2,348	107.0	166	Buy	0.69	4.50	6.50	23.6	16.3	2.8	2.5	12.5	16.3	1.2	2.1
Chroma	2360.TW	30,838	2,325	2,960	Buy	27.71	45.34	62.34	50.8	37.0	28.1	20.4	57.6	64.0	0.8	1.4
Gudeng	3680.TWO	1,598	528	710	Buy	9.43	14.86	19.99	35.6	26.5	3.9	3.6	12.5	14.2	2.0	2.7
GPTC	3131.TWO	2,159	2,365	4,300	Buy	45.45	58.90	98.17	39.9	23.9	24.8	15.5	45.5	79.6	1.8	2.9
Hon.Precision	7769.TW	33,638	5,975	10,000	Buy	76.30	130.58	242.28	45.5	24.5	14.6	10.6	35.8	50.1	1.5	2.9
KYEC	2449.TW	11,574	304	325	Buy	9.01	9.15	14.81	32.9	20.3	5.9	5.1	19.9	26.9	2.0	1.9
Powertech	6239.TW	6,780	287	260	Neutral	7.47	12.58	15.24	22.6	18.6	3.4	3.0	15.7	17.1	1.6	2.2
Silicon wafer																
GlobalWafers	6488.TWO	14,118	950	1,750	Buy	16.37	18.10	38.66	51.9	24.3	4.6	4.0	9.1	17.7	0.8	1.6

Note: Priced as of 23 Sep 2026.

Source: Company data, Refinitiv Eikon, UBSe

UBS Hardware Coverage

Company	Ticker	Market cap (US$m)	Price 23-Sep (LC$)	Price target (LC$)	Rating	EPS (LC$)			PE (x)		PB (x)		ROE (%)		Div Yld (%)	
						2025A	2026E	2027E	2026E	2027E	2026E	2027E	2026E	2027E	2026E	2027E
Components																
Delta Electronics	2308.TW	155,820	1,900	2,750	Buy	23.14	42.30	67.50	45.2	28.3	13.6	9.9	34.0	40.6	0.6	1.1
Liteon	2301.TW	20,441	284	400	Buy	6.64	10.85	16.00	26.2	17.8	6.6	5.5	26.2	33.8	1.8	2.7
Lotes	3533.TW	5,973	1,690	2,650	Buy	70.14	83.22	116.64	20.3	14.5	4.2	3.6	22.4	26.6	2.1	2.5
King Slide	2059.TW	36,848	12,390	14,000	Buy	103.23	301.41	400.84	41.0	30.8	22.6	15.5	71.9	59.9	2.5	3.3
Chenbro	8210.TW	3,497	892	1,450	Buy	29.19	48.81	65.69	18.3	13.6	7.3	5.4	46.5	45.7	1.6	2.5
ODMs																
Hon Hai	2317.TW	109,715	256	340	Buy	13.62	18.50	23.40	13.6	10.7	1.9	1.7	14.2	16.4	2.9	3.7
Quanta	2382.TW	40,918	342	450	Buy	19.45	26.84	34.31	12.6	9.9	5.5	4.2	43.0	48.4	4.6	4.7
Wistron	3231.TW	17,379	180	230	Buy	9.13	17.50	26.00	10.4	7.0	2.6	1.7	27.2	29.4	3.0	4.9
Wiwynn	6669.TW	36,284	2,105	2,470	Buy	92.22	122.80	176.01	17.1	12.0	9.8	6.6	55.4	66.2	1.8	3.5
Compal	2324.TW	5,075	36.8	40.0	Neutral	1.38	2.16	2.83	16.9	12.9	1.2	1.1	6.9	9.0	3.0	0.0
Inventec	2356.TW	6,760	61.0	65.0	Neutral	2.42	3.50	4.25	17.2	14.1	2.8	2.5	16.4	18.9	3.3	3.3
Pegatron	4938.TW	7,705	91.3	95.0	Neutral	5.39	5.85	7.15	15.7	12.8	1.2	1.1	7.5	8.9	4.4	4.4
Accton	2345.TW	33,219	1,890	3,688	Buy	47.13	87.08	120.60	21.6	15.6	11.7	8.2	66.0	61.8	0.8	2.8
Brands																
Asustek	2357.TW	22,303	958	910	Neutral	59.99	76.66	70.00	12.5	13.7	2.4	2.3	19.9	17.3	4.4	5.6
Lenovo	0992.HK	55,531	36.9	42.0	Buy	0.16	0.22	0.39	20.2	11.7	5.5	3.8	30.7	38.4	1.1	1.1
Giga-Byte	2376.TW	7,637	365	390	Neutral	18.20	33.44	33.00	10.9	11.0	3.3	3.0	33.6	28.4	3.3	5.5
Micro-Star	2377.TW	4,020	151	155	Neutral	6.80	12.78	10.78	11.9	14.1	2.1	2.0	18.0	14.3	2.8	4.2
Lens																
Largan	3008.TW	25,488	6,190	5,000	Sell	159.41	190.00	214.00	32.5	28.9	4.1	3.8	12.7	13.7	1.3	1.5
Genius	3406.TW	3,151	905	700	Buy (UR)	32.84	37.15	41.47	24.0	21.5	3.5	3.2	15.8	15.6	1.9	2.1
Panels																
AUO	2409.TW	8,097	34.7	21.9	Neutral	2.23	3.81	1.48	8.9	23.0	1.5	1.4	7.7	3.9	1.8	1.8
Innolux	3481.TW	12,376	49.6	26.0	Sell	0.03	2.98	0.60	16.6	81.8	1.7	1.7	10.4	2.1	2.0	2.0
PCB																
Kinsus	3189.TW	14,096	906	800	Buy	3.52	11.81	21.91	81.2	43.8	11.7	9.8	15.3	24.3	0.2	0.6
Nan Ya PCB	8046.TW	25,063	1,210	1,150	Neutral	3.01	16.06	36.19	76.9	34.1	14.5	10.9	20.5	36.4	0.2	0.7
Unimicron	3037.TW	56,238	1,160	1,300	Buy	4.38	24.33	39.07	47.9	29.8	13.2	9.9	30.9	37.9	0.2	0.8

Note: Priced as of 23 Sep 2026.

Source: Company data, Refinitiv Eikon, UBSe

Section 1

Semiconductor and display industry overview

Tech end markets: 2026 led by servers, memory impacts PC/SP

End market forecast	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026E	'16-20 CAGR	'21-25 CAGR
Total Smartphone units (m)	**1,333**	**1,387**	**1,402**	**1,371**	**1,281**	**1,357**	**1,198**	**1,164**	**1,223**	**1,265**	**1,139**	**-1%**	**-2%**
% change YoY	*4%*	*4%*	*1%*	*-2%*	*-7%*	*6%*	*-12%*	*-3%*	*5%*	*3%*	*-10%*		
5G Smartphone units (m)	**0.0**	**0.0**	**0.0**	**23**	**243**	**512**	**595**	**717**	**836**	**924**	**911**	**N/A**	**16%**
% change YoY	*N/A*	*N/A*	*N/A*	*N/A*	*982%*	*111%*	*16%*	*21%*	*17%*	*10%*	*-1%*		
IoT revenue ($ bn)	**21**	**26**	**30**	**32**	**37**	**55**	**68**	**70**	**75**	**86**	**98**	**15%**	**16%**
% change YoY	*34%*	*24%*	*13%*	*9%*	*15%*	*50%*	*22%*	*4%*	*6%*	*16%*	*14%*		
CTA US Consumer Tech Demand (US$bn)	**288**	**338**	**383**	**406**	**470**	**528**	**514**	**508**	**520**	**545**	**565**	**13%**	**1%**
% change YoY	*3%*	*17%*	*13%*	*6%*	*16%*	*12%*	*-3%*	*-1%*	*2%*	*4.8%*	*3.7%*		
Total PC units (m)	**280**	**275**	**275**	**279**	**308**	**342**	**284**	**242**	**247**	**271**	**241**	**2%**	**-7%**
% change YoY	*-5%*	*-1%*	*0%*	*2%*	*10%*	*11%*	*-17%*	*-15%*	*2%*	*9%*	*-11%*		
Consumer PC units (m)	**123**	**111**	**106**	**98**	**118**	**130**	**105**	**88**	**87**	**94**	**82**	**-1%**	**-10%**
% change YoY	*-11%*	*-10%*	*-5%*	*-7%*	*19%*	*11%*	*-19%*	*-16%*	*-2%*	*8%*	*-12%*		
Commercial PC units (m)	**156**	**164**	**169**	**180**	**191**	**212**	**179**	**154**	**161**	**177**	**159**	**5%**	**-6%**
% change YoY	*0%*	*5%*	*3%*	*7%*	*6%*	*11%*	*-16%*	*-14%*	*4%*	*10%*	*-10%*		
Total Server units (k)	**11,174**	**11,451**	**12,951**	**12,585**	**12,915**	**13,368**	**13,027**	**14,087**	**16,025**	**20,078**	**23,874**	**4%**	**15%**
% change YoY	*-2%*	*2%*	*13%*	*-3%*	*3%*	*4%*	*-3%*	*8%*	*14%*	*25%*	*19%*		
Enterprise Server units (k)	**6,571**	**5,968**	**6,202**	**6,076**	**5,403**	**5,147**	**5,028**	**4,217**	**4,283**	**4,214**	**4,298**	**-5%**	**-6%**
% change YoY	*-15%*	*-9%*	*4%*	*-2%*	*-11%*	*-5%*	*-2%*	*-16%*	*2%*	*-2%*	*2%*		
Hyperscaler Capex ($bn)	**58**	**69**	**101**	**97**	**123**	**164**	**188**	**188**	**310**	**526**	**1,019**	**20%**	**47%**
% change YoY	*18%*	*19%*	*46%*	*-4%*	*26%*	*34%*	*14%*	*0%*	*65%*	*70%*	*94%*		
Hyperscaler Server units (k)	**4,603**	**5,483**	**6,749**	**6,509**	**8,147**	**8,822**	**9,915**	**9,883**	**11,102**	**15,864**	**19,576**	**15%**	**22%**
% change YoY	*27%*	*19%*	*23%*	*-4%*	*25%*	*8%*	*12%*	*0%*	*12%*	*43%*	*23%*		
AI Server units (k)	**25**	**70**	**200**	**300**	**520**	**630**	**730**	**783**	**1,591**	**1,243**	**1,146**	**114%**	**25%**
% change YoY	*N/A*	*180%*	*186%*	*50%*	*73%*	*21%*	*16%*	*7%*	*103%*	*-22%*	*-8%*		
Total Auto units (m)	**92.2**	**94.5**	**93.7**	**89.5**	**76.8**	**79.9**	**78.9**	**86.7**	**88.7**	**91.4**	**92.0**	**-4%**	**5%**
% change YoY	*4%*	*2%*	*-1%*	*-5%*	*-14%*	*4%*	*-1%*	*10%*	*2%*	*3%*	*1%*		
EV units (m)	**0.8**	**1.2**	**2.0**	**2.3**	**3.2**	**6.8**	**10.6**	**14.2**	**17.7**	**21.3**	**23.1**	**42%**	**46%**
% change YoY	*41%*	*56%*	*66%*	*13%*	*41%*	*113%*	*56%*	*34%*	*25%*	*21%*	*9%*		
Total Semi Units (bn)	**827**	**936**	**1,004**	**932**	**954**	**1,147**	**1,096**	**915**	**953**	**1,054**	**1,159**	**4%**	**-3%**
% change YoY	*5%*	*13%*	*7%*	*-7%*	*2%*	*20%*	*-4%*	*-17%*	*4%*	*11%*	*10%*		
Total Semi Revenue ($bn)	**339**	**412**	**469**	**412**	**440**	**556**	**572**	**521**	**602**	**746**	**1629**	**7%**	**10%**
% change YoY	*1%*	*22%*	*14%*	*-12%*	*7%*	*26%*	*3%*	*-9%*	*15%*	*24%*	*118%*		
Total Semi ex Memory units (bn)	**785**	**893**	**963**	**889**	**909**	**1097**	**1053**	**871**	**908**	**1003**	**1101**	**4%**	**-3%**
% change YoY	*5%*	*14%*	*8%*	*-8%*	*2%*	*21%*	*-4%*	*-17%*	*4%*	*10%*	*10%*		
Total Semi ex Memory Revenue ($bn)	**262**	**288**	**311**	**306**	**323**	**402**	**443**	**429**	**437**	**516**	**674**	**5%**	**9%**
% change YoY	*2%*	*10%*	*8%*	*-2%*	*6%*	*25%*	*10%*	*-3%*	*2%*	*18%*	*31%*		
US GDP	**1.8%**	**2.5%**	**3.0%**	**2.6%**	**-2.2%**	**6.1%**	**2.5%**	**2.9%**	**2.8%**	**2.1%**	**2.1%**		
China GDP	**6.8%**	**6.9%**	**6.8%**	**6.1%**	**2.3%**	**8.6%**	**3.1%**	**5.4%**	**5.0%**	**5.0%**	**4.5%**		
Global GDP	**3.2%**	**3.9%**	**3.7%**	**2.9%**	**-2.7%**	**6.9%**	**3.6%**	**3.6%**	**3.5%**	**3.5%**	**3.1%**		

Source: Company Data, UBS estimates

Semi industry revenues growing backed by AI from 2024-27E

Revenues (US$bn)	2019	2020	2021	2022	2023	2024	2025	2026E	2027E	2028E
MPU	**48**	**52**	**58**	**51**	**45**	**54**	**60**	**81**	**110**	**137**
% YoY	*2%*	*8%*	*11%*	*-12%*	*-11%*	*19%*	*11%*	*35%*	*35%*	*25%*
MCU	**16**	**15**	**20**	**25**	**28**	**22**	**22**	**25**	**28**	**31**
% YoY	*-7%*	*-2%*	*27%*	*27%*	*11%*	*-19%*	*-4%*	*16%*	*13%*	*8%*
Analog	**54**	**56**	**74**	**89**	**81**	**80**	**87**	**103**	**123**	**135**
% YoY	*-8%*	*3%*	*33%*	*20%*	*-9%*	*-2%*	*9%*	*19%*	*19%*	*10%*
CMOS Logic	**109**	**121**	**158**	**178**	**176**	**190**	**253**	**365**	**415**	**473**
% YoY	*-3%*	*11%*	*31%*	*13%*	*-1%*	*8%*	*33%*	*44%*	*14%*	*14%*
Memory	**106**	**117**	**154**	**130**	**92**	**165**	**230**	**960**	**1,652**	**1,843**
% YoY	*-33%*	*10%*	*31%*	*-16%*	*-29%*	*79%*	*39%*	*317%*	*72%*	*12%*
Total IC	**333**	**361**	**463**	**473**	**423**	**511**	**651**	**1,535**	**2,327**	**2,618**
% YoY	*-15%*	*8%*	*28%*	*2%*	*-10%*	*21%*	*27%*	*136%*	*52%*	*12%*
Discrete, Opto & Passives	**79**	**79**	**93**	**100**	**98**	**91**	**95**	**95**	**98**	**100**
% YoY	*5%*	*0%*	*17%*	*7%*	*-1%*	*-7%*	*4%*	*0%*	*3%*	*3%*
Total Semiconductors	**412**	**440**	**556**	**572**	**521**	**602**	**746**	**1,629**	**2,425**	**2,718**
% YoY	*-12%*	*7%*	*26%*	*3%*	*-9%*	*15%*	*24%*	*118%*	*49%*	*12%*
Semis ex memory	**306**	**323**	**402**	**443**	**429**	**437**	**516**	**669**	**773**	**876**
% YoY	*-2%*	*6%*	*25%*	*10%*	*-3%*	*2%*	*18%*	*30%*	*16%*	*13%*
Semis ex memory ex CPU	**258**	**271**	**344**	**392**	**384**	**383**	**456**	**588**	**663**	**739**
% YoY	*-2%*	*5%*	*27%*	*14%*	*-2%*	*0%*	*19%*	*29%*	*13%*	*11%*

Semi revenue breakdown between cloud AI vs. non-cloud AI

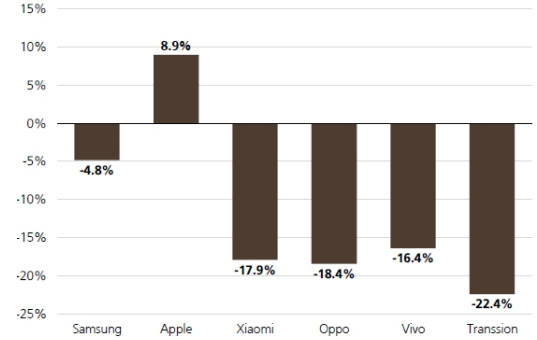
	2023	2024	2025	2026E	2027E	2028E
Total semis industry revenues (US$ bn)	**521**	**602**	**746**	**1,629**	**2,425**	**2,718**
YoY growth (%)		*15%*	*24%*	*118%*	*49%*	*12%*
AI cloud computing semis revenues (US$ bn)	**56**	**150**	**237**	**531**	**1,183**	**1,443**
YoY growth (%)	-	*168%*	*59%*	*124%*	*123%*	*22%*
As % of total semis revenues	***11%***	***25%***	***32%***	***33%***	***49%***	***53%***
Semis industry revenues ex-AI cloud computing (US$ bn)	**465**	**452**	**508**	**1,098**	**1,243**	**1,276**
YoY growth (%)		*-3%*	*12%*	*116%*	*13%*	*3%*
As % of total semis revenues	***89%***	***75%***	***68%***	***67%***	***51%***	***47%***

Source: SIA. UBS estimates

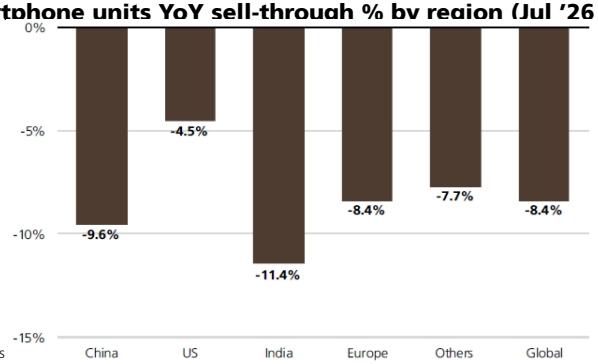
Smartphone units: -10% YoY in '26E, -3% YoY in '27E

Smartphone volume (m)	2025	1Q26	2Q26	3Q26E	4Q26E	2026E	1Q27E	2Q27E	3Q27E	4Q27E	2027E	1Q28E	2Q28E	3Q28E	4Q28E	2028E
Samsung	**240**	**60**	**65**	**66**	**60**	**250**	**67**	**64**	**66**	**61**	**258**	**67**	**65**	**67**	**62**	**261**
% YoY	*7%*	*-2%*	*12%*	*8%*	*0%*	*4%*	*12%*	*-1%*	*0%*	*2%*	*3%*	*1%*	*2%*	*2%*	*2%*	*1%*
% of total	*19%*	*20%*	*23%*	*24%*	*20%*	*22%*	*24%*	*24%*	*25%*	*21%*	*23%*	*24%*	*24%*	*25%*	*20%*	*23%*
Apple	**241**	**60**	**56**	**55**	**90**	**261**	**63**	**59**	**58**	**94**	**273**	**66**	**61**	**60**	**96**	**283**
% YoY	*9%*	*17%*	*23%*	*3%*	*0%*	*8%*	*5%*	*5%*	*5%*	*4%*	*5%*	*4%*	*4%*	*4%*	*3%*	*4%*
% of total	*19%*	*20%*	*20%*	*20%*	*30%*	*23%*	*23%*	*22%*	*22%*	*32%*	*25%*	*24%*	*22%*	*22%*	*32%*	*25%*
Huawei	**48**	**14**	**16**	**14**	**13**	**56**	**14**	**16**	**14**	**13**	**57**	**14**	**16**	**14**	**14**	**58**
% YoY	*0%*	*3%*	*24%*	*27%*	*12%*	*16%*	*4%*	*3%*	*0%*	*0%*	*2%*	*0%*	*0%*	*0%*	*8%*	*2%*
% of total	*4%*	*5%*	*6%*	*5%*	*4%*	*5%*	*5%*	*6%*	*5%*	*4%*	*5%*	*5%*	*6%*	*5%*	*5%*	*5%*
OPPO*	**102**	**31**	**29**	**21**	**18**	**99**	**22**	**22**	**22**	**22**	**88**	**22**	**22**	**22**	**22**	**88**
% YoY	*-3%*	*31%*	*20%*	*-24%*	*-33%*	*-3%*	*-28%*	*-24%*	*5%*	*22%*	*-11%*	*0%*	*0%*	*0%*	*0%*	*0%*
% of total	*8%*	*10%*	*10%*	*8%*	*6%*	*9%*	*8%*	*8%*	*8%*	*7%*	*8%*	*8%*	*8%*	*8%*	*7%*	*8%*
Vivo	**106**	**21**	**21**	**20**	**21**	**83**	**19**	**19**	**19**	**19**	**76**	**19**	**19**	**19**	**19**	**76**
% YoY	*6%*	*-7%*	*-22%*	*-31%*	*-22%*	*-21%*	*-10%*	*-10%*	*-5%*	*-10%*	*-9%*	*0%*	*0%*	*0%*	*0%*	*0%*
% of total	*8%*	*7%*	*8%*	*7%*	*7%*	*7%*	*7%*	*7%*	*7%*	*6%*	*7%*	*7%*	*7%*	*7%*	*6%*	*7%*
Xiaomi	**165**	**34**	**31**	**29**	**29**	**123**	**29**	**28**	**27**	**27**	**111**	**31**	**30**	**29**	**29**	**119**
% YoY	*-2%*	*-19%*	*-26%*	*-32%*	*-24%*	*-26%*	*-14%*	*-10%*	*-8%*	*-7%*	*-10%*	*7%*	*7%*	*7%*	*10%*	*8%*
% of total	*13%*	*12%*	*11%*	*11%*	*10%*	*11%*	*11%*	*10%*	*10%*	*9%*	*10%*	*11%*	*11%*	*11%*	*10%*	*11%*
Transsion	**96**	**19**	**20**	**18**	**17**	**74**	**19**	**20**	**19**	**18**	**75**	**19**	**21**	**20**	**21**	**81**
% YoY	*-9%*	*-10%*	*-16%*	*-37%*	*-25%*	*-23%*	*0%*	*-3%*	*1%*	*6%*	*1%*	*0%*	*8%*	*8%*	*18%*	*8%*
% of total	*7%*	*6%*	*7%*	*6%*	*5%*	*6%*	*7%*	*7%*	*6%*	*6%*	*6%*	*6%*	*7%*	*7%*	*6%*	*7%*
Lenovo	**55**	**13**	**13**	**13**	**13**	**51**	**12**	**12**	**14**	**13**	**50**	**12**	**12**	**13**	**13**	**51**
% YoY	*3%*	*6%*	*-8%*	*-8%*	*-15%*	*-7%*	*-10%*	*-6%*	*3%*	*3%*	*-3%*	*5%*	*6%*	*-2%*	*0%*	*2%*
% of total	*4%*	*4%*	*5%*	*5%*	*4%*	*5%*	*4%*	*4%*	*5%*	*4%*	*5%*	*4%*	*5%*	*5%*	*4%*	*5%*
Honor	**69**	**19**	**14**	**14**	**14**	**61**	**14**	**14**	**14**	**14**	**56**	**14**	**14**	**14**	**14**	**56**
% YoY	*8%*	*12%*	*-13%*	*-20%*	*-24%*	*-12%*	*-26%*	*0%*	*0%*	*0%*	*-8%*	*0%*	*0%*	*0%*	*0%*	*0%*
% of total	*5%*	*6%*	*5%*	*5%*	*5%*	*5%*	*5%*	*5%*	*5%*	*5%*	*5%*	*5%*	*5%*	*5%*	*5%*	*5%*
Other	**143**	**24**	**12**	**23**	**22**	**80**	**15**	**15**	**16**	**16**	**62**	**13**	**13**	**14**	**14**	**54**
% YoY	*8%*	*-42%*	*-65%*	*-39%*	*-32%*	*-44%*	*-38%*	*26%*	*-29%*	*-24%*	*-22%*	*-13%*	*-13%*	*-13%*	*-16%*	*-14%*
% of total	*11%*	*8%*	*4%*	*8%*	*7%*	*7%*	*5%*	*6%*	*6%*	*6%*	*6%*	*5%*	*5%*	*5%*	*5%*	*5%*
Total	**1,265**	**294**	**276**	**273**	**295**	**1,139**	**273**	**268**	**268**	**296**	**1,105**	**277**	**274**	**272**	**304**	**1,127**
% YoY	*3%*	*-4%*	*-7%*	*-15%*	*-13%*	*-10%*	*-7%*	*-3%*	*-2%*	*0%*	*-3%*	*1%*	*2%*	*2%*	*3%*	*2%*

Smartphone units YoY sell-through % by OEM (Jul '26 YTD)



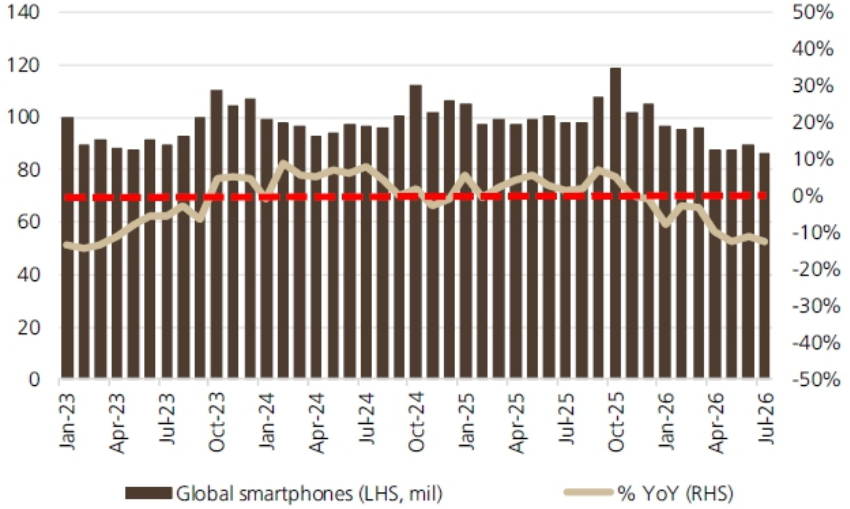
Smartphone units YoY sell-through % by region (Jul '26 YTD)



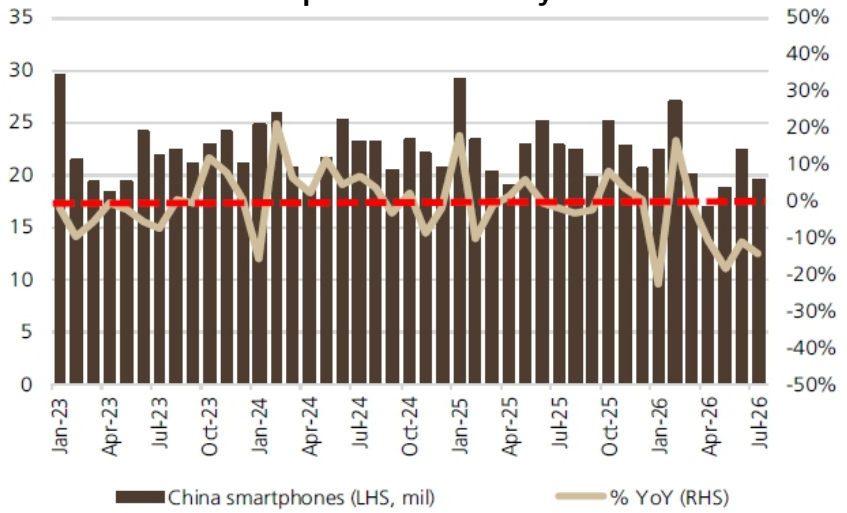
Source: Gartner, Counterpoint, UBS estimates

Smartphone shipment turned softer since Q425

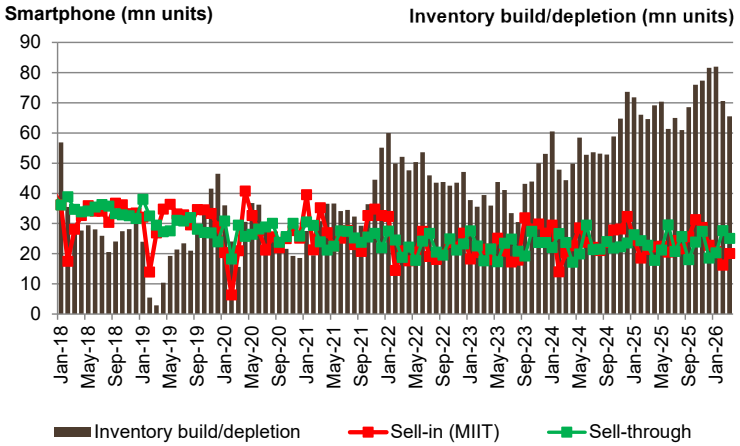
Smartphones demand turning softer in 2026



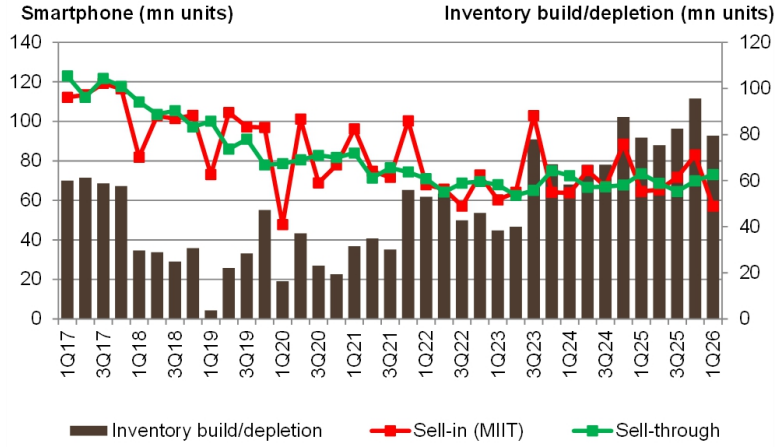
China smartphone seeing the most significant demand impact from memory hikes



Smartphone sell-through has increased recently vs. sell-in



China smartphone quarterly sell-in/sell-through trend

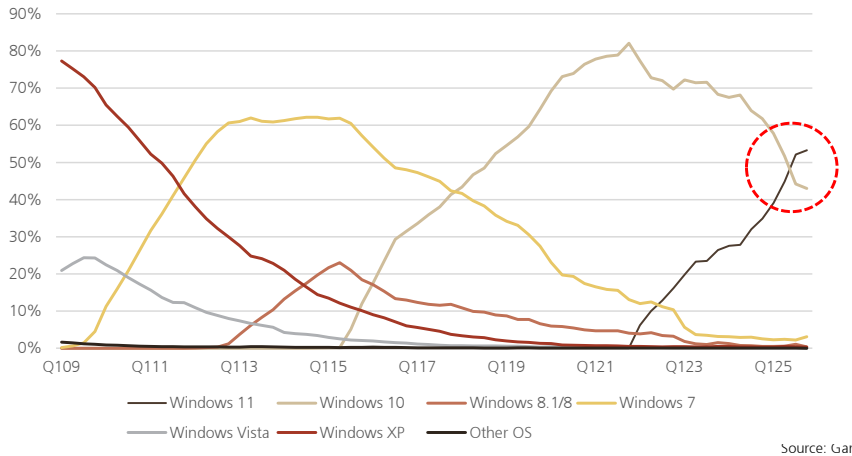


Source: Counterpoint, Company data, UBS estimates

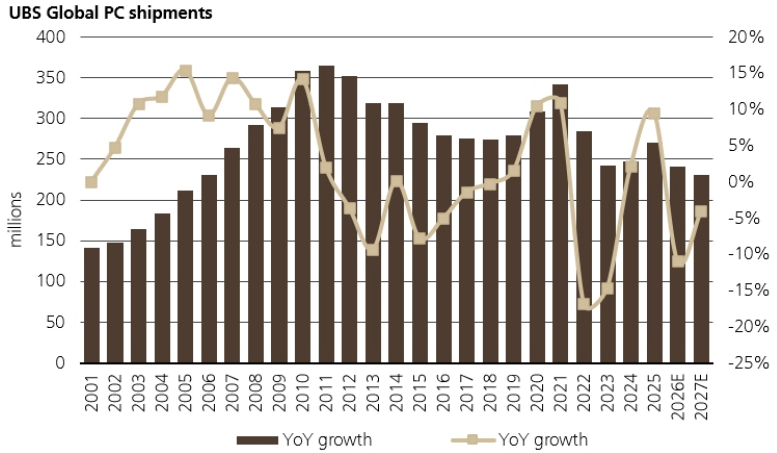
PC units -11%/-4% in 2026E/2027E

	Quarterly Trends				Quarterly Trends				New Estimates			% Chg. in UBS Est.		
	Q125	Q225	Q325	Q425	Q126	Q226	Q326E	Q426E	2025	2026E	2027E	2025E	2026E	2027E
PC units by form factor (m)														
Desktops	**15.4**	**16.3**	**17.8**	**18.8**	**15.8**	**15.9**	**14.6**	**14.2**	**68.3**	**60.5**	**58.8**	**0.0%**	**1.5%**	**-2.6%**
YoY growth	*5.2%*	*9.1%*	*15.0%*	*17.3%*	*2.8%*	*-3.0%*	*-17.8%*	*-24.5%*	*11.8%*	*-11.4%*	*-2.7%*			
Notebooks	**39.7**	**43.4**	**50.1**	**49.4**	**42.9**	**42.6**	**39.1**	**38.6**	**182.6**	**163.3**	**157.5**	**0.0%**	**-1.2%**	**-6.4%**
YoY growth	*5.1%*	*8.2%*	*11.4%*	*8.9%*	*8.1%*	*-1.7%*	*-21.9%*	*-21.9%*	*8.7%*	*-10.6%*	*-3.6%*			
Total PCs (exc. Chrome)	**55.1**	**59.7**	**67.9**	**68.2**	**58.7**	**58.5**	**53.8**	**52.8**	**250.9**	**223.8**	**216.3**	**0.0%**	**-0.5%**	**-5.3%**
QoQ growth	*-10.3%*	*8.4%*	*13.6%*	*0.5%*	*-13.9%*	*-0.4%*	*-8.1%*	*-1.8%*						
YoY growth	*5.1%*	*8.4%*	*12.4%*	*11.1%*	*6.6%*	*-2.1%*	*-20.8%*	*-22.6%*	*9.5%*	*-10.8%*	*-3.3%*			
Chromebooks	**5.3**	**6.2**	**4.4**	**4.1**	**4.9**	**5.8**	**3.7**	**2.9**	**19.9**	**17.2**	**14.7**	**0.0%**	**3.4%**	**-18.5%**
YoY growth	*25.8%*	*4.8%*	*3.8%*	*2.3%*	*-6.7%*	*-6.4%*	*-15.8%*	*-30.0%*	*8.8%*	*-13.4%*	*-14.6%*			
Total PC Units	**60.3**	**65.9**	**72.2**	**72.3**	**63.6**	**64.3**	**57.4**	**55.7**	**270.8**	**241.0**	**231.1**	**0.0%**	**-0.2%**	**-6.3%**
QoQ growth	*-7.7%*	*9.3%*	*9.5%*	*0.1%*	*-12.0%*	*1.0%*	*-10.7%*	*-3.1%*						
YoY growth	*6.6%*	*8.1%*	*11.8%*	*10.5%*	*5.5%*	*-2.5%*	*-20.5%*	*-23.0%*	*9.4%*	*-11.0%*	*-4.1%*			
Commercial PC units	**40.5**	**43.6**	**46.0**	**46.9**	**42.4**	**42.2**	**37.6**	**36.4**	**177.0**	**158.6**	**153.8**	**0.0%**	**-0.7%**	**-5.2%**
YoY growth	8.3%	8.0%	12.0%	12.5%	4.5%	-3.1%	-18.4%	-22.3%	10.3%	-10.4%	-3.0%			
Consumer PC units	**19.8**	**22.4**	**26.2**	**25.4**	**21.3**	**22.1**	**19.9**	**19.2**	**93.8**	**82.5**	**77.3**	**0.0%**	**0.7%**	**-8.4%**
YoY growth	3.3%	8.2%	11.4%	7.1%	7.3%	-1.2%	-24.1%	-24.4%	7.9%	-12.1%	-6.3%			
Blended PC ASPs	**$745**	**$729**	**$722**	**$745**	**$786**	**$820**	**$862**	**$889**	**$735**	**$837**	**$888**	**0.0%**	**0.4%**	**4.5%**
YoY growth	*1.3%*	*2.6%*	*-0.5%*	*-0.2%*	*5.5%*	*12.5%*	*19.4%*	*19.3%*	*0.6%*	*13.9%*	*6.0%*			
Total PC Revenue	**$45**	**$48**	**$52**	**$54**	**$50**	**$53**	**$49**	**$49**	**$199**	**$202**	**$205**	**0.0%**	**0.1%**	**-2.1%**
YoY growth	*8.0%*	*10.8%*	*11.2%*	*10.4%*	*11.3%*	*9.7%*	*-5.1%*	*-8.2%*	*10.1%*	*1.4%*	*1.7%*			

Desktop Windows version market share worldwide



Global PC shipment trend: 2001-2027E



Source: Gartner, UBS estimates

NB ODM Shipments should slow through 2026

Taiwanese Top-5 NB ODM shipments

	Q126	Q226	Q326							Q426E	Annual Shipments				
('000 Units)	Q126A	Q226A	Jul (A)	Aug (A)	Aug (E) Prior	Sep (E)	Q326E	Q326E Prior	Q3 Comment	Q426E	2024	2025	2026E	2026E Prior	2026 comment
Quanta	10,000	11,500	2,800	**2,600**	**3,300**	3,600	**9,000**	**9,500**	>20% decline	8,500	45,900	46,500	**39,000**	**40,100**	DD decline
Compal	5,900	6,200	1,800	**1,400**	**2,000**	2,000	**5,200**	**6,150**	Flat QoQ	5,700	32,300	28,000	**23,000**	**24,450**	Down 10-15%
Pegatron	1,800	1,750	400	**425**	**650**	600	**1,425**	**1,700**	SD decline	1,750	8,055	9,070	**6,725**	**7,050**	No guidance
Inventec	5,400	5,400	1,600	**1,500**	**1,600**	1,700	**4,800**	**4,900**	Down HSD	4,400	20,000	21,300	**20,000**	**19,900**	HSD decline
Wistron	6,100	5,500	1,600	**1,400**	**1,650**	1,650	**4,650**	**4,650**	DD Decline	4,750	20,200	24,100	**21,000**	**21,150**	2H down 10~15%
Total	**29,200**	**30,350**	**8,200**	**7,325**	**9,200**	**9,550**	**25,075**	**26,900**		**25,100**	**126,455**	**128,970**	**109,725**	**112,650**	
Global NBs	**47,818**	**48,452**					**42,809**	**45,523**		**41,473**	**186,349**	**202,511**	**180,551**	**182,013**	
% of NBs	**61%**	**63%**					**59%**	**59%**		**61%**	**68%**	**64%**	**61%**	**62%**	
Global PCs	**63,645**	**64,305**					**57,435**	**59,617**		**55,662**	**247,459**	**270,823**	**241,047**	**241,624**	
% of PCs	**46%**	**47%**					**44%**	**45%**		**45%**	**51%**	**48%**	**46%**	**47%**	

QoQ/MoM	Q126A	Q226A	Jul (A)	Aug (A)	Aug (E) Prior	Sep (E)	Q326E	Q326E Prior	Q3 Comment	Q426E	2024	2025	2026E	2026E Prior	2026 comment
Quanta	-8%	15%	-38%	**-7%**	**18%**	38%	**-22%**	**-17%**	>20% decline	-6%					
Compal	-13%	5%	-25%	**-22%**	**11%**	43%	**-16%**	**-1%**	Flat QoQ	10%					
Pegatron	-25%	-3%	-38%	**6%**	**63%**	41%	**-19%**	**-3%**	SD decline	23%					
Inventec	2%	0%	-33%	**-6%**	**0%**	13%	**-11%**	**-9%**	Down HSD	-8%					
Wistron	-12%	-10%	-20%	**-13%**	**3%**	18%	**-15%**	**-15%**	DD Decline	2%					
Total	**-10%**	**4%**	**-31%**	**-11%**	**12%**	**30%**	**-17%**	**-11%**		**0%**					

YoY	Q126A	Q226A	Jul (A)	Aug (A)	Aug (E) Prior	Sep (E)	Q326E	Q326E Prior	Q3 Comment	Q426E	2024	2025	2026E	2026E Prior	2026 comment
Quanta	-7%	-5%	-30%	**-37%**	**-20%**	-22%	**-29%**	**-25%**		-22%	-2.1%	1.3%	**-16%**	**-14%**	DD decline
Compal	-16%	-13%	-22%	**-39%**	**-13%**	-20%	**-27%**	**-13%**		-16%	-4.7%	-13.3%	**-18%**	**-13%**	Down 10-15%
Pegatron	-5%	-26%	-47%	**-48%**	**-21%**	-27%	**-41%**	**-29%**		-27%	1.6%	12.6%	**-26%**	**-22%**	No guidance
Inventec	8%	-4%	-6%	**-17%**	**-11%**	-11%	**-11%**	**-9%**		-17%	7.0%	6.5%	**-6%**	**-7%**	HSD decline
Wistron	24%	-7%	-20%	**-36%**	**-25%**	-25%	**-27%**	**-27%**		-31%	6.3%	19.3%	**-13%**	**-12%**	2H down 10~15%
Total	**-1%**	**-8%**	**-24%**	**-35%**	**-18%**	**-21%**	**-26%**	**-21%**		**-22%**	**0%**	**2%**	**-15%**	**-13%**	

Source: Company data, UBS estimates

PC BOM cost impact from higher memory costs

Memory could add ~80% to PC selling prices

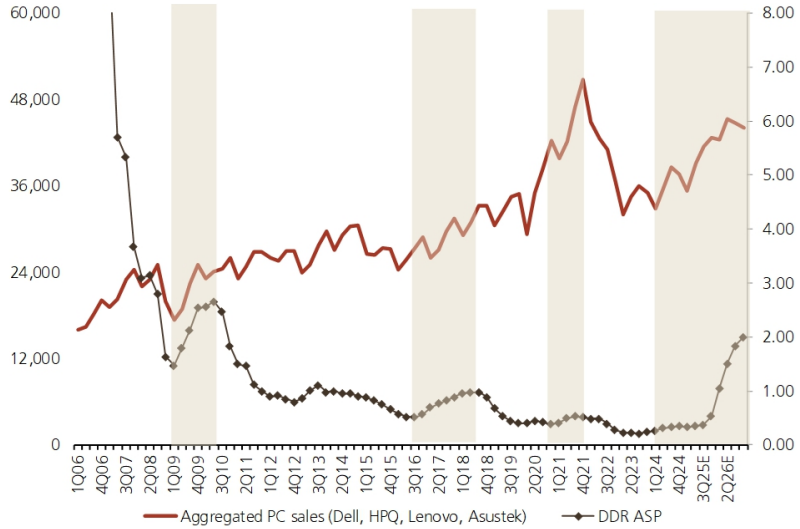
		Memory prices in Q225		Memory prices in Q226		
Subsystem	Component	Total (US$)	% of Cost	Total (US$)	% of Cost	Inflation (%)
Memory (DRAM)	32GB DDR 5	$90	14%	$423	37%	370%
Storage (NAND)	1TB SSD	$61	10%	$250	22%	310%
Memory Cost		$151	24%	$673	59%	346%
Compute	AMD Ryzen 4.5GHz 7700X	$150	24%	$150	13%	0%
Display	15.6" FHD + Touch screen	$43	7%	$43	4%	0%
Motherboard		$30	5%	$30	3%	0%
Battery	65W 3 cell Lithium-Ion	$25	4%	$25	2%	0%
Metal Casing		$20	3%	$20	2%	0%
Keyboard		$10	2%	$10	1%	0%
AC Adapter	65 Watt	$10	2%	$10	1%	0%
Cooling components		$10	2%	$10	1%	0%
Power Management ICs		$5	1%	$5	0%	0%
Passives (Resistors, Capacitors)	Resistors, Capacitors	$5	1%	$5	0%	0%
Connectors	USB4.0, Thunderbolt	$5	1%	$5	0%	0%
Connectivity	Wifi 6 / Bluetooth 5 / USB 3.2	$5	1%	$5	0%	0%
Webcam module		$5	1%	$5	0%	0%
Touchpad		$5	1%	$5	0%	0%
Speakers		$5	1%	$5	0%	0%
Hinge and Brackets		$5	1%	$5	0%	0%
Ethernet controller and port		$4	1%	$4	0%	0%
Audio Codec		$2	0%	$2	0%	0%
Sensors (Ambient Light)		$2	0%	$2	0%	0%
Component Cost		$497	79%	$1,019	89%	105%
ODM margin	2%	$10	2%	$10	1%	0%
Brand margin	8%	$41	6%	$41	4%	0%
Retail margin	15%	$81	13%	$81	7%	0%
Total Factory Price (US$)		$628	100%	$1,150	100%	83%
ODM GM%		2.0%		1.0%		

Source: Company data, UBSe

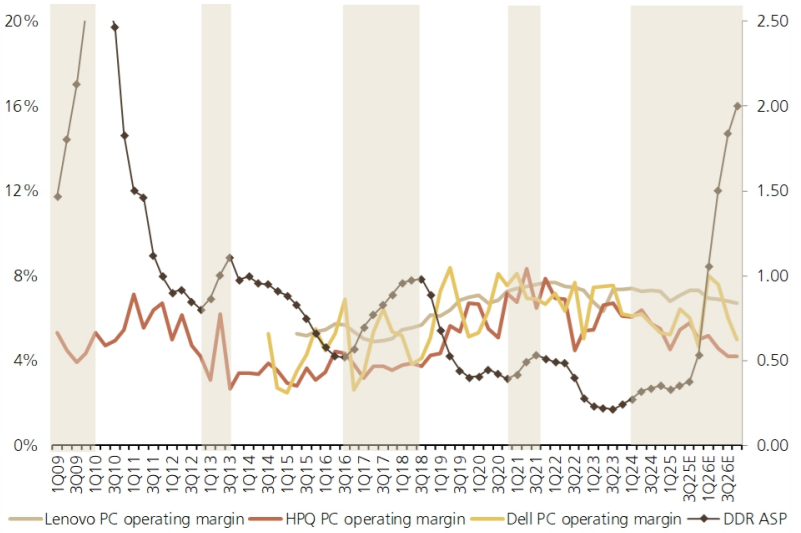
Memory prices a headwind for PC units and margins

Memory ASP Cycle

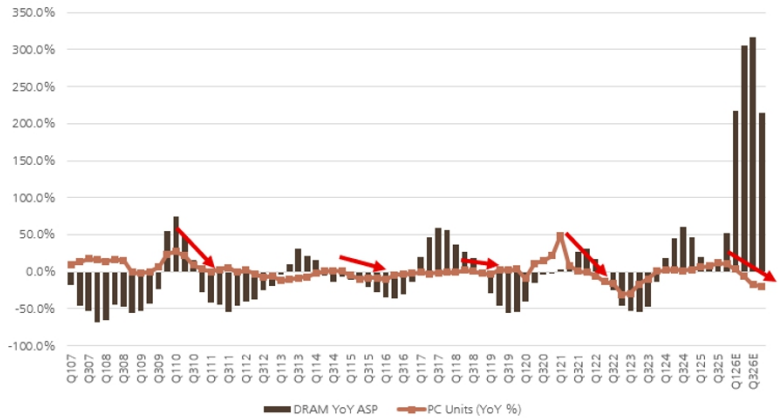
Memory ASP cycles vs. PC brand revenue



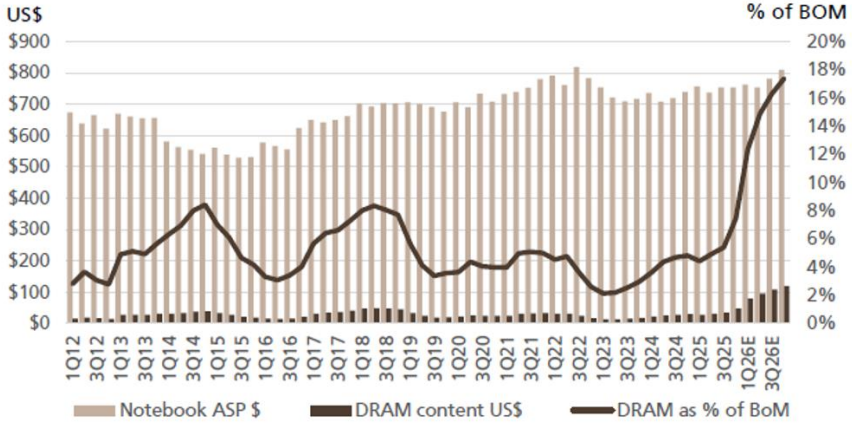
Memory ASP cycles vs. PC brand oprating margin



DRAM ASP YoY vs. PC units YoY



DRAM rising to 18% of a notebook BOM cost



Source: Company data, UBS estimates

TV Shipments: Units staying flattish

(mn)		2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026E	2027E
CRT	Japan	6.0	4.1	1.9	0.6	0.2	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	North America	24.8	22.1	15.6	5.4	3.1	0.5	0.1	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Europe	35.0	27.3	16.8	9.5	5.8	1.4	0.7	0.2	0.0	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	China	34.0	35.2	33.0	29.9	26.9	11.7	4.4	1.8	0.6	0.1	0.0	-	-	-	-	-	-	-	-	-	-	-	-	-
	ROW	66.1	66.3	63.0	61.7	50.7	37.5	32.7	24.0	15.5	7.0	3.4	1.4	0.5	0.1	-	-	-	-	-	-	-	-	-	-
	Total	**165.9**	**155.0**	**130.3**	**107.1**	**86.5**	**51.1**	**37.9**	**26.0**	**16.1**	**7.1**	**3.4**	**1.4**	**0.5**	**0.1**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
LCD	Japan	2.7	4.2	5.7	7.7	8.8	12.5	16.6	19.4	6.3	5.5	5.7	5.4	5.0	4.9	5.0	5.2	5.8	5.5	4.9	4.5	4.6	4.5	4.5	4.5
	North America	2.2	5.6	13.7	24.2	30.1	37.3	40.5	38.2	39.5	38.6	42.5	43.0	43.3	41.2	43.4	42.0	51.1	47.2	41.9	45.7	47.4	47.5	47.4	47.3
	Europe	3.0	8.8	18.1	29.4	37.3	42.9	50.5	51.4	50.3	49.4	52.1	44.9	44.2	43.5	43.5	45.3	46.7	46.5	39.1	37.7	41.1	39.9	40.0	39.6
	China	0.2	1.5	4.8	8.7	13.4	29.3	38.6	44.7	49.0	54.8	53.4	58.6	59.7	53.6	54.4	52.9	47.2	41.5	42.7	37.5	37.0	33.4	31.2	29.8
	Asia Pacific					7.2	10.3	14.4	20.5	23.7	25.7	29.6	29.7	33.0	34.2	36.3	37.7	33.8	31.5	32.0	32.6	32.4	34.3	34.7	34.9
	Latin America					5.5	8.2	16.1	19.5	21.7	22.1	26.9	28.9	22.2	23.2	24.1	24.4	24.1	22.9	23.1	24.7	26.3	27.9	28.5	28.6
	ME&A					2.8	4.9	8.3	11.6	12.7	13.9	14.8	13.8	14.0	13.0	12.2	12.4	13.1	11.9	13.1	13.1	14.0	14.6	14.4	13.9
	ROW	0.6	1.1	3.7	9.1																				
	Total	**8.7**	**21.2**	**46.0**	**79.1**	**105.1**	**145.3**	**185.0**	**205.3**	**203.3**	**209.9**	**224.9**	**224.3**	**221.5**	**213.5**	**218.8**	**219.9**	**221.8**	**207.0**	**196.7**	**195.8**	**202.8**	**202.1**	**200.7**	**198.5**
PDP	Japan	0.4	0.5	0.8	1.0	1.1	1.2	1.5	0.8	0.1	0.0	0.0	-	-	-	-	-	-	-	-	-	-	-	-	-
	North America	1.0	1.7	3.5	3.7	4.1	4.1	4.2	5.0	3.6	2.1	1.0	0.0	0.0	-	-	-	-	-	-	-	-	-	-	-
	Europe	1.0	2.2	2.9	3.8	4.6	4.3	4.8	4.1	3.1	1.6	0.5	0.0	-	-	-	-	-	-	-	-	-	-	-	-
	China	0.2	0.6	0.6	0.8	1.9	1.4	1.7	2.7	2.3	2.0	0.6	0.1	0.0	-	-	-	-	-	-	-	-	-	-	-
	ROW	0.3	0.9	1.5	2.0	2.9	3.2	3.8	4.8	4.2	4.5	4.5	0.1	0.0	-	-	-	-	-	-	-	-	-	-	-
	Total	**2.9**	**5.9**	**9.3**	**11.3**	**14.6**	**14.2**	**16.0**	**17.2**	**13.3**	**10.3**	**6.6**	**0.2**	**0.0**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
OLED	Japan								-	-	-	-	0.0	0.0	0.1	0.1	0.3	0.5	0.7	0.6	0.5	0.4	0.3	0.2	0.2
	North America								-	-	0.0	0.0	0.1	0.2	0.5	0.2	0.6	0.8	1.5	1.8	1.6	1.8	1.9	2.1	2.1
	Europe								0.0	-	0.0	0.0	0.1	0.3	0.6	0.5	1.4	1.7	2.9	2.9	2.4	2.8	3.2	3.5	3.5
	China								-	-	0.0	0.0	0.0	0.1	0.1	0.1	0.2	0.2	0.4	0.3	0.1	0.1	0.1	0.1	0.1
	Asia Pacific								0.0	0.0	0.0	0.0	0.1	0.1	0.2	0.1	0.4	0.4	0.7	0.7	0.6	0.6	0.6	0.7	0.7
	Latin America								-	-	0.0	0.0	0.0	0.0	0.0	0.0	0.1	0.1	0.2	0.2	0.2	0.2	0.2	0.2	0.2
	ME&A								0.0	-	0.0	0.0	0.0	0.0	0.1	0.0	0.0	0.1	0.2	0.1	0.1	0.2	0.2	0.2	0.2
	Total	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**0.0**	**0.0**	**0.0**	**0.1**	**0.3**	**0.7**	**1.6**	**1.1**	**3.0**	**3.7**	**6.5**	**6.5**	**5.6**	**6.1**	**6.5**	**6.9**	**7.0**
Others total		**5.9**	**4.9**	**4.0**	**1.8**	**0.4**	**0.2**	**-**	**0.1**	**0.1**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Grand total		**183.4**	**187.0**	**189.6**	**199.3**	**206.6**	**210.8**	**238.9**	**248.6**	**232.8**	**227.4**	**234.9**	**226.3**	**222.7**	**215.2**	**219.9**	**222.9**	**225.5**	**213.5**	**203.3**	**201.4**	**208.8**	**208.6**	**207.6**	**205.5**
LCD YoY			**144%**	**117%**	**72%**	**33%**	**38%**	**27%**	**11%**	**-1%**	**3%**	**7%**	**0%**	**-1%**	**-4%**	**3%**	**0%**	**1%**	**-7%**	**-5%**	**0%**	**4%**	**0%**	**-1%**	**-1%**
OLED YoY														**116%**	**120%**	**-33%**	**183%**	**22%**	**79%**	**0%**	**-15%**	**9%**	**7%**	**7%**	**1%**
Total YoY			**2%**	**1%**	**5%**	**4%**	**2%**	**13%**	**4%**	**-6%**	**-2%**	**3%**	**-4%**	**-2%**	**-3%**	**2%**	**1%**	**1%**	**-5%**	**-5%**	**-1%**	**4%**	**0%**	**0%**	**-1%**

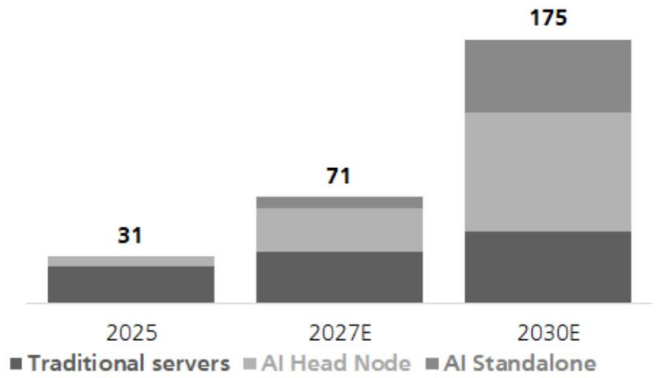
Source: Omdia, UBS estimates

Automobile volumes projected relatively stable in '26-29E

Sales, m units	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	Q126	Q226	Q326	Q426	2026E	2027E	2028E	2029E
Western Europe	**16.1**	**17.2**	**17.8**	**17.9**	**18.1**	**13.8**	**13.9**	**13.0**	**14.8**	**15.1**	**15.2**	**4.0**	**4.0**	**3.7**	**4.0**	**15.7**	**16.0**	**16.2**	**16.4**
% growth	*17.8%*	*7.2%*	*3.2%*	*0.5%*	*1.3%*	*-23.6%*	*0.2%*	*-6.2%*	*14.0%*	*1.6%*	*1.0%*	*3.6%*	*3.0%*	*3.6%*	*3.7%*	*3.5%*	*1.6%*	*1.5%*	*1.0%*
of which: Germany	3.5	3.6	3.7	3.7	3.9	3.2	2.9	2.9	3.1	3.1	3.1	0.8	0.8	0.8	0.9	3.3	3.3	3.4	3.4
% growth	*5.5%*	*4.8%*	*2.5%*	*0.6%*	*5.1%*	*-18.6%*	*-9.3%*	*-0.3%*	*7.7%*	*-0.2%*	*0.9%*	*4.0%*	*4.2%*	*4.7%*	*5.1%*	*4.5%*	*2.0%*	*1.5%*	*1.0%*
of which: France	2.3	2.4	2.5	2.6	2.7	2.1	2.1	1.9	2.2	2.1	2.0	0.5	0.6	0.4	0.6	2.1	2.1	2.1	2.1
% growth	*5.9%*	*5.6%*	*4.3%*	*4.1%*	*2.3%*	*-23.9%*	*1.9%*	*-10.2%*	*14.7%*	*-2.5%*	*-5.0%*	*-0.9%*	*4.3%*	*4.7%*	*3.9%*	*3.0%*	*1.5%*	*1.5%*	*1.0%*
of which: Italy	1.7	2.0	2.2	2.1	2.1	1.5	1.6	1.5	1.8	1.8	1.7	0.5	0.5	0.4	0.4	1.8	1.8	1.9	1.9
% growth	*15.6%*	*19.8%*	*6.2%*	*-4.0%*	*0.8%*	*-26.6%*	*6.6%*	*-10.1%*	*19.3%*	*-0.3%*	*-2.4%*	*8.2%*	*4.1%*	*3.0%*	*3.9%*	*5.0%*	*1.5%*	*1.5%*	*1.0%*
of which: Spain	1.2	1.3	1.4	1.5	1.5	1.0	1.0	0.9	1.1	1.2	1.3	0.3	0.4	0.3	0.4	1.4	1.4	1.4	1.5
% growth	*22.7%*	*11.0%*	*8.5%*	*7.1%*	*-4.0%*	*-31.5%*	*0.1%*	*-7.7%*	*17.5%*	*7.9%*	*12.9%*	*8.3%*	*2.0%*	*4.5%*	*5.7%*	*5.0%*	*1.5%*	*1.5%*	*1.0%*
of which: UK	3.0	3.1	2.9	2.7	2.7	1.9	2.0	1.9	2.3	2.3	2.3	0.7	0.6	0.7	0.5	2.5	2.5	2.5	2.6
% growth	*7.4%*	*2.0%*	*-5.2%*	*-6.3%*	*-1.8%*	*-28.1%*	*4.1%*	*-5.3%*	*18.4%*	*2.8%*	*1.5%*	*4.3%*	*3.2%*	*5.3%*	*5.2%*	*4.5%*	*1.5%*	*1.5%*	*1.0%*
RoWE	4.4	4.7	5.0	5.1	5.2	4.1	4.2	3.9	4.4	4.6	4.7	1.2	1.2	1.1	1.2	4.7	4.8	4.9	4.9
% growth	*49.6%*	*7.6%*	*5.8%*	*2.6%*	*1.5%*	*-21.3%*	*2.4%*	*-6.9%*	*13.2%*	*3.6%*	*1.8%*	*1.6%*	*1.3%*	*1.5%*	*1.5%*	*1.5%*	*1.5%*	*1.5%*	*1.0%*
Eastern Europe	**2.8**	**2.6**	**2.8**	**2.7**	**2.5**	**2.9**	**2.9**	**2.0**	**3.1**	**3.6**	**3.6**	**0.7**	**0.9**	**0.9**	**1.1**	**3.6**	**3.6**	**3.7**	**3.8**
% growth	*-39.3%*	*-7.6%*	*6.9%*	*-3.7%*	*-5.6%*	*14.3%*	*-0.1%*	*-31.5%*	*55.7%*	*17.0%*	*-1.6%*	*2.9%*	*4.2%*	*-2.3%*	*0.2%*	*1.0%*	*1.0%*	*2.0%*	*2.0%*
of which: Russia	1.6	1.4	1.6	1.8	1.8	1.6	1.7	0.7	1.1	1.6	1.4	0.3	0.3	0.4	0.4	1.4	1.4	1.5	1.5
% growth	*-35.6%*	*-11.2%*	*11.6%*	*13.1%*	*-2.5%*	*-8.7%*	*4.5%*	*-57.9%*	*59.5%*	*46.0%*	*-15.8%*	*5.0%*	*17.4%*	*-2.4%*	*-3.2%*	*3.0%*	*0.0%*	*2.0%*	*2.0%*
Europe	**18.9**	**19.8**	**20.6**	**20.6**	**20.6**	**16.7**	**16.8**	**15.0**	**17.9**	**18.7**	**18.8**	**4.7**	**4.9**	**4.6**	**5.1**	**19.3**	**19.6**	**19.9**	**20.2**
% growth	*3.3%*	*5.0%*	*3.7%*	*-0.1%*	*0.4%*	*-18.9%*	*0.1%*	*-10.6%*	*19.5%*	*4.3%*	*0.5%*	*3.5%*	*3.2%*	*2.4%*	*2.9%*	*3.0%*	*1.5%*	*1.6%*	*1.2%*
North America	**20.7**	**21.1**	**20.8**	**20.7**	**20.3**	**17.1**	**17.7**	**16.5**	**18.7**	**19.5**	**19.9**	**4.5**	**5.1**	**4.9**	**5.0**	**19.4**	**19.2**	**19.2**	**19.3**
% growth	*6.4%*	*1.7%*	*-1.5%*	*-0.2%*	*-2.0%*	*-15.8%*	*3.8%*	*-7.0%*	*13.2%*	*4.2%*	*2.3%*	*-5.6%*	*-1.8%*	*-3.6%*	*1.3%*	*-2.4%*	*-1.2%*	*0.2%*	*0.1%*
of which: USA	17.5	17.6	17.2	17.3	17.1	14.6	15.1	13.9	15.6	16.0	16.4	3.7	4.2	3.8	4.3	**16.0**	**15.8**	**15.8**	**15.8**
% growth	*5.8%*	*0.4%*	*-2.1%*	*0.8%*	*-1.3%*	*-14.6%*	*3.3%*	*-7.9%*	*12.4%*	*2.8%*	*2.1%*	*-6.6%*	*-1.6%*	*-7.2%*	*6.3%*	*-2.3%*	*-1.3%*	*0.0%*	*0.0%*
South America	**4.4**	**3.9**	**4.4**	**4.7**	**4.5**	**3.2**	**3.8**	**3.9**	**4.0**	**4.2**	**4.6**	**1.1**	**1.2**	**1.3**	**1.1**	**4.8**	**4.9**	**5.1**	**5.2**
% growth	*-18.5%*	*-10.9%*	*12.7%*	*6.5%*	*-3.6%*	*-28.8%*	*16.9%*	*2.2%*	*3.1%*	*5.5%*	*10.6%*	*13.8%*	*9.0%*	*5.0%*	*-10.8%*	*3.5%*	*3.0%*	*3.0%*	*3.0%*
of which: Brazil	2.5	2.0	2.2	2.5	2.7	2.0	2.0	2.0	2.2	2.5	2.6	0.6	0.7	0.7	0.7	2.6	2.7	2.8	2.9
% growth	*-25.6%*	*-19.9%*	*9.7%*	*13.0%*	*8.2%*	*-26.6%*	*1.2%*	*-1.0%*	*11.4%*	*14.0%*	*2.4%*	*15.4%*	*16.6%*	*-1.4%*	*-11.2%*	*3.5%*	*3.0%*	*3.0%*	*3.0%*
Asia	**38.0**	**41.3**	**42.6**	**42.1**	**39.0**	**35.9**	**37.0**	**38.3**	**40.5**	**40.5**	**42.5**	**9.0**	**9.4**	**9.5**	**11.2**	**39.0**	**40.1**	**41.1**	**42.2**
% growth	*3.1%*	*8.7%*	*3.0%*	*-1.0%*	*-7.3%*	*-8.1%*	*3.0%*	*3.6%*	*5.7%*	*0.0%*	*5.0%*	*-10.2%*	*-7.2%*	*-9.9%*	*-5.7%*	*-8.1%*	*2.7%*	*2.6%*	*2.6%*
of which: Japan	4.9	4.8	5.1	5.2	5.1	4.5	4.4	4.2	4.7	4.3	4.5	1.2	1.1	1.1	1.0	4.4	4.4	4.3	4.3
% growth	*-9.6%*	*-2.0%*	*5.9%*	*0.5%*	*-1.3%*	*-11.5%*	*-3.3%*	*-3.7%*	*12.0%*	*-7.9%*	*3.4%*	*-2.9%*	*4.3%*	*4.1%*	*-6.0%*	*-2.0%*	*-1.0%*	*-1.0%*	*-1.0%*
of which: China	24.4	27.6	28.0	27.0	24.7	23.7	23.9	24.1	25.5	25.9	27.3	4.8	5.5	5.5	7.4	23.2	23.7	24.2	24.7
% growth	*5.8%*	*12.8%*	*1.6%*	*-3.5%*	*-8.6%*	*-4.2%*	*1.0%*	*0.9%*	*5.6%*	*1.8%*	*5.4%*	*-21.0%*	*-15.2%*	*-20.2%*	*-5.6%*	*-15.0%*	*2.2%*	*2.2%*	*2.2%*
of which: India	3.2	3.4	3.7	4.0	3.5	2.8	3.5	4.4	4.7	4.9	5.2	1.5	1.4	1.3	1.4	5.6	6.0	6.3	6.7
% growth	*7.0%*	*8.2%*	*9.1%*	*7.3%*	*-11.6%*	*-20.6%*	*26.5%*	*23.7%*	*7.4%*	*4.1%*	*5.4%*	*13.2%*	*14.6%*	*10.4%*	*-1.0%*	*9.0%*	*6.0%*	*6.0%*	*6.0%*
of which: South Korea	1.8	1.8	1.8	1.8	1.7	1.8	1.7	1.6	1.7	1.6	1.6	0.4	0.4	0.4	0.4	1.7	1.7	1.7	1.7
% growth	*11.4%*	*-1.0%*	*-1.6%*	*1.4%*	*-3.3%*	*6.9%*	*-8.7%*	*-2.4%*	*3.3%*	*-6.5%*	*3.3%*	*5.6%*	*0.4%*	*-10.4%*	*9.3%*	*1.0%*	*1.0%*	*1.0%*	*1.0%*
of which: ASEAN	3.0	3.0	3.2	3.4	3.3	2.5	2.8	3.3	3.3	3.1	3.3	0.8	0.8	0.8	0.9	3.3	3.5	3.7	3.8
% growth	*-4.9%*	*2.4%*	*5.8%*	*5.5%*	*-1.6%*	*-26.2%*	*12.0%*	*21.0%*	*-1.1%*	*-5.5%*	*4.3%*	*10.0%*	*5.0%*	*3.2%*	*-3.4%*	*0.3%*	*6.6%*	*4.7%*	*4.4%*
Other	0.7	0.7	0.7	0.8	0.6	0.6	0.7	0.6	0.6	0.6	0.6	0.2	0.2	0.3	0.2	0.9	0.9	0.9	0.9
% growth	*13.0%*	*-3.3%*	*7.4%*	*7.6%*	*-16.5%*	*-8.0%*	*19.0%*	*-12.8%*	*-4.2%*	*3.7%*	*2.3%*	*14.6%*	*9.4%*	*127.2%*	*4.2%*	*37.0%*	*3.0%*	*3.0%*	*3.0%*
ROW	**6.2**	**6.1**	**6.2**	**5.6**	**4.9**	**4.2**	**5.0**	**5.4**	**5.7**	**5.9**	**6.2**	**1.4**	**1.2**	**1.6**	**2.0**	**6.2**	**6.4**	**6.6**	**6.8**
% growth	*-3.2%*	*-2.3%*	*1.9%*	*-10.0%*	*-11.4%*	*-14.0%*	*18.6%*	*6.3%*	*6.0%*	*4.0%*	*5.1%*	*-15.7%*	*-16.7%*	*7.1%*	*24.0%*	*0.0%*	*3.0%*	*3.0%*	*3.0%*
Total	**88.2**	**92.2**	**94.5**	**93.7**	**89.5**	**77.2**	**80.3**	**79.0**	**86.7**	**88.7**	**92.0**	**20.7**	**21.7**	**21.9**	**24.5**	**88.8**	**90.2**	**91.9**	**93.6**
% growth	*2.0%*	*4.5%*	*2.5%*	*-0.9%*	*-4.5%*	*-13.7%*	*4.0%*	*-1.6%*	*9.8%*	*2.3%*	*3.7%*	*-5.7%*	*-3.6%*	*-4.2%*	*-0.9%*	*-3.5%*	*1.6%*	*1.9%*	*1.8%*

Agentic computing also driving the CPU market

Estimate	2025	2027E	2030E	Comment
Traditional CPU Market				
Traditional CPU Market, MM	20	26	30	Grows from 2025 at 8% CAGR like C2005-2020
Traditional CPU ASP, (US$, K)	$1,200	$1,348	$1,606	Grows from 2025 at 1.5x 4% CAGR like C2005-2020
Traditional Market, US$bn	24	35	48	Implied by units and ASPs
AI CPU (Bottom-Up)				
AI Accelerator units (Bottom-up), MM	9	26	40	Largest programs (NVDA, AMD, TPU, Trn), ex-China
AI CPU Market (Bottom-up Ests), MM	3	12	33	
Head Node	3	9	~20	UBSe based announced systems
Standalone	0	3	13	Additional CPU units outside of rack
AI CPU ASP, (US$, K)	$2,430	$3,097	$3,805	Higher core count and clock speed increasing ASPs
AI CPU Market (Bottom-up Ests), US$br	7	36	126	
AI CPU (Top-Down)				
AI CPU Market (Top-Down Ests), MM			40	TAM based on 3-4T AI Spend, and 1-to-1 CPU/GPU attach
AI CPU ASP, K			$3,000	UBS ASP ests
AI CPU Market, US$bn			120	Implied by units and ASPs
Total Market				
Bottom-up units, MM	23	35	63	Traditional + Bottom-up Ests
Bottom-up TAM, US$bn	31	71	175	



Source: Company data, UBSe

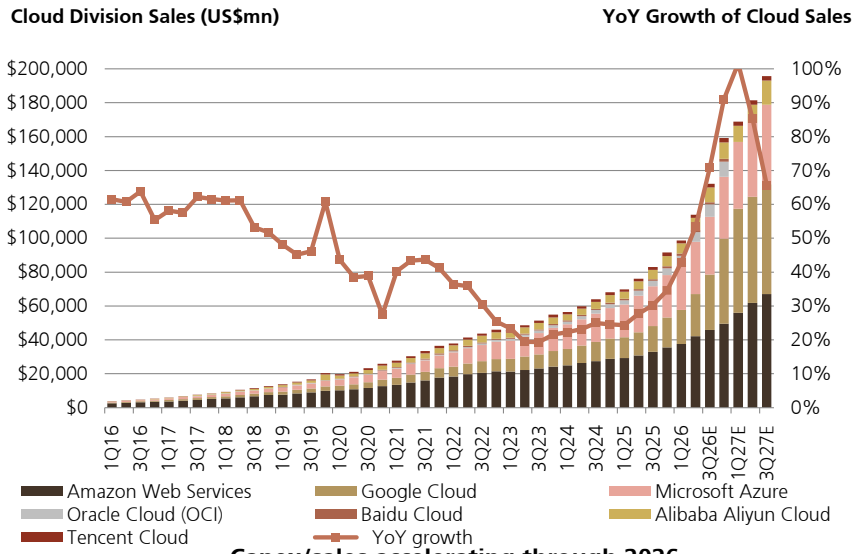
UBS global server model forecasts

UBS Server Model	2020	2021	2022	2023	2024	2025	2026E	2027E
Total Server shipments (K unit)	**13,550.0**	**13,967.3**	**14,942.9**	**14,086.9**	**16,025.4**	**20,078.0**	**23,874.2**	**27,844.1**
Yoy growth (%)	***7.5%***	***3.1%***	***7.0%***	***-5.7%***	***13.8%***	***25.3%***	***18.9%***	***16.6%***
Out of which conventional servers	**13,030**	**13,337**	**14,213**	**13,304**	**14,435**	**18,835**	**22,728**	**26,085**
YoY growth (%)	*5.9%*	*2.4%*	*6.6%*	*-6.4%*	*8.5%*	*30.5%*	*20.7%*	*14.8%*
Traditional Enterprise	**5,403**	**5,147**	**5,028**	**4,217**	**4,283**	**4,214**	**4,298**	**4,384**
YoY growth (%)	*-5.9%*	*-4.7%*	*-2.3%*	*-16.1%*	*1.6%*	*-4.0%*	*2.0%*	*2.0%*
Hyperscalers	**8,147**	**8,822**	**9,915**	**9,883**	**11,102**	**15,864**	**19,576**	**23,460**
YoY growth (%)	*25.2%*	*8.3%*	*12.4%*	*-0.3%*	*12.3%*	*42.9%*	*23.4%*	*19.8%*
Standard servers	**7,355**	**7,914**	**8,916**	**8,841**	**9,265**	**14,363**	**18,164**	**21,427**
YoY growth (%)	*23.8%*	*7.6%*	*12.7%*	*-0.8%*	*4.8%*	*55.0%*	*26.5%*	*18.0%*
AI Servers	**520**	**630**	**730**	**783**	**1,591**	**1,243**	**1,146**	**1,759**
YoY growth (%)	*73.3%*	*21.2%*	*15.9%*	*7.3%*	*103.1%*	*-21.8%*	*-7.8%*	*53.5%*
Database Servers	**272**	**278**	**270**	**259**	**246**	**258**	**266**	**274**
YoY growth (%)	*2.0%*	*2.0%*	*-3.0%*	*-4.0%*	*-5.0%*	*5.0%*	*3.0%*	*3.0%*

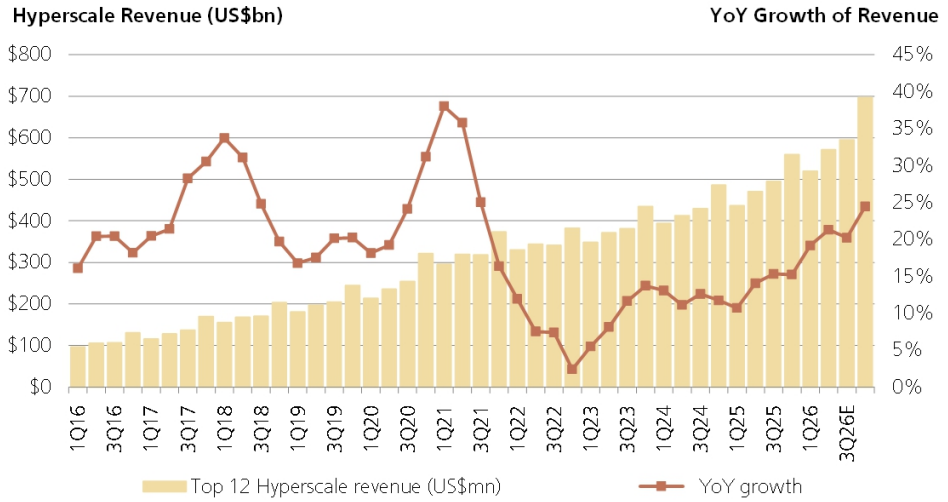
Source: Company data, UBSe

Cloud growth upsides again, capex outlook remains strong

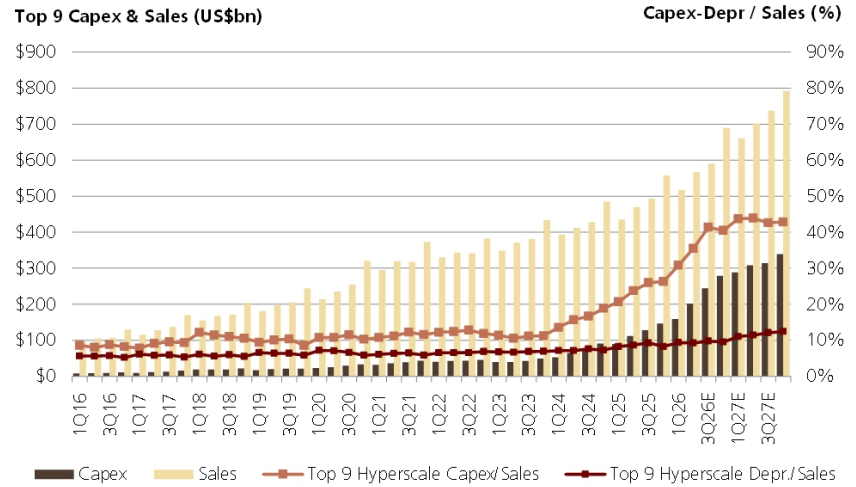
Cloud revenue growth accelerating



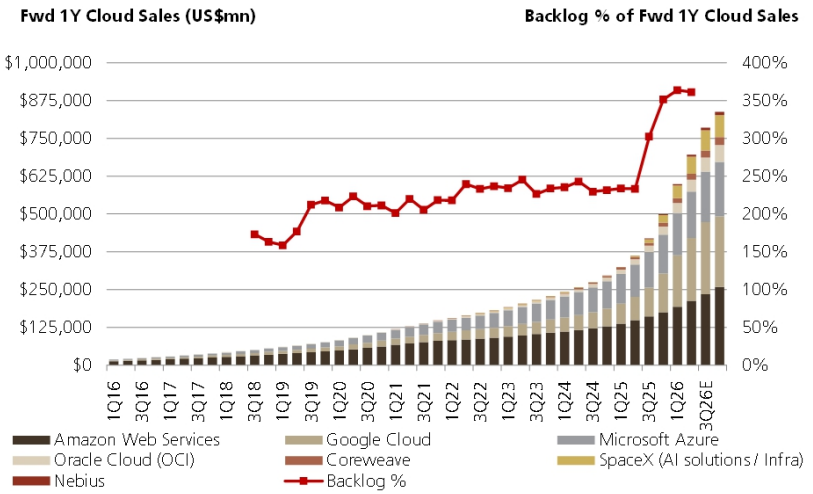
Internet revenue growth has rebounded



Capex/sales accelerating through 2026



Aggregate backlog over 350% of fwd 1Y cloud sales



Source: Company Data, Bloomberg consensus estimates, UBS estimates

Hyperscaler capex and sales tracker post Q226 results

Top 12 Hyperscale Capex (US$mn)	1Q25	2Q25	3Q25	4Q25	1Q26	2Q26	3Q26E	4Q26E	YoY	QoQ	2024	2025	2026E	2027E	2028E
Meta	$12,941	$16,538	$18,829	$21,383	$18,997	$30,116	$42,734	$52,833	47%	-11%	$37,256	$69,691	$144,681	$244,932	$293,634
Google	$17,197	$22,446	$23,953	$27,851	$35,674	$44,924	$55,149	$69,880	107%	28%	$52,535	$91,447	$205,627	$353,087	$379,221
Amazon	$25,019	$32,183	$35,095	$39,522	$44,203	$54,208	$58,708	$61,995	77%	12%	$82,999	$131,819	$219,114	$264,882	$293,858
Microsoft (+Leases)	$21,400	$24,200	$34,900	$37,500	$31,900	$41,000	$50,504	$51,982	49%	-15%	$75,600	$118,000	$175,387	$230,650	$266,426
Oracle	$5,862	$9,080	$8,502	$12,033	$18,635	$16,493	$20,612	$22,869	218%	55%	$10,745	$35,477	$78,608	$101,692	$95,873
Coreweave (+Leases)	$1,858	$2,937	$1,850	$8,241	$6,786	$9,352	$12,385	$10,180	265%	-18%	$8,391	$14,886	$38,704	$43,735	$48,109
SpaceX (AI / Terafab)	$2,567	$749	$4,760	$4,533	$7,723	$15,828	$16,000	$16,000	201%	70%	$5,633	$12,609	$55,551	$123,958	$155,480
Nebius	$544	$511	$956	$2,056	$2,473	$5,657	$6,789	$7,851	355%	20%	$819	$4,066	$22,770	$30,740	$36,273
Lambda Labs	$315	$360	$390	$435	$420	$480	$520	$580	33%	-3%	$500	$1,500	$2,000	$2,500	$3,000
Top 12 Hyperscale capex	**$95,186**	**$115,952**	**$136,078**	**$161,826**	**$176,688**	**$232,530**	**$279,859**	**$313,871**			**$295,771**	**$508,118**	**$1,002,860**	**$1,451,213**	**$1,614,199**
YoY growth	**70.6%**	**71.2%**	**79.1%**	**68.1%**	**85.6%**	**100.5%**	**105.7%**	**94.0%**			**70.1%**	**71.8%**	**97.4%**	**44.7%**	**11.2%**
QoQ growth	**-1.1%**	**21.8%**	**17.4%**	**18.9%**	**9.2%**	**31.6%**	**20.4%**	**12.2%**			**17.2%**	**25.9%**	**42.1%**	**49.5%**	**45.7%**

Hyperscale Total Sales (US$mn)	1Q25	2Q25	3Q25	4Q25	1Q26	2Q26	3Q26E	4Q26E	YoY	QoQ	2024	2025	2026E	2027E	2028E
Meta	$42,314	$47,516	$51,242	$59,893	$56,311	$60,801	$63,783	$74,204	33%	-6%	$164,500	$200,965	$255,099	$309,514	$371,688
Google	$90,234	$96,428	$102,346	$113,828	$109,896	$119,796	$131,307	$158,818	22%	-3%	$350,018	$402,836	$519,818	$668,945	$660,514
Amazon	$155,667	$167,702	$180,169	$213,386	$181,519	$200,606	$200,102	$242,631	17%	-15%	$637,959	$716,924	$824,858	$969,524	$1,167,881
Microsoft	$70,066	$76,440	$77,673	$81,272	$82,886	$90,007	$91,578	$96,025	18%	2%	$261,803	$305,451	$360,495	$428,057	$641,871
Oracle	$14,130	$15,903	$14,926	$16,058	$17,190	$19,184	$19,174	$21,273	22%	7%	$54,933	$61,017	$76,821	$106,549	$153,683
Coreweave	$982	$1,213	$1,365	$1,572	$2,078	$2,575	$3,525	$4,754	112%	32%	$1,915	$5,131	$12,932	$26,640	$40,119
SpaceX (AI segment)	$727	$737	$814	$923	$818	$2,561	$9,439	$15,056	13%	-11%	$2,924	$3,201	$27,874	$78,065	$105,552
Nebius	$51	$105	$146	$228	$399	$582	$913	$1,524	684%	75%	$96	$530	$3,418	$10,941	$22,156
Lambda Labs	$182	$208	$226	$252	$340	$388	$421	$469	86%	35%	$412	$868	$1,618	$2,518	$3,518
Top 12 Hyperscale revenue	**$436,042**	**$470,513**	**$494,829**	**$559,630**	**$519,580**	**$570,718**	**$594,858**	**$696,408**			**$1,721,215**	**$1,961,014**	**$2,381,564**	**$2,932,190**	**$3,534,917**
YoY growth	**10.7%**	**14.1%**	**15.3%**	**15.2%**	**19.2%**	**21.3%**	**20.2%**	**24.4%**			**12.1%**	**13.9%**	**21.4%**	**23.1%**	**20.6%**
QoQ growth	**-10.2%**	**7.9%**	**5.2%**	**13.1%**	**-7.2%**	**9.8%**	**4.2%**	**17.1%**							

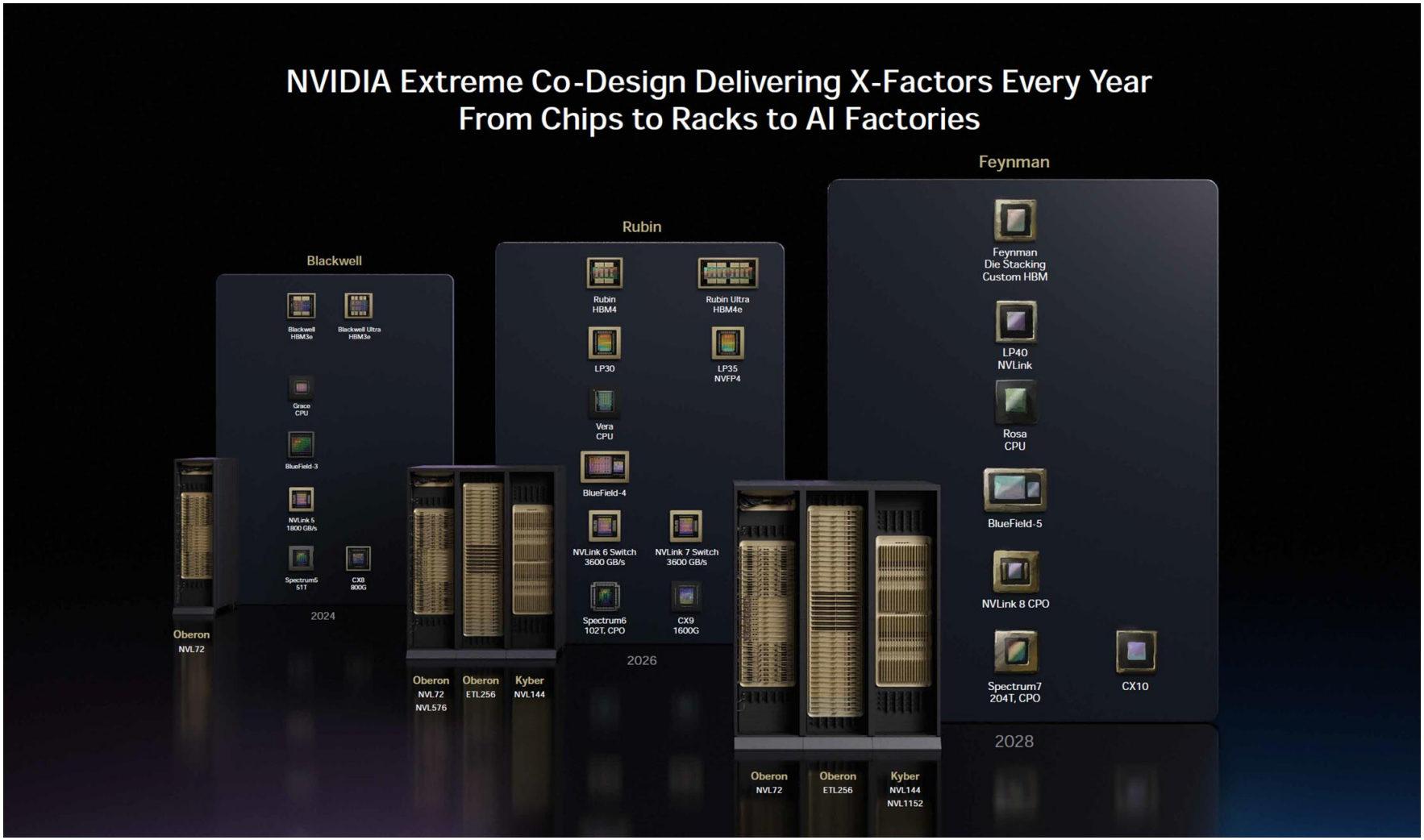
Hyperscale Capex/Sales (%)	1Q25	2Q25	3Q25	4Q25	1Q26	2Q26	3Q26E	4Q26E	YoY	QoQ	2024	2025	2026E	2027E	2028E
Meta Capex/Sales	30.6%	34.8%	36.7%	35.7%	33.7%	49.5%	67.0%	71.2%	15%	16%	22.6%	34.7%	56.7%	79.1%	79.0%
Google Capex/Sales	19.1%	23.3%	23.4%	24.5%	32.5%	37.5%	42.0%	44.0%	14%	5%	15.0%	22.7%	39.6%	52.8%	57.4%
Amazon Capex/Sales	16.1%	19.2%	19.5%	18.5%	24.4%	27.0%	29.3%	25.6%	8%	3%	13.0%	18.4%	26.6%	27.3%	25.2%
Microsoft Capex/Sales	30.5%	31.7%	44.9%	46.1%	38.5%	45.6%	55.1%	54.1%	14%	7%	28.9%	38.6%	48.7%	53.9%	41.5%
Oracle Capex/Sales	41.5%	57.1%	57.0%	74.9%	108.4%	86.0%	107.5%	107.5%	29%	-22%	19.6%	58.1%	102.3%	95.4%	62.4%
Top 12 Hyperscale Capex/Sales	**21.8%**	**24.6%**	**27.5%**	**28.9%**	**34.0%**	**40.7%**	**47.0%**	**45.1%**	**16.1%**	**6.7%**	**17.2%**	**25.9%**	**42.1%**	**49.5%**	**45.7%**

Hyperscale Cloud Sales	1Q25	2Q25	3Q25	4Q25	1Q26	2Q26	3Q26E	4Q26E	YoY	QoQ	2024	2025	2026E	2027E	2028E
Amazon Web Services	$29,267	$30,873	$33,006	$35,579	$37,587	$42,232	$45,859	$49,522	28%	6%	$107,556	$128,725	$175,200	$258,845	$377,739
Google Cloud	$12,260	$13,624	$15,157	$17,664	$20,028	$24,768	$32,733	$50,282	63%	13%	$43,229	$58,705	$127,811	$233,220	$178,668
Microsoft Azure	$19,390	$21,661	$23,484	$25,061	$27,189	$30,904	$34,081	$36,553	40%	8%	$64,870	$89,596	$128,727	$180,196	$238,862
Oracle Cloud (OCI)	$2,514	$2,868	$3,276	$3,949	$4,744	$5,655	$7,314	$8,903	89%	20%	$7,917	$12,606	$26,616	$55,401	$101,936
Hyperscale Cloud Sales (US$mn)	**$71,649**	**$78,309**	**$85,506**	**$94,386**	**$102,398**	**$120,115**	**$146,116**	**$180,242**	**43%**	**8%**	**$254,714**	**$329,850**	**$548,872**	**$905,678**	**$1,148,939**
YoY growth	**24.3%**	**27.7%**	**30.2%**	**34.6%**	**42.9%**	**53.4%**	**70.9%**	**91.0%**			**23.8%**	**29.5%**	**66.4%**	**65.0%**	**26.9%**

Top 9 Hyperscale Capex/Op CF (%)	1Q25	2Q25	3Q25	4Q25	1Q26	2Q26	3Q26E	4Q26E	YoY	QoQ	2024	2025	2026E	2027E	2028E
Meta Capex/Op CF	54%	65%	63%	59%	59%	95%	131%	128%			41%	60%	105%	152%	151%
Google Capex/Op CF	48%	81%	49%	53%	78%	115%	92%	96%			42%	56%	95%	107%	122%
Amazon Capex/Op CF	147%	99%	99%	71%	170%	119%	100%	68%			72%	93%	99%	81%	63%
Microsoft Capex/Op CF	58%	57%	77%	105%	68%	74%	95%	125%			60%	74%	89%	99%	98%
Oracle Capex/Op CF	99%	147%	104%	582%	261%	113%	372%	198%			53%	159%	202%	210%	103%
SpaceX Capex/Op CF	-2292%	-271%	521%	-506%	-1268%	1381%	520%	187%			1623%	-3403%	456%	174%	157%
Top 9 Hyperscale Capex/OCF	**67%**	**76%**	**70%**	**74%**	**89%**	**100%**	**98%**	**93%**			**52%**	**73%**	**101%**	**106%**	**82%**

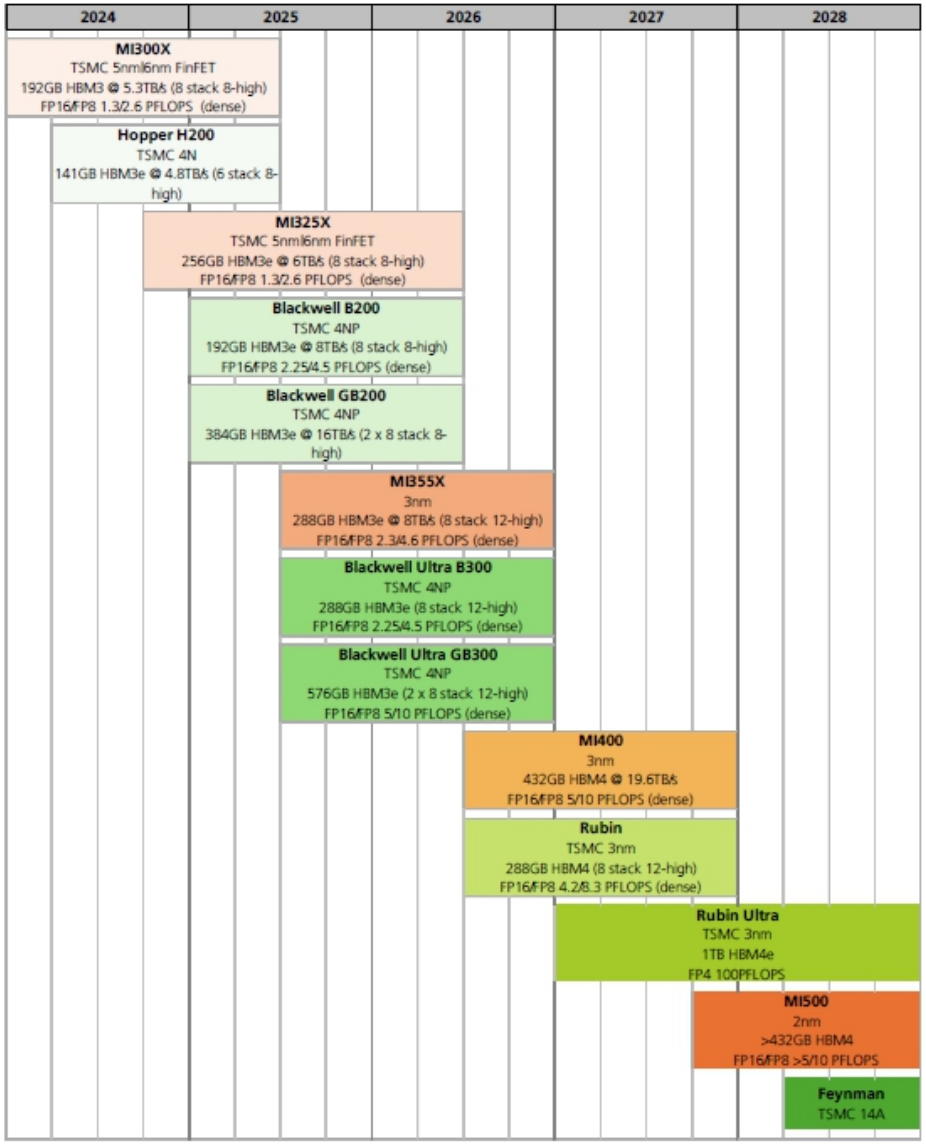
Source: Company Data, Bloomberg consensus estimates, UBS estimates

NVIDIA AI GPU Roadmap through 2028



Source:NVIDIA
Images courtesy of NVIDIA

NVIDIA/AMD AI GPU roadmap & TPU Assumptions



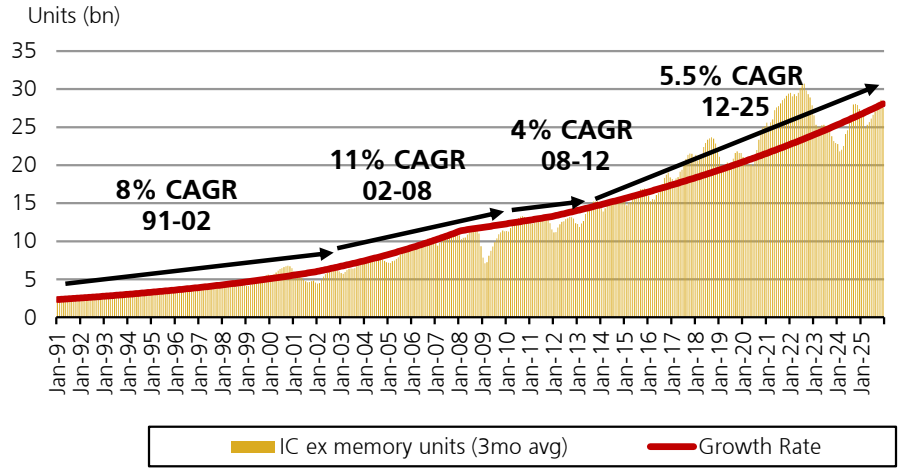
TPU forecast	2024	2025	2026E	2027E	2028E
ASIC sales (US$m)					
Broadcom	7,676	13,204	30,838	58,538	73,238
Anthropic rack			9,800	22,000	10,500
MediaTek			2,102	18,000	34,950
TPU units (k)					
Broadcom					
v5	1,280	440			
v6 (Trillium)		1,160	750		
v7 (Ironwood)		140	3,290	2,630	
v8i			290	4,030	5,890
v9AX					280
Total	1,280	1,740	4,330	6,660	6,170
MediaTek					
v8t			467	4,000	100
v9					2,300
Total			467	4,000	2,400
TPU ASIC ASP (US$)					
MediaTek					
v8t			4,500	4,500	4,500
v9X					15,000
Total package units (	1,280	1,740	4,797	10,660	8,570
Broadcom share	100%	100%	90%	62%	72%
MediaTek share	0%	0%	10%	38%	28%
Total die units (k)	1,280	1,880	8,377	17,320	22,200
Broadcom share	100%	100%	94%	77%	58%
MediaTek share	0%	0%	6%	23%	42%

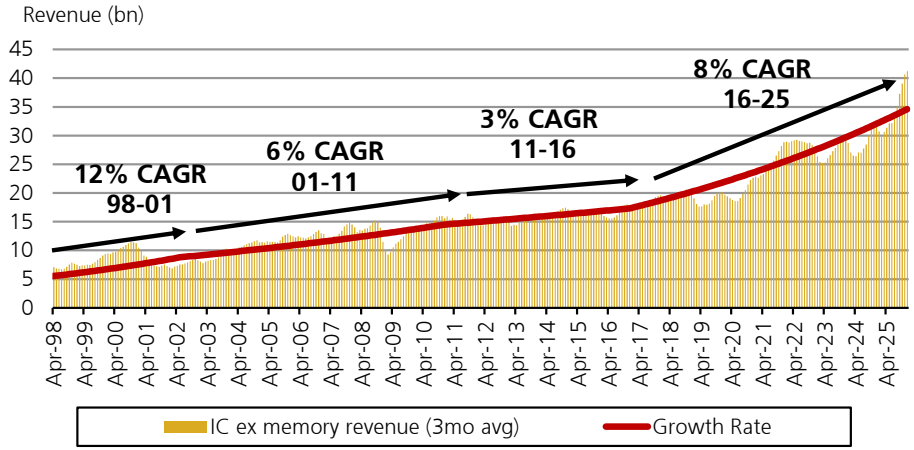
Source: Company data, UBS estimates

Section 2

Tech cycle update

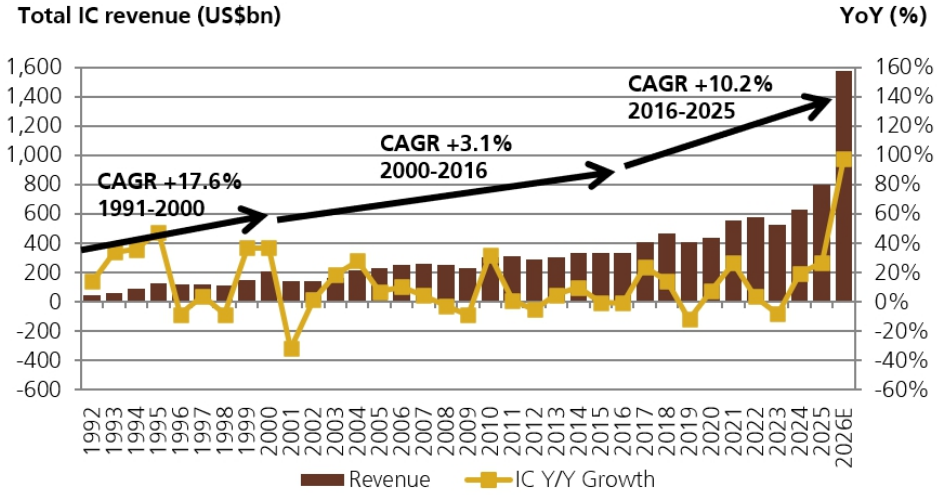
Semi units at trend, revenue now accelerating above trend

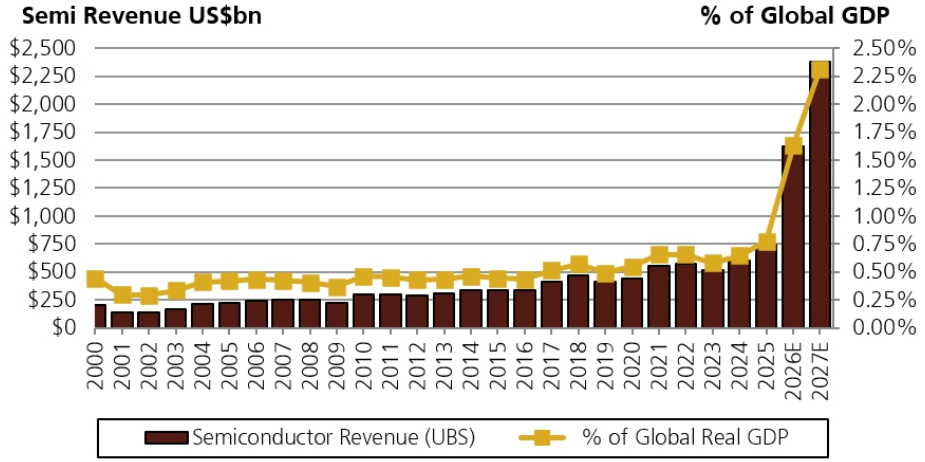




Source: SIA, UBS estimates

Semiconductor growth has accelerated as % of GDP

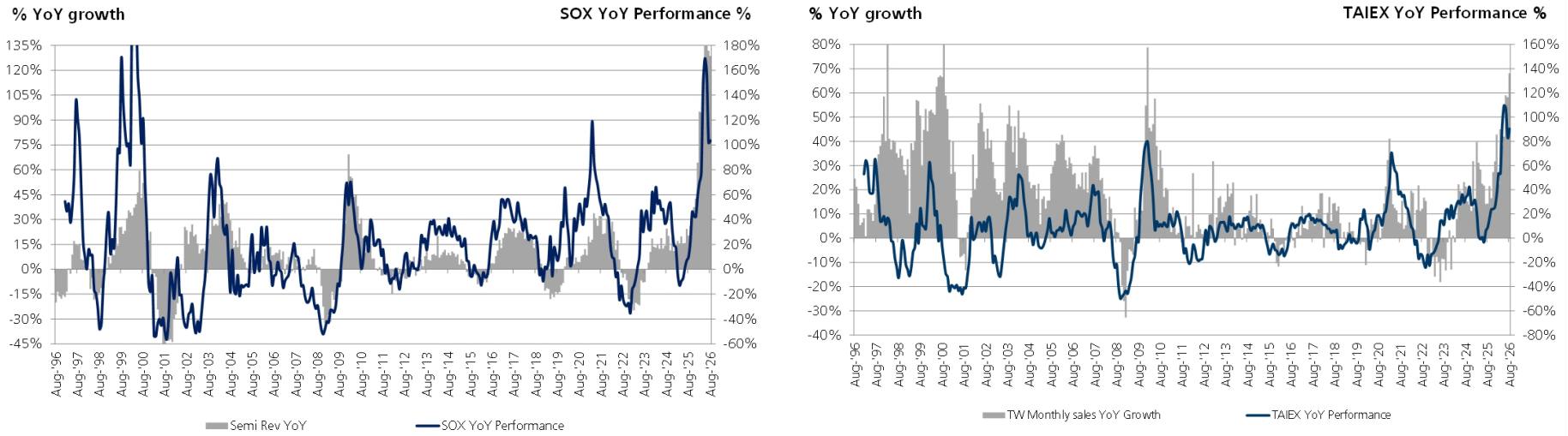




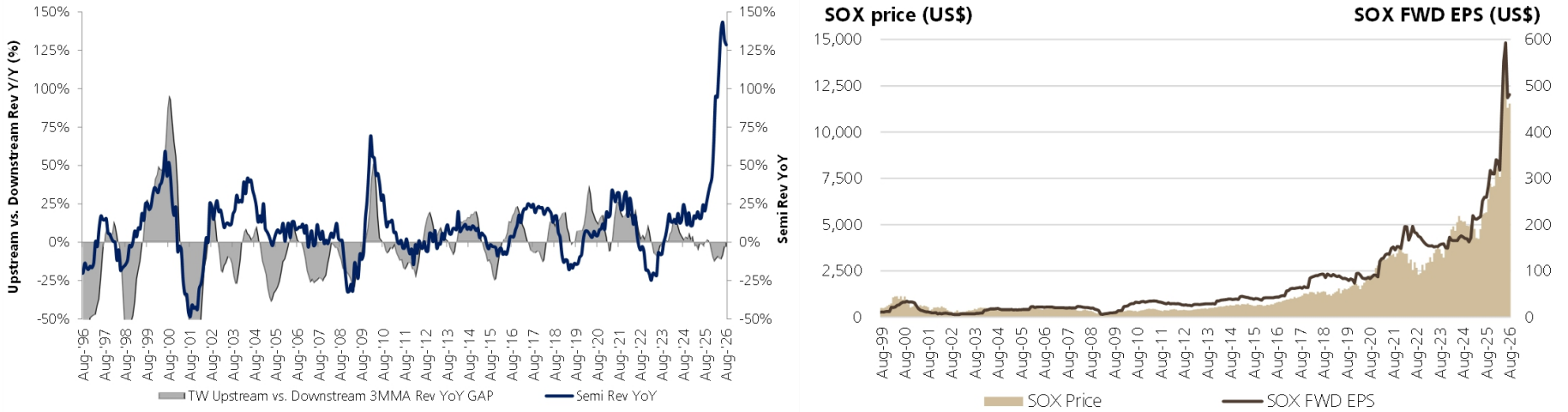
Source: Gartner, SIA, UBS estimates

Taiwan tech monthly sales vs. global semis

Taiwan sales trends with the SOX and TAIEX index performance



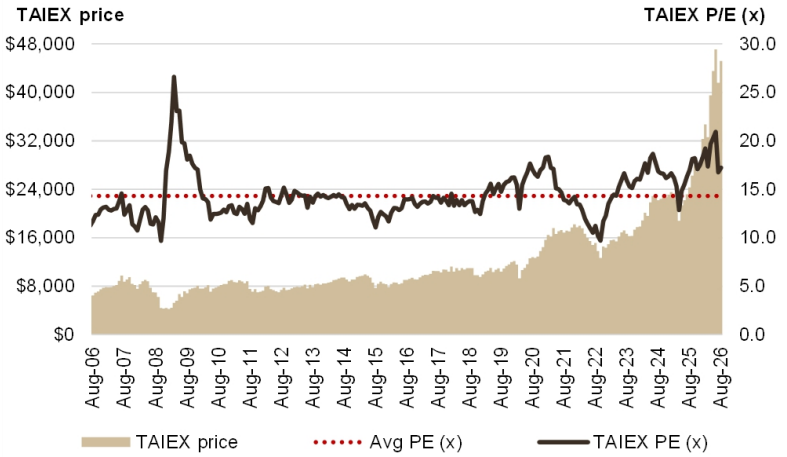
Taiwan upstream builds vs. downstream: Semi sales accelerate in-line with Hardware this cycle



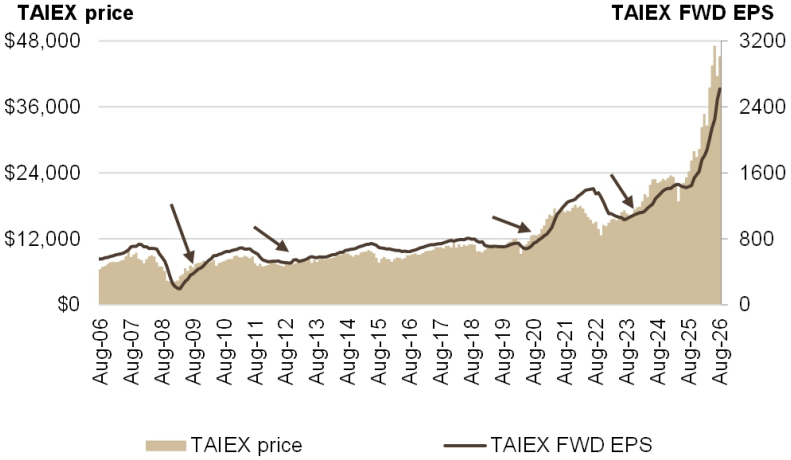
Source: Company data, SIA, LSEG Eikon, UBS estimates

Taiwan market valuations at up-cycle levels

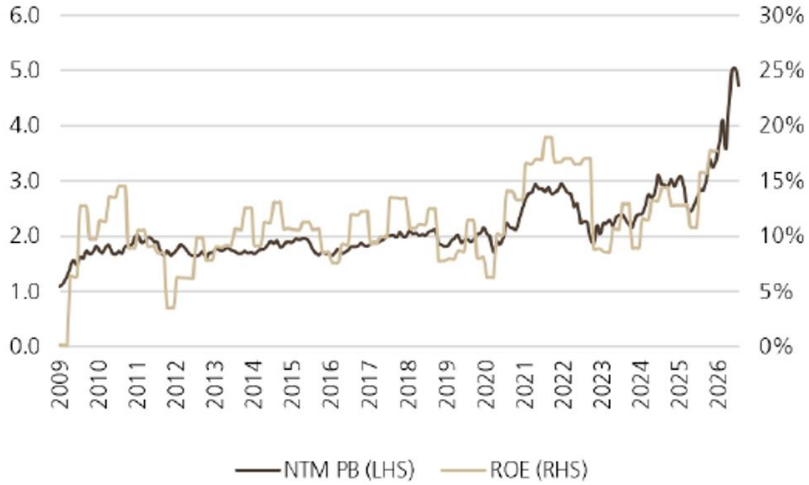
TAIEX valuation history



TAIEX earnings revision history

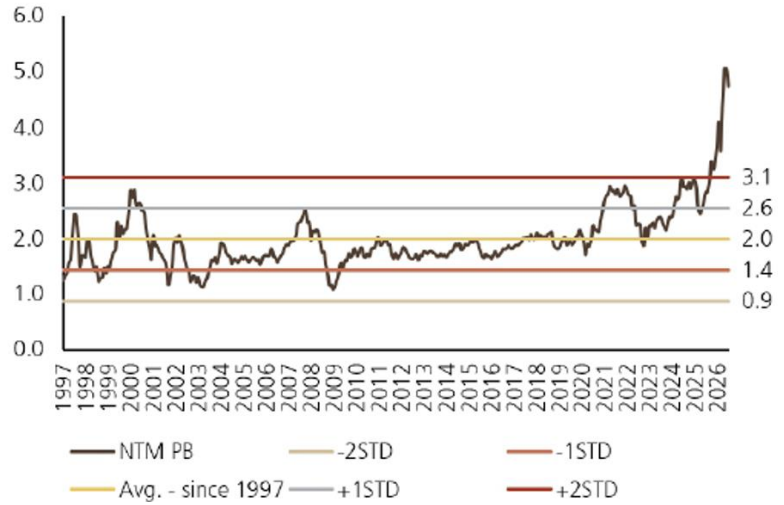


TAIEX's NTM P/BV vs ROE

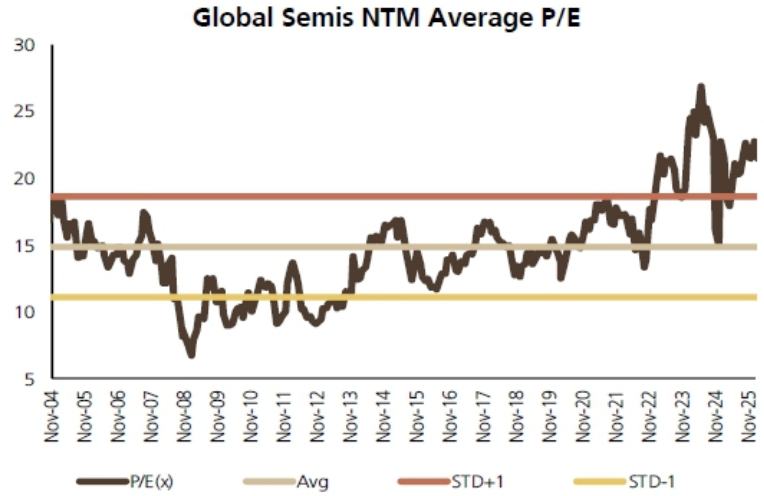


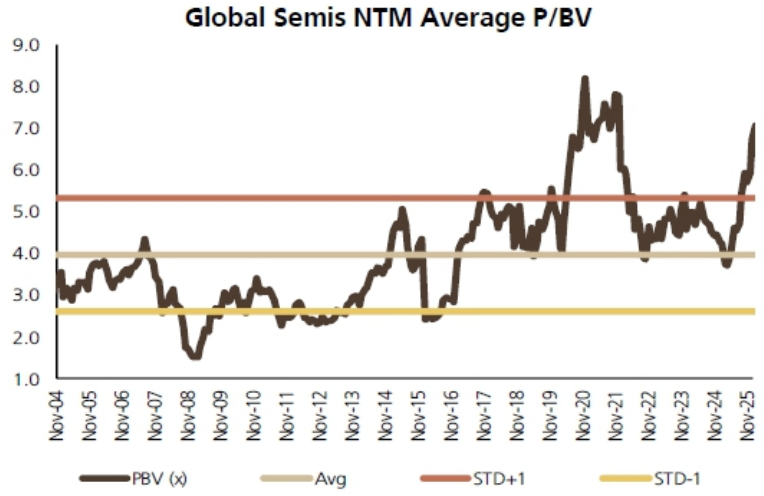
Source: Refinitiv, UBS estimates. Note: Data as of 10 Aug 2026

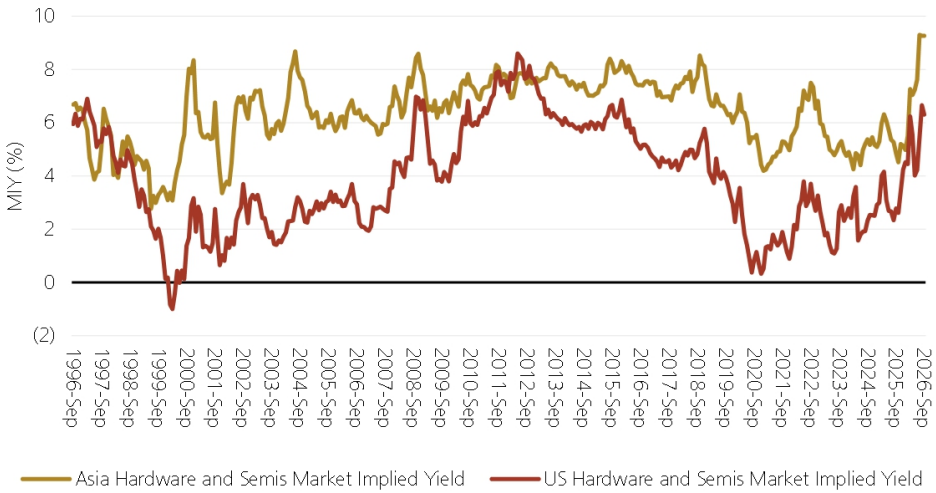
TAIEX's NTM P/BV



Semis valuation: Elevated relative to history







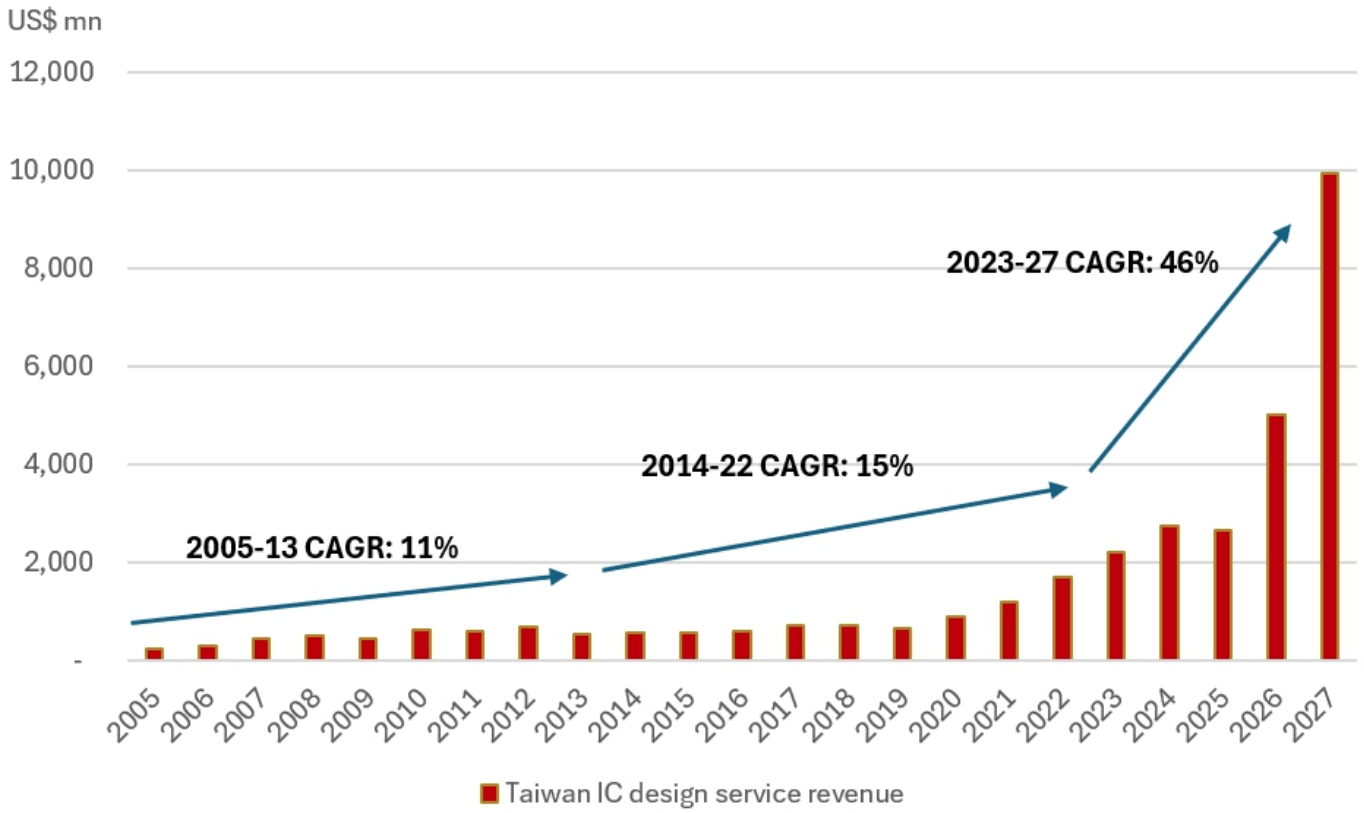
Bubble precondition	
Extended period of equities strongly outperforming bonds-happens at end of structural bull market.	✓
It is different this time around	✓
Gap of 25 years from previous bubble	✓
Overall profits (economy wide) under pressure	✓
High concentration	✓
Retail buying	✓
Loose monetary conditions.	?

Source:UBS estimates, UBS HOLT, Priced as of 31 Aug 2026

Section 3

IC design & design service company section

Taiwan IC design service companies sales set to further accelerate



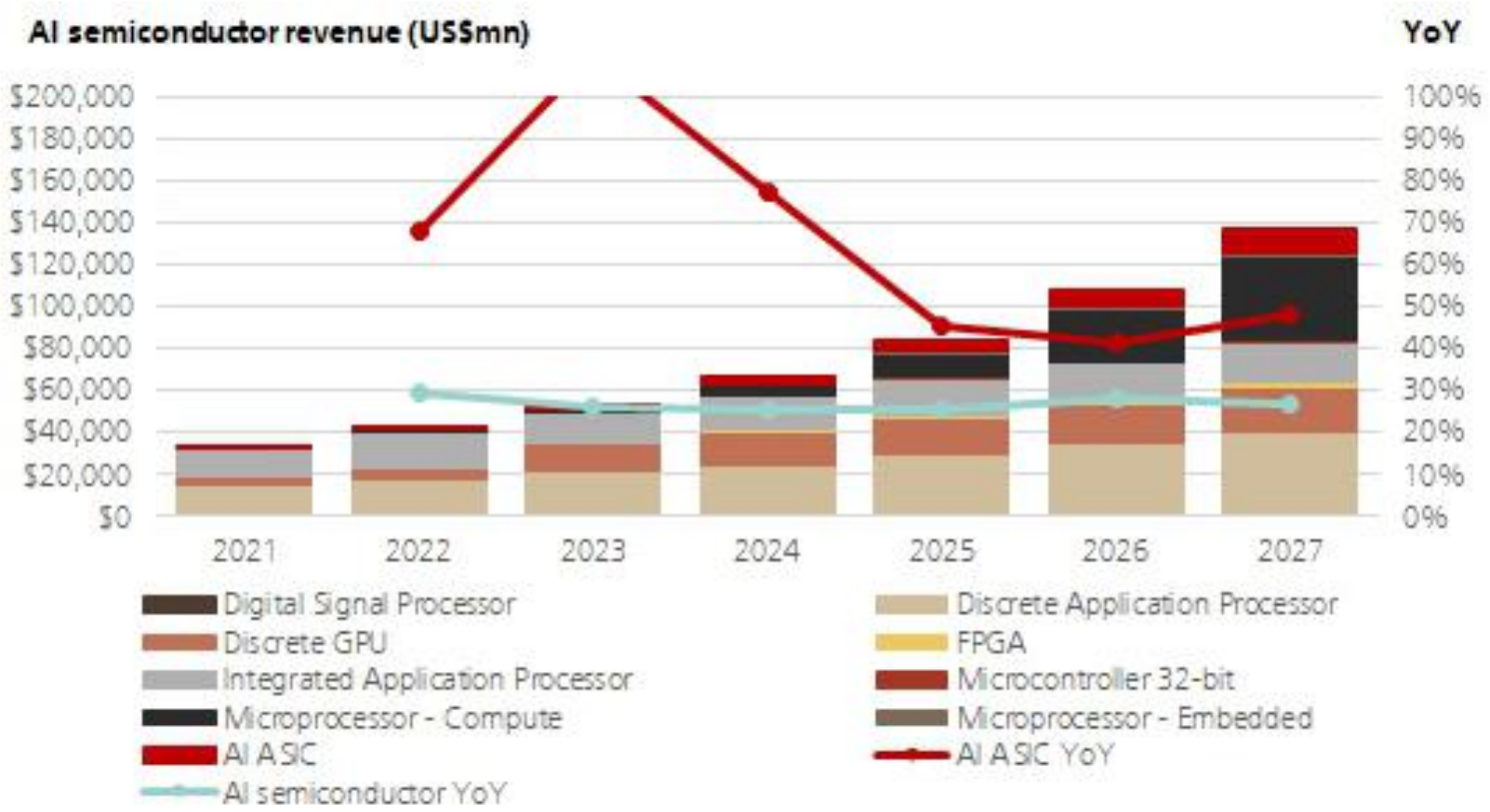
Source: Company data, UBSe

HPC, AI and networking to be drivers migrating to 3nm and beyond

	AI	HPC	Enterprise Networking
	Deep Learning Machine Learning Edge computing	Supercomputer Accelerator	Switches Routers Security
Market Drivers	AI workloads	Data growth exponentially in hyperscalers and commercial HPC	Cloud computing, SDN, network virtualization, network security
Product Challenges	Performance/watt Internode B/W	Processing power Performance/watt	Faster SerDes Backplane SI
Enabling Technologies	7nm → 5nm → 3nm 56G → 112G DDR4 → DDR5 GDDR5 → GDDR6 HBM2E → HBM3 D2D 2.5D package	7nm → 5nm → 3nm PCIe4 → PCIe5 DDR4 → DDR5 56G → 112G SerDes HBM2E → HBM3 D2D 2.5D → 3D package	7nm → 5nm → 3nm 56G → 112G SerDes DDR4 → HBM2E SerDes IP → Chiplet CoWos → InFO_os D2D 2.5D package

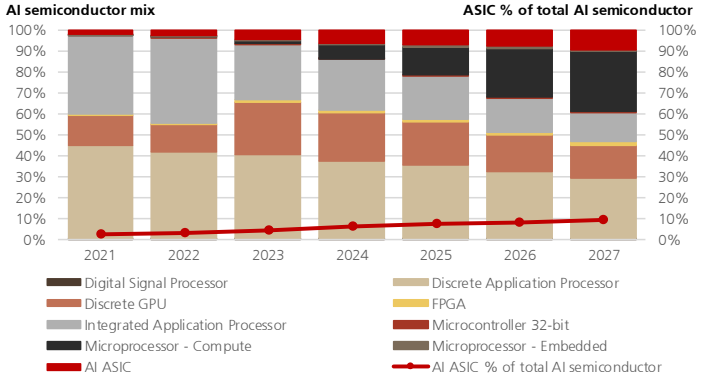
Source: Gartner

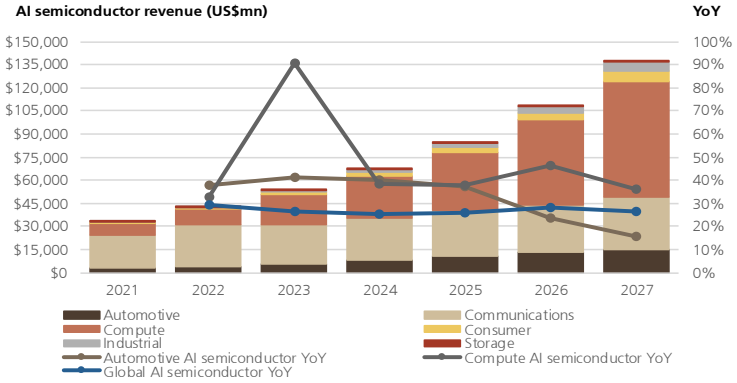
AI ASIC to outgrow the AI semiconductor market

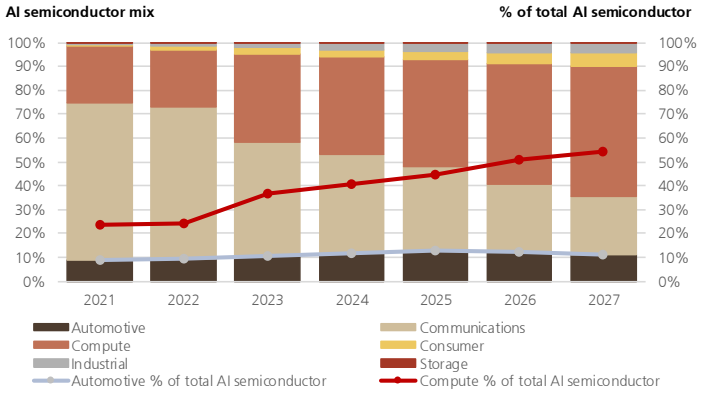


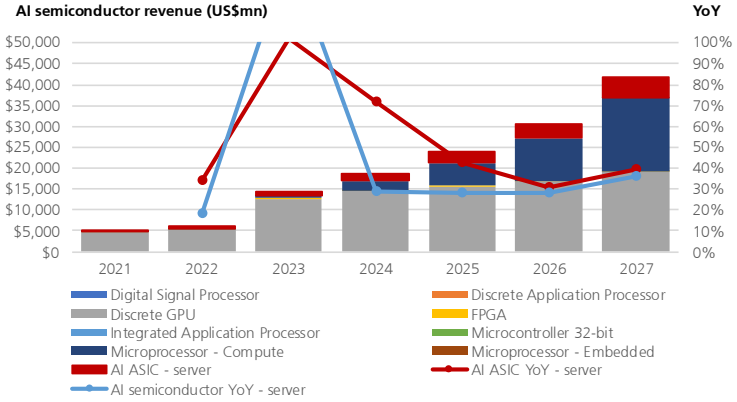
Source: Company data, UBSe

Accelerating AI penetration enlarges the IC design service TAM





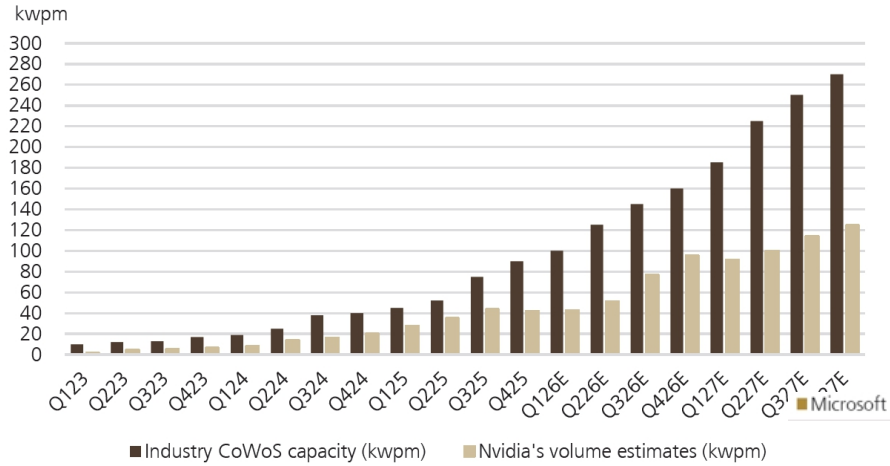




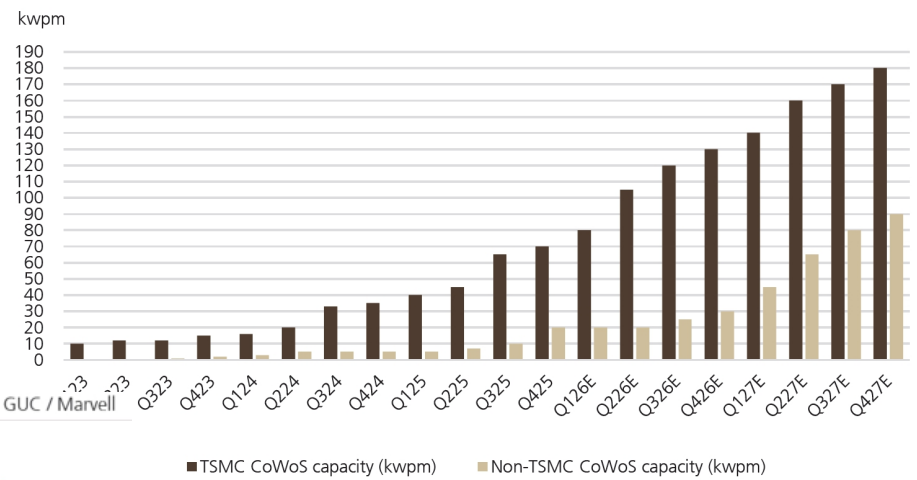
Source: Company data, UBS estimates

CoWoS demand bottom-up analysis shows strong demand

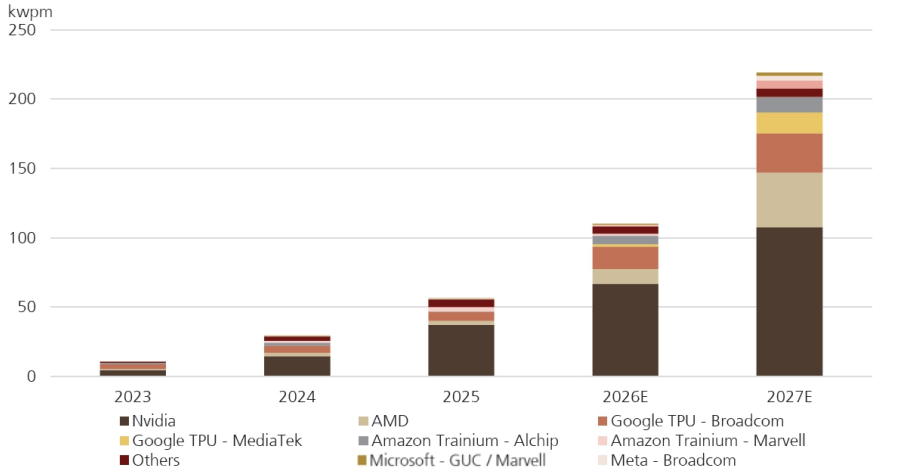
Industry CoWoS capacity vs Nvidia's volumes



TSMC's vs non-TSMC CoWoS capacity

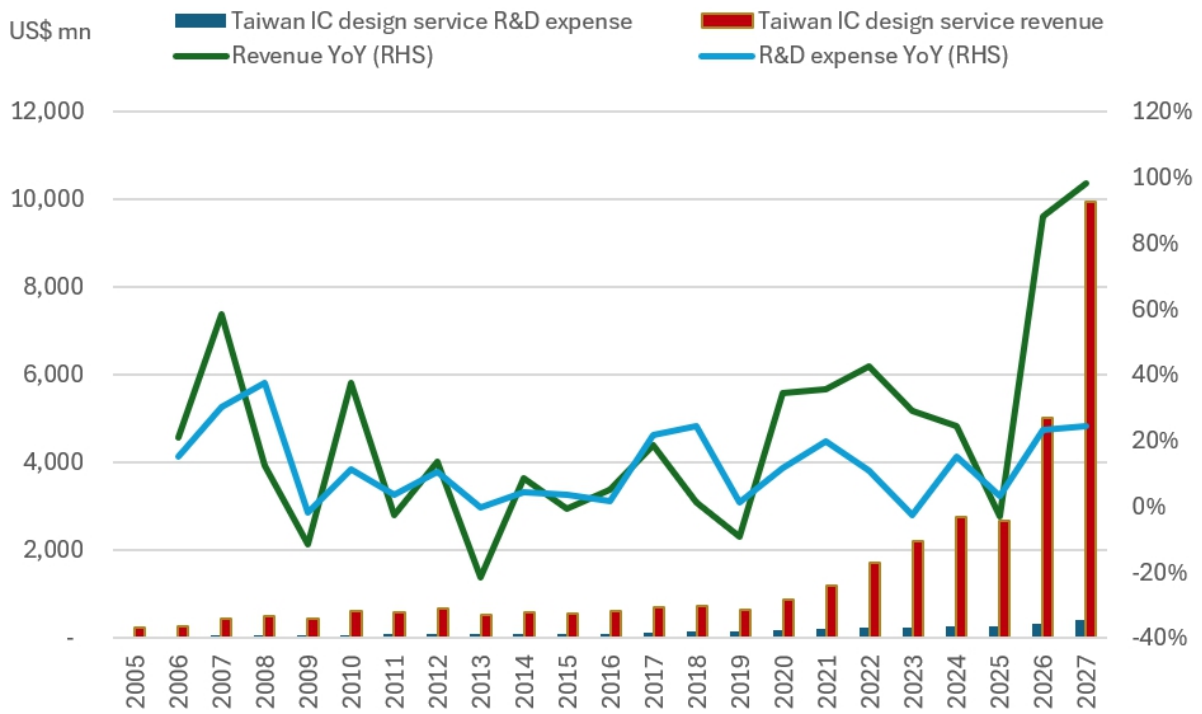


CoWoS demand for major customers



Source: Company data, UBSe

IC design service sales outgrowing R&D expense



Source: Company data, UBSe

Hyperscale ASIC specs for 2025-27

Hyperscaler ASIC projects in 2025E

Company	Amazon	Amazon	Amazon	Amazon	Amazon	Alphabet	Alphabet	Alphabet	Microsoft	Microsoft	Microsoft	Meta	Intel/Habana	Tesla
High performance computing ASICs	Graviton 3	Inferentia1	Trainium1/ Inferentia2	Trainium2/ Inferentia3	Trainium3/ Inferentia4	TPU v5p/v6p	TPU v5e	TPU v6e (Trillium)	Cobalt 100	Maia 100	Maia 200	MTIA	Gaudi 3	Dojo
Function	Data center CPU	AI inference	AI training & inference	AI training & inference	AI training & inference	AI training & inference	AI training & inference	AI training & inference	Data center CPU	AI training & inference	AI training & inference	AI training & inference	AI training & inference	AI training & inference
Production	2022	2021	2022	2024	2025	2023	2023	2025	2024	2024	2025	2023	2024	2023
Foundry	TSMC	TSMC	TSMC	TSMC	TSMC	TSMC	TSMC	TSMC	TSMC	TSMC	TSMC	TSMC	TSMC	TSMC
Process node	5nm	16nm	7nm	5nm	3nm	5nm	5nm	4nm	5nm	5nm	3nm	7nm	5nm	7nm
IC design service / supply chain management partner	N/A	Alchip	Alchip	Marvell	Alchip	Broadcom	Broadcom	Broadcom	GUC	GUC	GUC	Broadcom	Alchip	Alchip

Hyperscaler ASIC projects in 2026E

Company	Amazon	Amazon	Amazon	Amazon	Alphabet	Alphabet	Alphabet	Alphabet	Alphabet	Microsoft	Meta	OpenAI
High performance computing ASICs	Graviton 4	Trainium2/ Inferentia3	Trainium 2.5/Inferentia 3.5	Trainium3/ Inferentia4	TPU v6 Trillium	TPU v7 Ironwood	TPU 8i	TPU 8t	Axion 2	Maia 200	MTIA3	Titan v1
Function	Data center CPU	AI training & inference	AI inference	AI training & inference	AI training & inference	AI training & inference	AI inference	AI training	Data center CPU	AI training & inference	AI training & inference	AI training & inference
Production	2025	2024	2026	2026	2025	2025	2026	2026	2025	2025	2026	2026
Foundry	TSMC	TSMC	TSMC	TSMC	TSMC	TSMC	TSMC	TSMC	TSMC	TSMC	TSMC	TSMC
Process node	5nm	5nm	3nm	3nm	4nm	3nm	3nm	3nm	3nm	3nm	3nm	3nm
IC design service / supply chain management partner	N/A	Marvell	Marvell	Alchip	Broadcom	Broadcom	Broadcom	Mediatek	GUC	GUC	Broadcom	Broadcom

Hyperscaler ASIC projects in 2027E

Company	Amazon	Amazon	Amazon	Alphabet	Alphabet	Microsoft	Microsoft	Meta	Meta	OpenAI	OpenAI	Tesla
High performance computing ASICs	Graviton 5	Trainium 2.5/Inferentia 3.5	Trainium4	TPU 8i	TPU 8t	Maia 200	Maia 300	MTIA3	MTIA4	Titan v1	Titan v2	AI5
Function	Data center CPU	AI inference	AI training & inference	AI inference	AI training	AI training & inference	AI training & inference	AI training & inference	AI training & inference	AI training & inference	AI training & inference	Inference
Production	2027	2026	2027	2026	2026	2025	2027	2026	2027	2026	2027	2027
Foundry	TSMC	TSMC	TSMC	TSMC	TSMC	TSMC	TSMC	TSMC	TSMC	TSMC	TSMC	TSMC
Process node	5nm	3nm	2nm	3nm	3nm	3nm	3nm	3nm	2nm	3nm	2nm	3nm
IC design service / supply chain management partner	N/A	Marvell	Alchip	Broadcom	Mediatek	GUC	Marvell	Broadcom	Broadcom	Broadcom	Broadcom	GUC

Source: Company data, UBS estimates. OpenAI estimates from company guidance

CoWoS packaging summary by customer

Interposer Wafer Demand (kps)	Q126	Q226	Q326E	Q426E	Q127E	Q227E	Q327E	Q427E	2024	2025	2026E	2027E
Nvidia	**128**	**154**	**231**	**286**	**274**	**300**	**342**	**374**	**174**	**444**	**799**	**1,290**
AMD	**11**	**11**	**30**	**77**	**91**	**122**	**124**	**138**	**37**	**42**	**129**	**475**
ASICs and others	**79**	**98**	**106**	**110**	**173**	**216**	**233**	**242**	**147**	**193**	**393**	**865**
Google TPU - Broadcom									60	76	195	338
Google TPU - MediaTek									0	0	21	182
Amazon Trainium - Alchip									26	5	71	131
Amazon Trainium - Marvell									17	38	21	3
Meta									7	8	9	41
Microsoft									1	1	7	29
Others									37	65	62	72
Total	**218**	**264**	**367**	**473**	**538**	**637**	**700**	**755**	**358**	**679**	**1,321**	**2,630**
Nvidia Supply Chain Build Units (k chips)	**Q126**	**Q226**	**Q326E**	**Q426E**	**Q127E**	**Q227E**	**Q327E**	**Q427E**	**2024**	**2025**	**2026E**	**2027E**
Ampere	0	0	0	0	0	0	0	0	134	0	0	0
Hopper	180	251	215	100	0	0	0	0	4,086	1,402	747	0
Blackwell B200/B300 and GB200/GB300	1,703	1,855	1,715	953	350	111	81	0	314	5,520	6,225	542
Rubin R200 and VR200	0	70	678	1,399	1,676	1,814	1,497	844	0	0	2,148	5,832
Rubin R300 and VR300	0	0	0	0	0	137	639	1,416	0	0	0	2,193
Rubin CPX	0	0	0	26	61	71	40	45	0	0	26	217
Vera CPU	0	100	428	1,054	1,025	1,180	1,543	1,754	0	0	1,582	5,502
Total	**1,883**	**2,276**	**3,036**	**3,532**	**3,112**	**3,313**	**3,800**	**4,060**	**4,534**	**6,921**	**10,728**	**14,286**
AMD Supply Chain Build Units (k chips)	**Q126**	**Q226**	**Q326E**	**Q426E**	**Q127E**	**Q227E**	**Q327E**	**Q427E**	**2024**	**2025**	**2026E**	**2027E**
MI300 + MI325X + MI308X+MI355X	163	170	87	89	93	82	15	4	544	626	510	194
MI400	0	0	38	225	295	433	415	369	0	0	263	1,510
MI500	0	0	0	0	0	0	66	177	0	0	0	242
Venice CPU	0	0	400	900	1,000	1,300	1,300	1,400	0	0	1,300	5,000
Others	1	1	1	2	2	3	3	4	11	4	6	13
Total	**164**	**171**	**526**	**1,217**	**1,390**	**1,817**	**1,799**	**1,954**	**555**	**630**	**2,079**	**6,960**
ASIC Supply Chain Build Units (k chips)	**Q126**	**Q226**	**Q326E**	**Q426E**	**Q127E**	**Q227E**	**Q327E**	**Q427E**	**2024**	**2025**	**2026E**	**2027E**
Google TPU - Broadcom									2,045	2,565	3,680	5,000
Google TPU - MediaTek									0	0	467	4,000
Amazon Trainium - Alchip									1,000	176	1,780	3,080
Amazon Trainium - Marvell									600	1,335	686	85
Meta									348	421	165	445
Microsoft									26	34	104	400
Others									251	188	64	0
Total									**4,270**	**4,719**	**7,096**	**13,660**
SoIC (kps)	**Q126**	**Q226**	**Q326E**	**Q426E**	**Q127E**	**Q227E**	**Q327E**	**Q427E**	**2024**	**2025**	**2026E**	**2027E**
SoIC volume	**14**	**17**	**23**	**29**	**44**	**52**	**57**	**61**	**20**	**42**	**83**	**214**
TSMC's backend sales (US$m)	**Q126**	**Q226**	**Q326E**	**Q426E**	**Q127E**	**Q227E**	**Q327E**	**Q427E**	**2024**	**2025**	**2026E**	**2027E**
Sales from adv packaging	2,704	3,247	4,437	5,766	6,295	7,462	8,347	9,258	5,240	8,899	16,154	31,362
Sales from bumping & testing	919	1,019	1,157	1,273	1,324	1,456	1,602	1,698	2,348	3,156	4,368	6,079
Total TSMC's backend sales	**3,623**	**4,266**	**5,594**	**7,039**	**7,619**	**8,918**	**9,949**	**10,956**	**7,588**	**12,056**	**20,522**	**37,441**
% of TSMC's sales	10.1%	10.6%	12.3%	14.1%	14.6%	15.6%	15.7%	16.3%	8.4%	9.8%	12.0%	15.6%

Source: Company data, UBS estimates

UBS GPU model for NVIDIA

GPU/APU Units/Mix	CY2023 FY2024	CY2024 FY2025	1Q25 F1Q26	2Q25 F2Q26	3Q25 F3Q26	4Q25 F4Q26	CY2025 FY2026	1Q26 F1Q27	2Q26 F2Q27	3Q26E F3Q27E	4Q26E F4Q27E	CY2026E FY2027E	CY2027E FY2028E	CY2028E FY2029E
DC compute revenue ($MM)	**38,914**	**102,196**	**34,155**	**33,844**	**43,028**	**51,334**	**162,361**	**60,400**	**71,559**	**84,654**	**104,971**	**321,585**	**605,599**	**827,852**
% Q/Q			5%	-1%	27%	19%		18%	18%	**18%**	**24%**			
% Y/Y	244%	163%	76%	50%	56%	58%	59%	77%	111%	97%	104%	98%	88%	37%
GPUs Revs	**38,914**	**102,196**	**34,155**	**33,844**	**43,028**	**51,334**	**162,361**	**60,400**	**71,058**	**79,515**	**92,565**	**303,538**	**523,534**	**700,369**
ASP per GPU	**$ 22,087**	**$ 21,088**	**$ 23,471**	**$ 27,966**	**$ 30,902**	**$ 30,593**	**$ 28,307**	**$ 31,571**	**$ 33,140**	**$ 37,971**	**$ 47,083**	**$ 37,394**	**$ 62,215**	**$ 76,268**
% Q/Q			4%	33%	32%	9%		3%	17%	20%	42%			
% Y/Y		-5%	17%	41%	45%	35%	34%	35%	18%	23%	54%	32%	66%	23%
GPUs*	**1,761,836**	**4,846,071**	**1,455,177**	**1,210,165**	**1,392,391**	**1,677,992**	**5,735,726**	**1,913,137**	**2,144,166**	**2,094,091**	**1,965,991**	**8,117,384**	**8,414,931**	**9,182,967**
% Q/Q			1%	-75%	-4%	39%		14%	-63%	9%	-8%			
% Y/Y		175%	50%	6%	7%	16%	18%	31%	77%	50%	17%	42%	4%	9%
CPU Revs (all)	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**501**	**5,140**	**9,257**	**14,898**	**40,901**	**58,705**
CPUs	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**52,728**	**541,024**	**974,438**	**1,568,189**	**4,305,398**	**5,488,245**
LPU Revs	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**2,099**	**2,099**	**32,467**	**68,778**
LPUs	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**104,971**	**104,971**	**1,623,362**	**3,619,914**
Compute units (GPU, CPU, CPX, LPU)	**1,761,836**	**4,846,071**	**1,455,177**	**1,210,165**	**1,392,391**	**1,677,992**	**5,735,726**	**1,913,137**	**2,196,893**	**2,635,114**	**3,045,400**	**9,790,544**	**14,343,691**	**18,291,127**
GPUs/CPUs CoWoS**	**1,592,253**	**4,573,864**	**1,431,365**	**1,183,058**	**1,383,480**	**1,655,925**	**5,653,828**	**1,905,876**	**2,188,291**	**2,624,938**	**2,927,810**	**9,646,915**	**12,637,937**	**14,571,696**
ASP per unit	$ 22,087	$ 21,563	$ 25,819	$ 34,958	$ 38,628	$ 43,492	$ 35,409	$ 47,519	$ 51,040	$ 46,725	$ 51,853	$ 49,404	$ 72,658	$ 73,292
% Q/Q			6%	35%	10%	13%		9%	7%	-8%	11%			
% Y/Y		-2%	29%	76%	81%	78%	64%	84%	46%	21%	19%	40%	47%	1%
Units (chip, superchip units)	1,761,836	4,739,327	1,322,889	968,132	1,113,913	1,180,311	4,585,245	1,271,071	1,402,019	1,811,759	2,024,384	6,509,233	8,334,965	11,295,237
% Q/Q			-1%	-80%	-16%	22%		8%	-69%	43%	44%			
% Y/Y		169%	37%	-15%	-14%	-12%	-3%	-4%	45%	63%	72%	42%	28%	36%
Chip units by SKU (adjusted for Superchips: GB200/GB300/VR200 - 2 GPUs, VR300/VF200 - 4 GPUs)														
A100	556,038	602,396	-	-	-	-	-	-	-	-	-	-	-	-
H100	994,162	1,615,817	-	-	-	-	-	-	-	-	-	-	-	-
H200	-	1,071,730	224,891	246,874	89,113	47,118	607,995	-	-	-	-	-	-	-
H20	-	760,424	436,553	77,451	4,456	13,067	531,526	78,296	46,381	-	-	124,677	-	-
B30	-	-	-	-	-	-	-	-	-	-	-	-	-	-
B200	-	133,430	476,240	246,874	222,783	205,673	1,151,569	61,633	-	-	-	61,633	-	-
B300	-	-	-	125,857	507,944	389,189	1,022,990	480,000	497,283	433,860	153,710	1,564,853	153,010	-
R200	-	-	-	-	-	-	-	-	-	102,641	306,956	409,596	1,177,067	70,073
R300	-	-	-	-	-	-	-	-	-	-	-	-	711,128	1,854,453
Vera CPU (Standalone)	-	-	-	-	-	-	-	-	52,728	490,104	685,076	1,227,908	1,323,334	1,107,109
Vera CPU (VR200/300/LPX)	-	-	-	-	-	-	-	-	-	50,920	289,362	340,282	2,982,064	2,921,784
F200	-	-	-	-	-	-	-	-	-	-	-	-	-	590,646
Rosa CPU (Standalone)	-	-	-	-	-	-	-	-	-	-	-	-	-	1,058,150
Rosa CPU (F200/300)	-	-	-	-	-	-	-	-	-	-	-	-	-	401,203
GH200	12,247	81,444	13,229	-	-	-	13,229	-	-	-	-	-	-	-
GB200: 2 chips in superchip	-	213,487	264,578	290,440	245,061	442,534	1,242,613	392,070	125,542	-	-	517,612	-	-
GB300: 2 chips in superchip	-	-	-	193,626	311,896	552,828	1,058,350	892,062	1,464,207	1,443,030	910,828	4,710,127	495,035	-
VR200: 2 chips in superchip	-	-	-	-	-	-	-	-	-	101,840	552,481	654,320	4,304,570	-
Rubin CPX	-	-	-	-	-	-	-	-	-	-	26,243	26,243	217,414	-
LPU	-	-	-	-	-	-	-	-	-	-	104,971	104,971	1,623,362	3,619,914
VR300: 2 chips in superchip	-	-	-	-	-	-	-	-	-	-	-	-	1,253,718	4,938,589
VF200: 4 chips in superchip	-	-	-	-	-	-	-	-	-	-	-	-	-	1,604,811
L40S	111,592	298,882	26,458	19,363	-	-	45,820	-	-	-	-	-	-	-
Other	87,798	68,460	13,229	9,681	11,139	27,584	61,633	9,076	10,753	12,720	15,773	48,322	102,990	124,396
Total chip units	**1,761,836**	**4,846,071**	**1,455,177**	**1,210,165**	**1,392,391**	**1,677,992**	**5,735,726**	**1,913,137**	**2,196,893**	**2,635,114**	**3,045,400**	**9,790,544**	**14,343,691**	**18,291,127**

Source: Company data, UBS estimates

"GPUs" include adjustment for superchips. For example, GB200/300 and VR200/300 all have 2 GPUs and 1 CPU and counted as 2 GPUs each in our GPU count. "Units (chip, superchip)" count total units sold, representing multi-GPU superchips as 1 unit.
GPU/CPUs CoWoS number assumes NVDA's "Other" CoWoS requirement at 20%.

UBS data center revenue for AMD

GPU/APU Units/Mix	CY2023	CY2024	1Q25	2Q25	3Q25	4Q25	CY2025	1Q26	2Q26	3Q26E	4Q26E	CY2026E	CY2027E	CY2028E
AMD DC GPU revenue ($MM)	555	5,025	1,425	950	1,875	2,504	6,754	2,430	2,750	3,550	6,400	15,130	43,250	69,600
% Q/Q			-7%	-33%	97%	34%		-3%	13%	29%	80%			
% Y/Y		805%	78%	-10%	14%	64%	34%	71%	189%	89%	156%	124%	186%	61%
Units														
MI300	30,285	372,116	30,801	23,549	31,906	28,818	115,075							
MI325X		11,781	25,301	45,020	38,508	23,578	132,407	11,449	-	-	-	11,449	-	-
MI355X			-	-	33,007	64,185	97,192	72,127	87,859	65,534	58,009	283,530	47,169	-
MI308X			52,802	-	5,501	13,099	71,402	29,767	33,889	30,676	33,467	127,798	50,299	-
MI400X										41,830	129,406	171,236	894,422	288,760
MI500X													301,440	1,110,838
MI500X successor														353,789
Other	9,594	10,605	1,100	693	1,100	1,310	4,203	1,145	1,255	1,394	2,231	6,025	13,064	17,711
Total units	**39,879**	**394,501**	**110,005**	**69,262**	**110,022**	**130,990**	**420,279**	**114,488**	**123,003**	**139,434**	**223,113**	**600,038**	**1,306,393**	**1,771,098**
% Q/Q			-7%	-37%	59%	19%		-13%	7%	13%	60%			
% Y/Y		889%	76%	-18%	-16%	11%	7%	4%	78%	27%	70%	43%	118%	36%
ASP (per unit)														
MI300A APU			$ 13,600	$ 13,600	$ 13,600	$ 13,600		$ 10,880	$ 10,880	$ 10,880	$ 10,880			
MI300X OAM			$ 10,800	$ 10,800	$ 10,800	$ 10,800		$ 8,640	$ 8,640	$ 8,640	$ 8,640			
MI325X OAM			$ 13,500	$ 13,500	$ 13,500	$ 13,500		$ 12,150	$ 12,150	$ 12,150	$ 12,150			
MI355X OAM					$ 25,000	$ 25,000		$ 25,000	$ 25,000	$ 25,000	$ 25,000			
MI308X OAM			$ 10,000	$ 10,000	$ 10,000	$ 10,000		$ 10,000	$ 10,000	$ 10,000	$ 10,000			
MI400X OAM										$ 32,500	$ 32,500			
MI500X OAM														
MI500X successor														
Other PCIe			$ 6,000	$ 6,000	$ 6,000	$ 6,000		$ 6,000	$ 6,000	$ 6,000	$ 6,000			
Instinct Platform (MI300X)			$ 13,300	$ 13,300	$ 13,300	$ 13,300		$ 11,140	$ 11,140	$ 11,140	$ 11,140			
Instinct Platform (MI325X)			$ 16,000	$ 16,000	$ 16,000	$ 16,000		$ 14,650	$ 14,650	$ 14,650	$ 14,650			
Instinct Platform (MI355X)					$ 27,500	$ 27,500		$ 27,500	$ 27,500	$ 27,500	$ 27,500			
Instinct Platform (MI308X)			$ 12,500	$ 12,500	$ 12,500	$ 12,500		$ 12,500	$ 12,500	$ 12,500	$ 12,500			
Instinct Platform (MI400X)										$ 35,000	$ 35,000			
Instinct Platform (MI500X)														
Instinct Platform (MI500X successor)														
Blended avg ASP	**$ 13,917**	**$ 12,738**	**$ 12,954**	**$ 13,716**	**$ 17,042**	**$ 19,116**	**$ 16,070**	**$ 21,225**	**$ 21,910**	**$ 25,460**	**$ 28,685**	**$ 25,110**	**$ 33,106**	**$ 39,298**
% Q/Q			0.1%	5.9%	24.2%	12.2%		11.0%	3.2%	16.2%	12.7%			
% Y/Y		-8.5%	1.2%	9.7%	34.5%	47.7%	26.2%	63.8%	59.7%	49.4%	50.1%	56.3%	31.8%	18.7%
Implied GPU units														
MI300A	19,128	25,975	5,500	2,078	-	-	7,578	-	-	-	-	-	-	-
MI300X	11,158	346,141	25,301	21,471	31,906	28,818	107,497	-	-	-	-	-	-	-
MI325X		11,781	25,301	45,020	38,508	23,578	132,407	11,449	-	-	-	11,449	-	-
MI355X			-	-	33,007	64,185	97,192	72,127	87,859	65,534	58,009	283,530	47,169	-
MI308X			52,802	-	5,501	13,099	71,402	29,767	33,889	30,676	33,467	127,798	50,299	-
MI400X										41,830	129,406	171,236	894,422	288,760
MI500X													301,440	1,110,838
MI500X successor														353,789
Other	9,594	10,605	1,100	693	1,100	1,310	4,203	1,145	1,255	1,394	2,231	6,025	13,064	17,711
Total AMD GPU Units	**39,879**	**394,501**	**110,005**	**69,262**	**110,022**	**130,990**	**420,279**	**114,488**	**125,513**	**139,434**	**223,113**	**602,549**	**1,306,393**	**1,771,098**
% Y/Y		889.2%					6.5%					43.4%	116.8%	35.6%

Source: Company data, UBS estimates

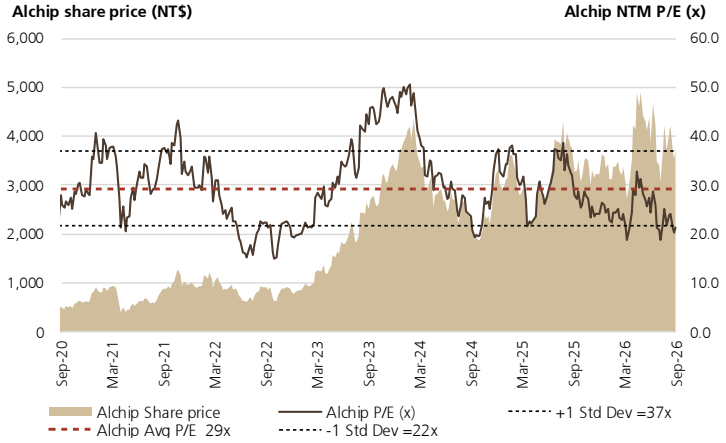
AI unit & wafer demand by customer

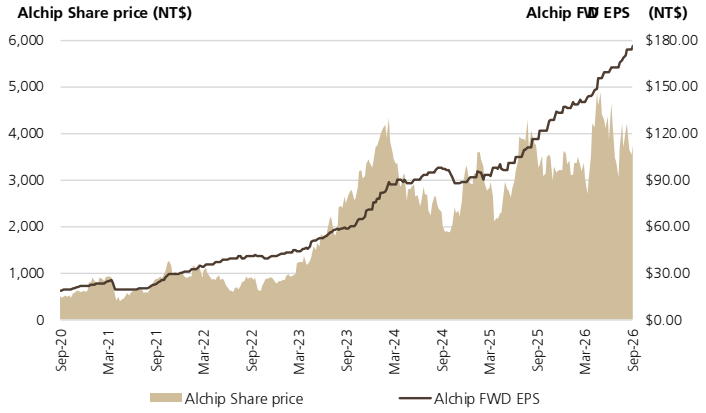
							Units (k)					CoWoS wafers (k)				
ASIC vendor	**Products**	**IC design partner**	**Node**	**HBM type**	**HBM (GB)**	**# per CoWoS**	**2023**	**2024**	**2025**	**2026E**	**2027E**	**2023**	**2024**	**2025**	**2026E**	**2027E**
Google	TPU v5e	Broadcom	5nm	HBM2E	32	60	188	289	134	0	0	3	5	2	0	0
	TPU v5p	Broadcom	5nm	HBM2E	96	32	1,141	1,756	1,916	0	0	36	55	60	0	0
	TPU v6e Trillium	Broadcom	4nm	HBM3E	32	50	0	0	426	640	0	0	0	9	13	0
	TPU v7 Ironwood	Broadcom	3nm	HBM3E	192	17	0	0	90	2,790	1,500	0	0	5	164	88
	TPU v8i (Dual die)	Broadcom	3nm	HBM3E	288	14	0	0	0	250	3,500	0	0	0	18	250
	TPU v8t (Single die)	MediaTek	3nm	HBM3E	216	22	0	0	0	467	4,000	0	0	0	21	182
Google's total							**1,329**	**2,045**	**2,565**	**4,147**	**9,000**	**39**	**60**	**76**	**216**	**520**
Amazon	Trainium 1	Alchip	7nm	HBM2E	32	39	469	1,000	176	0	0	12	26	5	0	0
	Trainium 2	Marvell	5nm	HBM3E	96	35	0	600	1,335	590	60	0	17	38	17	2
	Trainium 2.5	Marvell	3nm	HBM3	144	25	0	0	0	96	25	0	0	0	4	1
	Trainium 3	Alchip	3nm	HBM3E	144	25	0	0	0	1,780	2,800	0	0	0	71	112
	Trainium 4	Alchip	2nm	HBM4	256	15	0	0	0	0	280	0	0	0	0	19
Amazon's total							**469**	**1,600**	**1,511**	**2,466**	**3,165**	**12**	**43**	**43**	**92**	**133**
Meta	MTIA v1	Broadcom	7nm	LPDDR5	64	50	0	348	421	25	0	0	7	8	1	0
	MTIA v2	Broadcom	5nm	LPDDR5	128	34	0	0	0	30	0	0	0	0	1	0
	MTIA v3	Broadcom	3nm	HBM3E	192	15	0	0	0	110	105	0	0	0	7	7
	MTIA v4	Broadcom	2nm	HBM4	432	10	0	0	0	0	340	0	0	0	0	34
Meta's total							**0**	**348**	**421**	**165**	**445**	**0**	**7**	**8**	**9**	**41**
Intel / Habana	Gaudi 3	Alchip	5nm	HBM2 / 3E	288	36	178	251	188	0	0	5	7	5	0	0
	Gaudi 4	Alchip	3nm	HBM3E	288	32	0	0	0	0	0	0	0	0	0	0
Intel's total							**178**	**251**	**188**	**0**	**0**	**5**	**7**	**5**	**0**	**0**
Microsoft	Maia 100	GUC	5nm	HBM3	120	34	0	26	34	4	0	0	1	1	0	0
	Maia 200	GUC	3nm	HBM3E	288	14	0	0	0	100	50	0	0	0	7	4
	Maia 300	Marvell	2nm	HBM4	288	14	0	0	0	0	350	0	0	0	0	25
Microsoft's total							**0**	**26**	**34**	**104**	**400**	**0**	**1**	**1**	**7**	**29**
Tesla	Dojo	Broadcom	5nm	HBM3	64	36	0	0	0	64	63	0	0	0	2	2
Tesla's total							**0**	**0**	**0**	**64**	**63**	**0**	**0**	**0**	**2**	**2**
Others												**5**	**30**	**60**	**60**	**70**
Total ASICs and others CoWoS wafer demand												**61**	**147**	**193**	**393**	**865**

Source: Company data, UBS estimates

Alchip financial summary

	2Q26	3Q26E		4Q26E		2025	2026E		2027E	
(NT$m)	Actual	UBSe	VA	UBSe	VA	Actual	UBSe	VA	UBSe	VA
Revenue	**7,640**	**30,866**	**25,735**	**38,076**	**34,481**	**30,926**	**80,768**	**72,143**	**131,483**	**116,160**
- QoQ / YoY	82.5%	304.0%	236.9%	23.4%	34.0%	-40.5%	161.2%	133.3%	62.8%	61.0%
Gross profit	**2,662**	**6,371**	**5,303**	**7,695**	**6,993**	**8,154**	**18,829**	**16,994**	**26,761**	**23,829**
- Gross margin	34.8%	20.6%	20.6%	20.2%	20.3%	26.4%	23.3%	23.6%	20.4%	20.5%
Operating profit	**1,647**	**5,286**	**4,090**	**6,546**	**5,686**	**5,017**	**14,847**	**12,720**	**21,933**	**18,463**
- OP margin	21.6%	17.1%	15.9%	17.2%	16.5%	16.2%	18.4%	17.6%	16.7%	15.9%
Non-Op	**350**	**579**	**400**	**278**	**333**	**1,703**	**1,624**	**1,561**	**1,359**	**1,304**
Pre-tax profit	**2,035**	**5,865**	**4,490**	**6,824**	**6,020**	**6,720**	**16,509**	**14,275**	**23,292**	**19,903**
Tax	**397**	**1,114**	**831**	**1,297**	**1,096**	**1,124**	**3,165**	**2,662**	**4,426**	**3,731**
- Tax rate	-20%	-19%	-18%	-19%	-18%	-17%	-19%	-19%	-19%	-19%
Net profit	**1,639**	**4,751**	**3,470**	**5,528**	**4,841**	**5,598**	**13,346**	**11,336**	**18,869**	**15,535**
EPS (NT$)	**19.98**	**55.68**	**42.58**	**64.78**	**59.83**	**69.22**	**159.82**	**137.88**	**221.11**	**189.21**

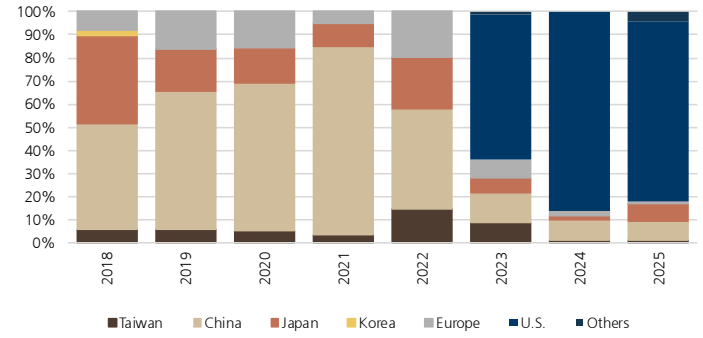




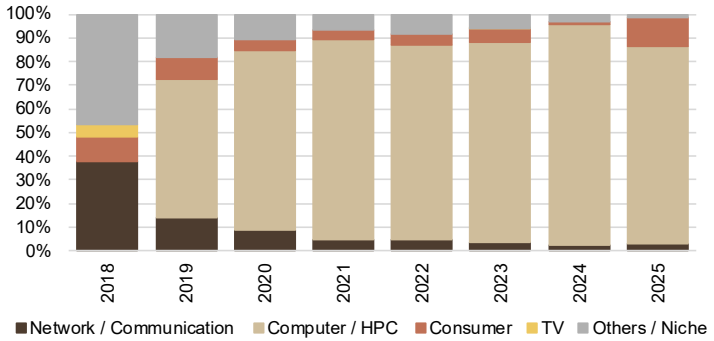
Source: Company data, Visible Alpha, UBS estimates

Alchip's business mix highly skewed to HPC in the US

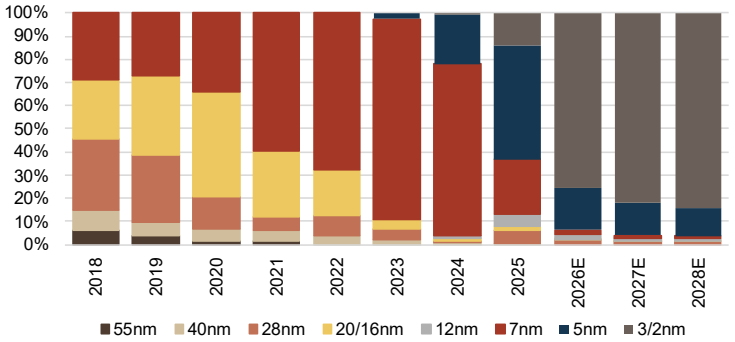
Revenue by region



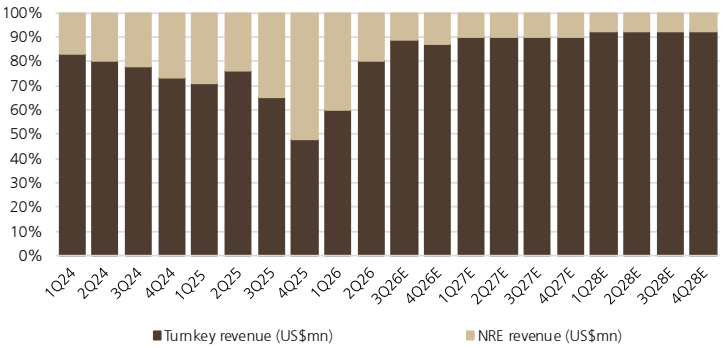
Revenue by application



Revenue by node

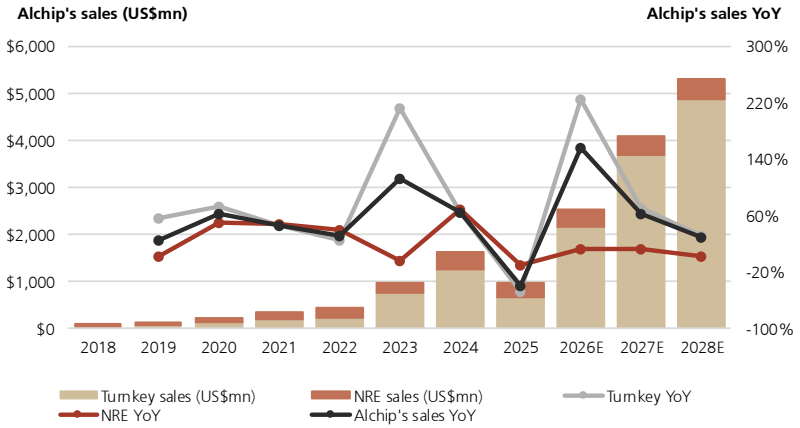


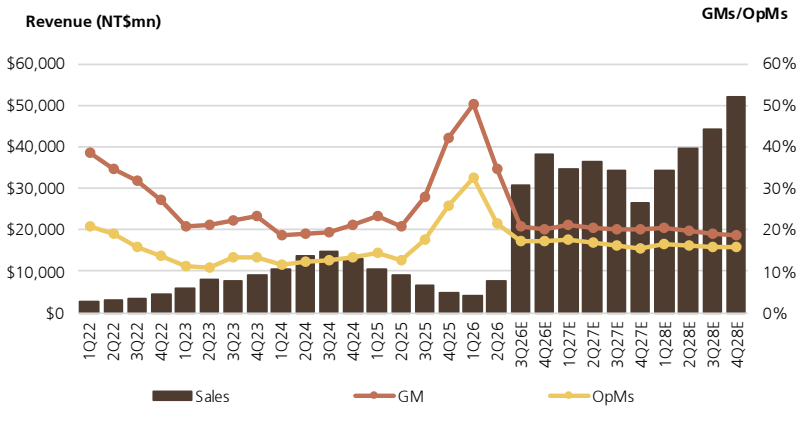
Alchip's sales mix



Source: Company data, Gartner, UBSe

Strong revenue momentum from Q226 on Trainium 3 ramp

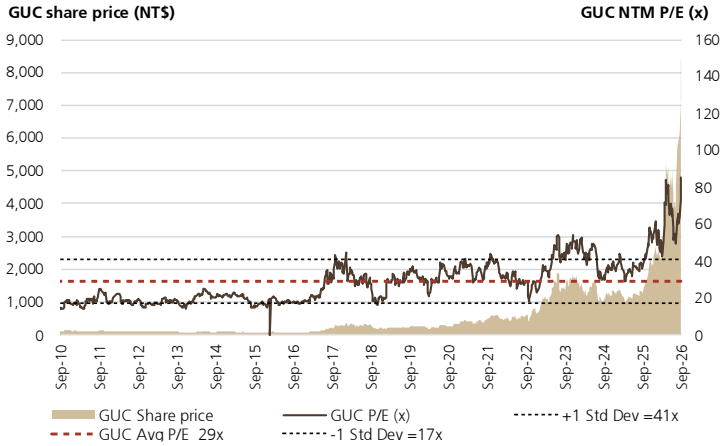


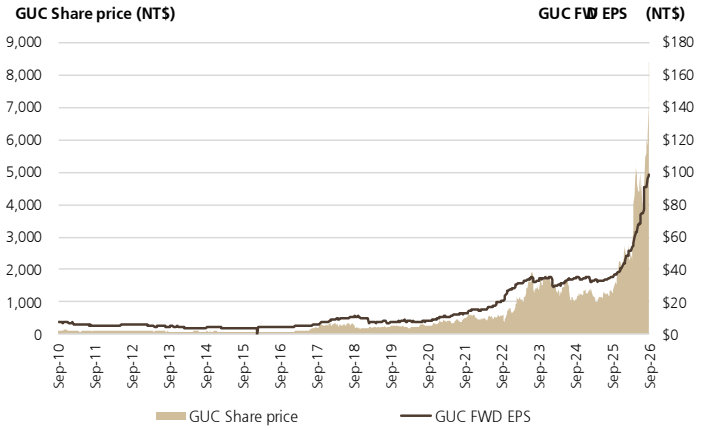


Source: Company data, UBS estimates

GUC financial summary

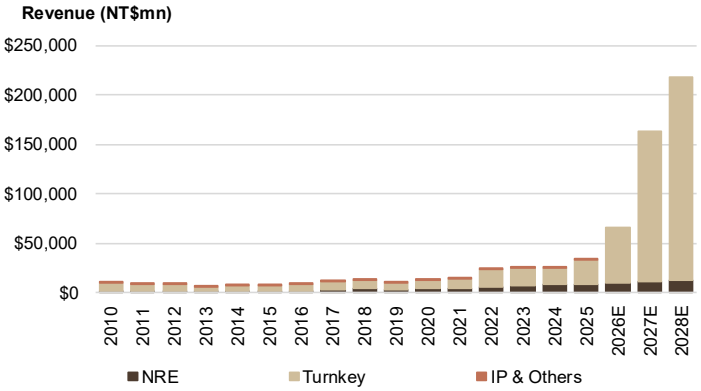
	2Q26	3Q26E		4Q26E		2025	2026E		2027E	
(NT$m)	Actual	UBSe	VA	UBSe	VA	Actual	UBSe	VA	UBSe	VA
Revenue	**13,897**	**16,963**	**15,571**	**23,946**	**19,760**	**34,141**	**66,254**	**60,432**	**162,918**	**133,846**
- QoQ / YoY	21.4%	22.1%	12.0%	41.2%	26.9%	36.3%	94.1%	77.0%	145.9%	121.5%
Gross profit	**2,994**	**3,350**	**3,248**	**4,679**	**4,036**	**8,454**	**14,136**	**13,333**	**28,852**	**25,599**
- Gross margin	21.5%	19.7%	20.9%	19.5%	20.4%	24.8%	21.3%	22.1%	17.7%	19.1%
Operating profit	**1,676**	**2,022**	**1,873**	**3,232**	**2,588**	**4,350**	**8,754**	**7,919**	**21,509**	**18,844**
- OP margin	12.1%	11.9%	12.0%	13.5%	13.1%	12.7%	13.2%	13.1%	13.2%	14.1%
Non-Op	**80**	**88**	**72**	**114**	**78**	**93**	**382**	**319**	**975**	**426**
Pre-tax profit	**1,756**	**2,110**	**1,935**	**3,335**	**2,655**	**4,443**	**9,126**	**8,206**	**22,063**	**19,261**
Tax	**201**	**327**	**276**	**517**	**380**	**673**	**1,323**	**1,139**	**3,420**	**2,749**
- Tax rate	-11%	-16%	-14%	-16%	-14%	-15%	-14%	-14%	-16%	-14%
Net profit	**1,555**	**1,783**	**1,659**	**2,818**	**2,275**	**3,770**	**7,803**	**7,068**	**18,643**	**16,512**
EPS (NT$)	**11.61**	**13.31**	**12.44**	**21.03**	**16.74**	**28.13**	**58.23**	**52.25**	**139.12**	**118.82**

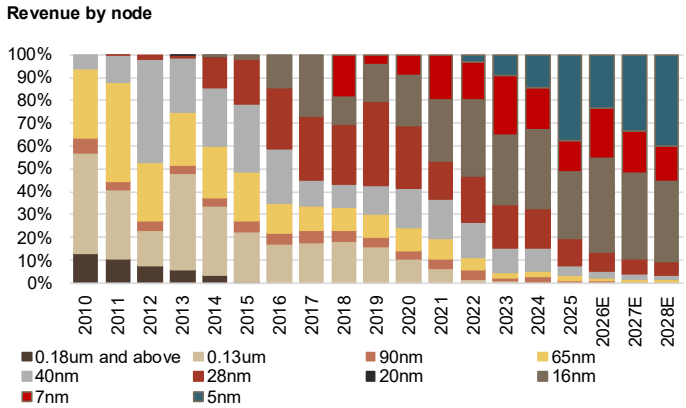


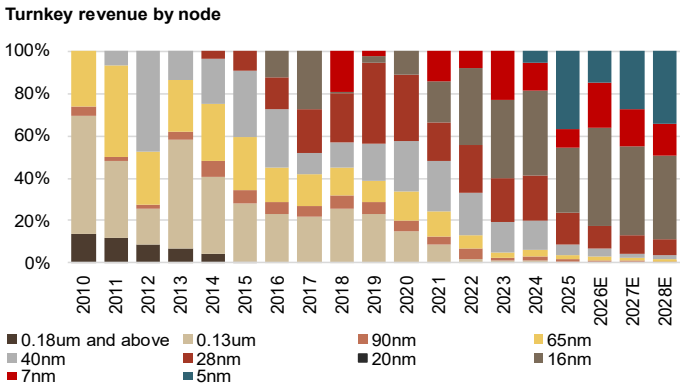


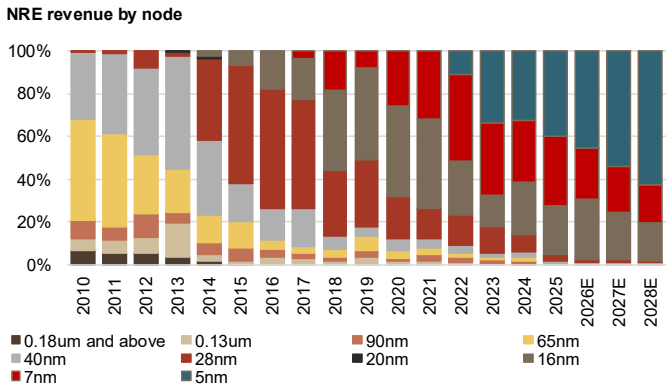
Source: Company data, Visible Alpha, UBS estimates

GUC could see turnkey growth acceleration



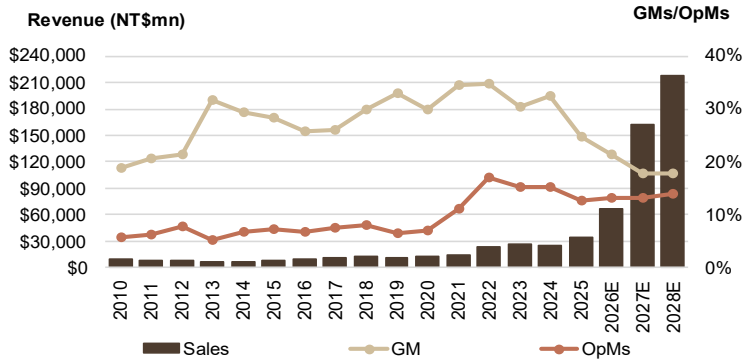


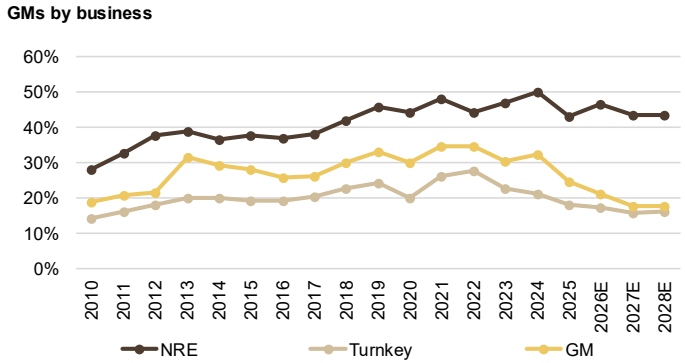


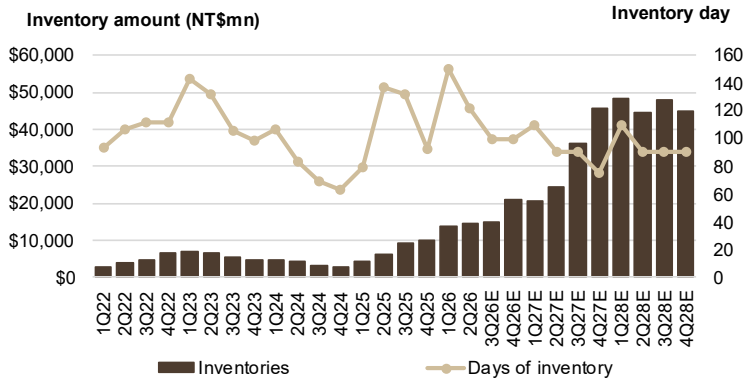


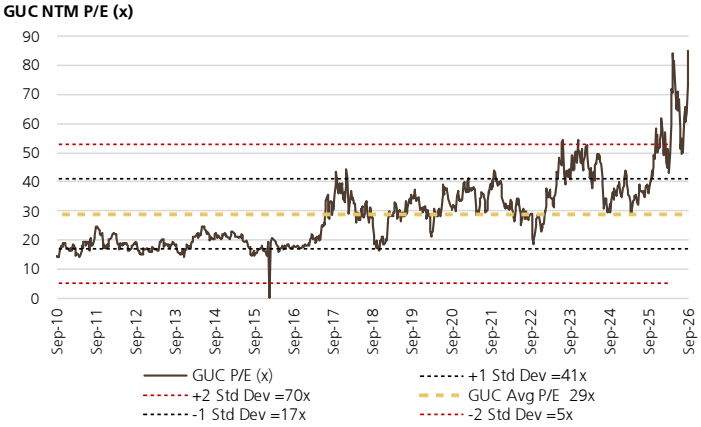
Source: Company data, UBS estimates

GM diluted on higher turnkey mix but accreditive for OP





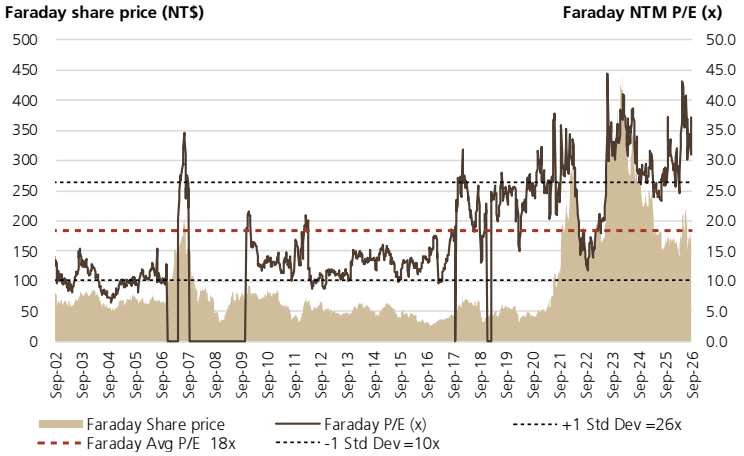


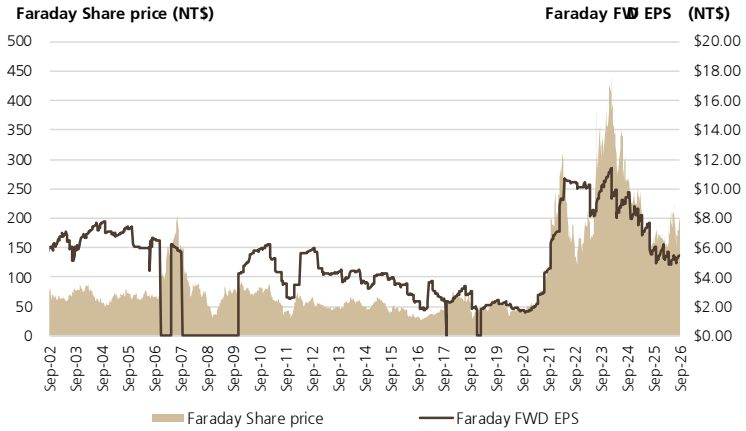


Source: Company data, UBS estimates, Eikon

Faraday financial summary

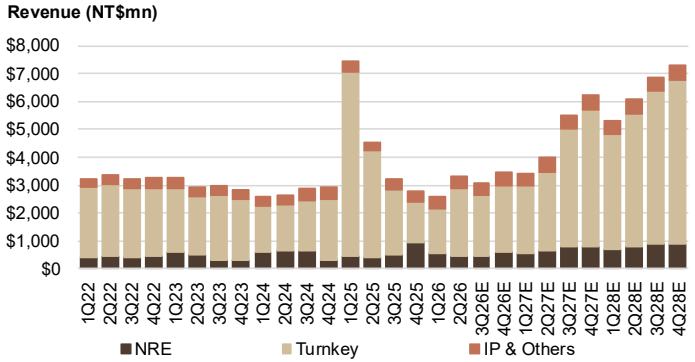
	2Q26	3Q26E		4Q26E		2025	2026E		2027E	
(NT$m)	Actual	UBSe	VA	UBSe	VA	Actual	UBSe	VA	UBSe	VA
Revenue	**3,314**	**3,081**	**3,172**	**3,442**	**4,006**	**17,993**	**12,425**	**13,080**	**19,135**	**17,299**
- QoQ / YoY	28.0%	-7.0%	-4.3%	11.7%	26.3%	62.6%	-30.9%	-27.3%	54.0%	32.3%
Gross profit	**1,499**	**1,400**	**1,434**	**1,545**	**1,751**	**4,857**	**5,668**	**5,908**	**7,945**	**7,413**
- Gross margin	45.2%	45.4%	45.2%	44.9%	43.7%	27.0%	45.6%	45.2%	41.5%	42.9%
Operating profit	**271**	**211**	**230**	**468**	**609**	**552**	**1,045**	**1,206**	**3,129**	**2,393**
- OP margin	8.2%	6.8%	7.2%	13.6%	15.2%	3.1%	8.4%	9.2%	16.4%	13.8%
Non-Op	**111**	**123**	**94**	**122**	**100**	**449**	**439**	**388**	**301**	**341**
Pre-tax profit	**384**	**333**	**323**	**590**	**709**	**1,002**	**1,487**	**1,594**	**3,430**	**2,734**
Tax	**96**	**73**	**73**	**130**	**160**	**229**	**343**	**374**	**755**	**618**
- Tax rate	-25%	-22%	-23%	-22%	-23%	-23%	-23%	-23%	-22%	-23%
Net profit	**198**	**188**	**216**	**403**	**496**	**731**	**893**	**1,014**	**2,266**	**1,914**
EPS (NT$)	**0.76**	**0.72**	**0.87**	**1.55**	**1.72**	**2.81**	**3.43**	**3.76**	**8.70**	**7.00**

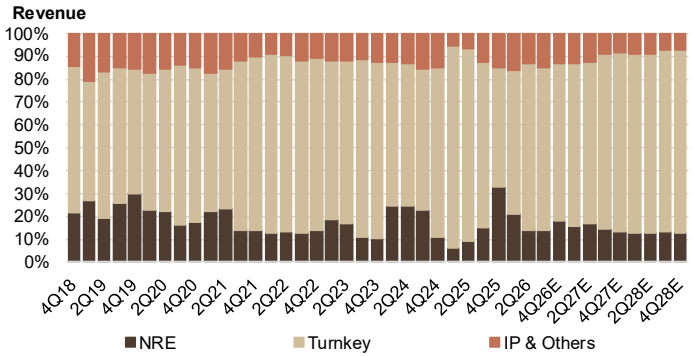


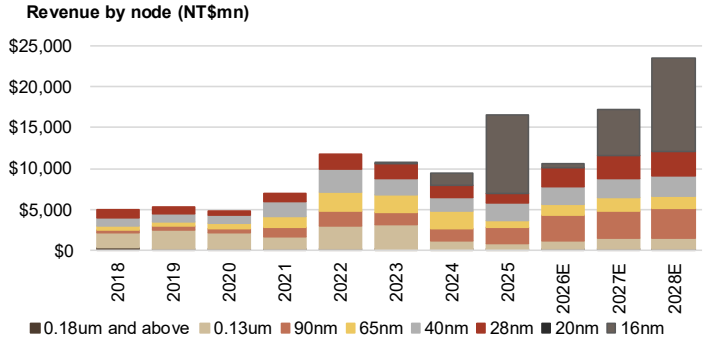


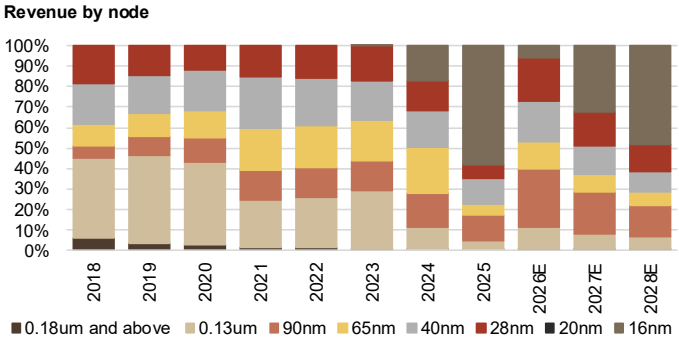
Source: Company data, Visible Alpha, UBS estimates

Faraday's growth hinges on advanced packaging progress



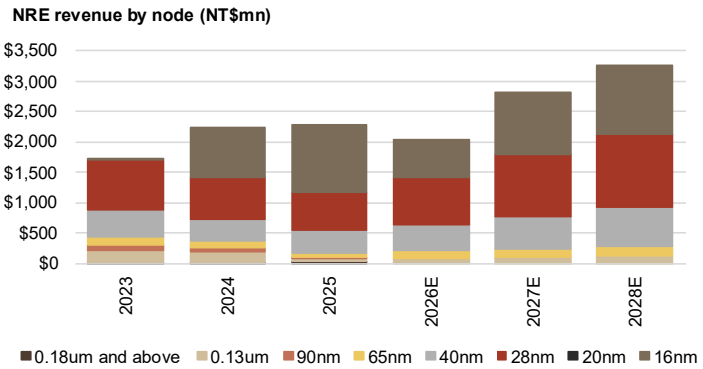


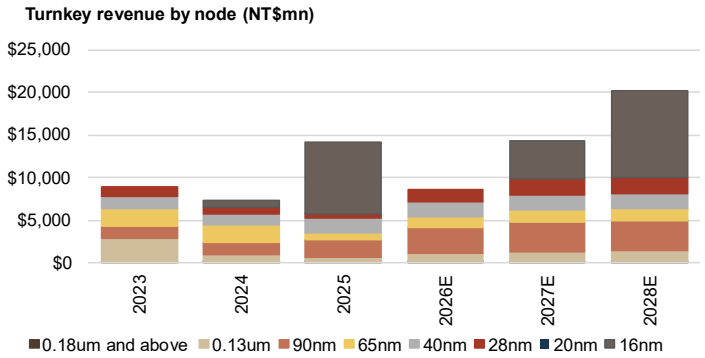


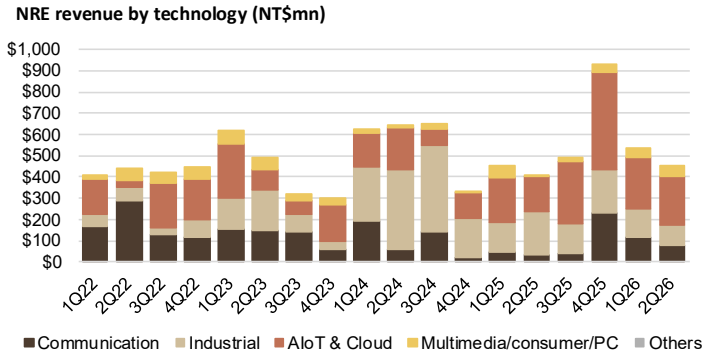


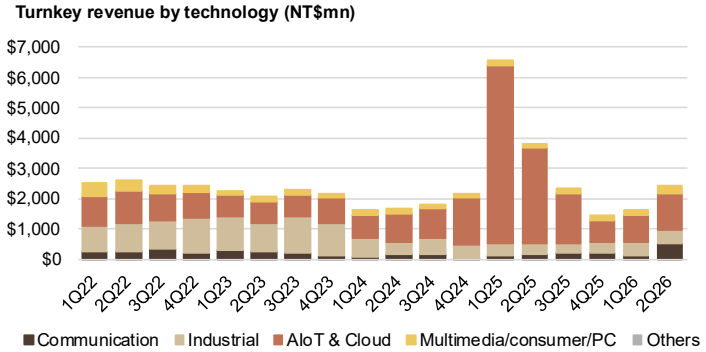
Source: Company data, UBS estimates

Migrating to advanced nodes and AIoT & Cloud





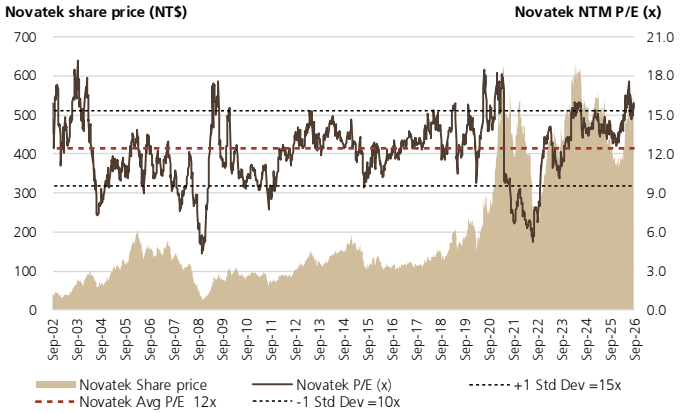


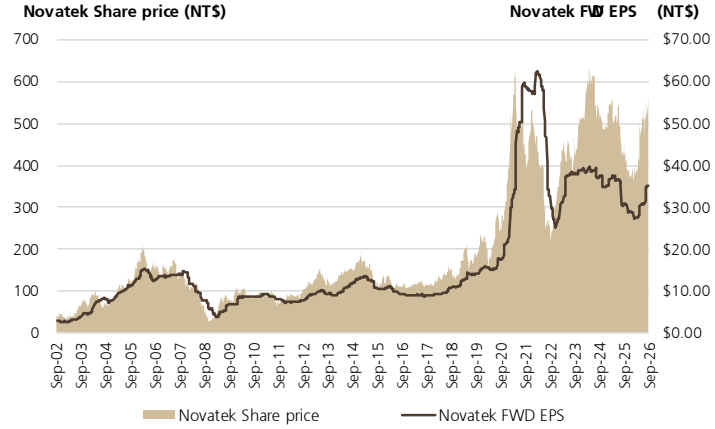


Source: Company data, UBS estimates

Novatek financial summary

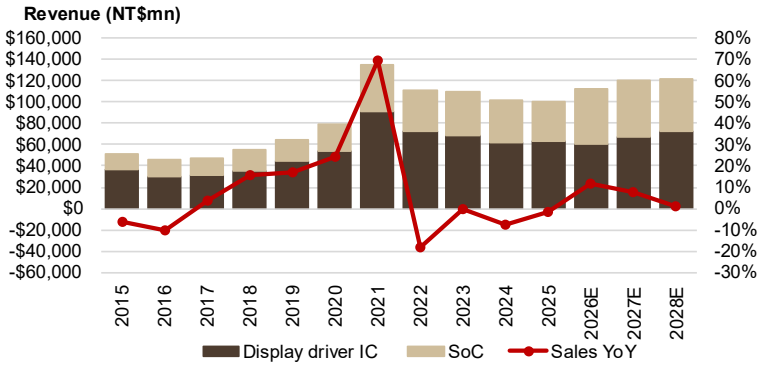
	2Q26	3Q26E		4Q26E		2025	2026E		2027E	
(NT$m)	Actual	UBSe	VA	UBSe	VA	Actual	UBSe	VA	UBSe	VA
Revenue	**28,660**	**30,964**	**28,407**	**29,176**	**30,813**	**100,663**	**111,945**	**111,993**	**120,452**	**122,021**
- QoQ / YoY	23.8%	8.0%	-0.9%	-5.8%	8.5%	-2.1%	11.2%	11.3%	7.6%	9.0%
Gross profit	**12,157**	**12,595**	**11,338**	**11,613**	**12,452**	**37,908**	**45,405**	**45,328**	**46,795**	**48,239**
- Gross margin	42.4%	40.7%	39.9%	39.8%	40.4%	37.7%	40.6%	40.5%	38.8%	39.5%
Operating profit	**6,466**	**6,796**	**5,423**	**5,976**	**6,597**	**18,237**	**23,265**	**23,064**	**23,506**	**24,800**
- OP margin	22.6%	21.9%	19.1%	20.5%	21.4%	18.1%	20.8%	20.6%	19.5%	20.3%
Non-OP	**1,316**	**465**	**371**	**318**	**380**	**1,296**	**2,460**	**2,422**	**1,639**	**1,447**
Pre-tax profit	**7,782**	**7,260**	**5,794**	**6,294**	**6,976**	**19,534**	**25,725**	**25,486**	**25,145**	**26,247**
Tax	**1,454**	**1,234**	**954**	**1,070**	**1,143**	**3,186**	**4,380**	**4,267**	**4,214**	**4,295**
- Tax rate	-19%	-17%	-16%	-17%	-16%	-16%	-17%	-17%	-17%	-16%
Net profit	**6,328**	**6,026**	**4,840**	**5,224**	**5,833**	**16,348**	**21,345**	**21,218**	**20,931**	**21,951**
EPS (NT$)	**10.40**	**9.90**	**7.98**	**8.58**	**9.56**	**26.86**	**35.07**	**34.88**	**34.39**	**36.17**

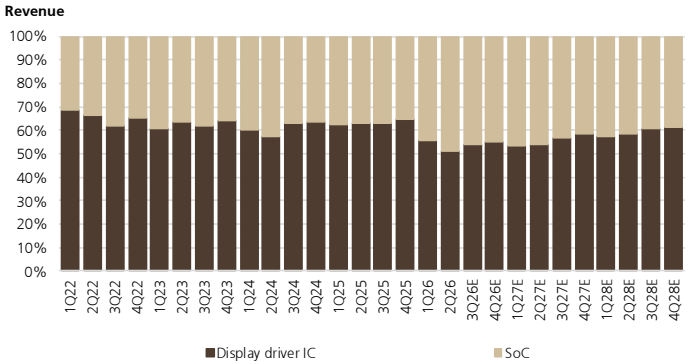


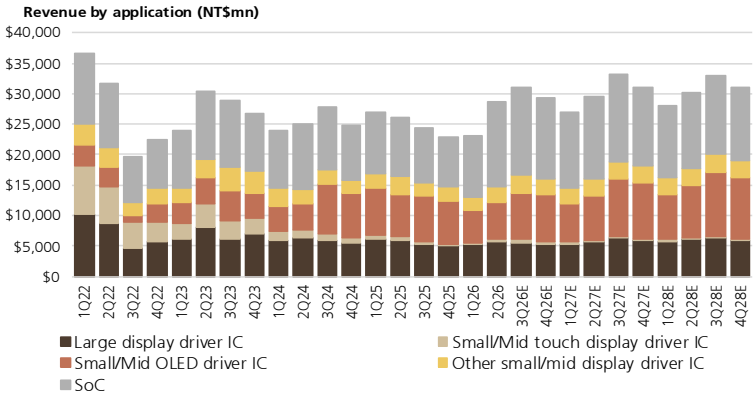


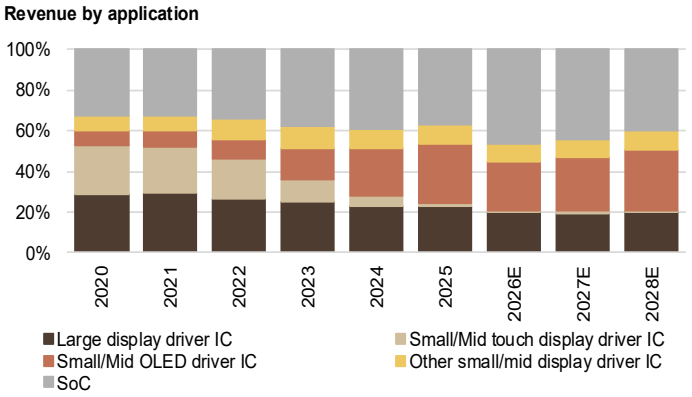
Source: Company data, Visible Alpha, UBS estimates

Novatek revenue is seeing mild growth on OLED smartphone, despite softer PC/TV



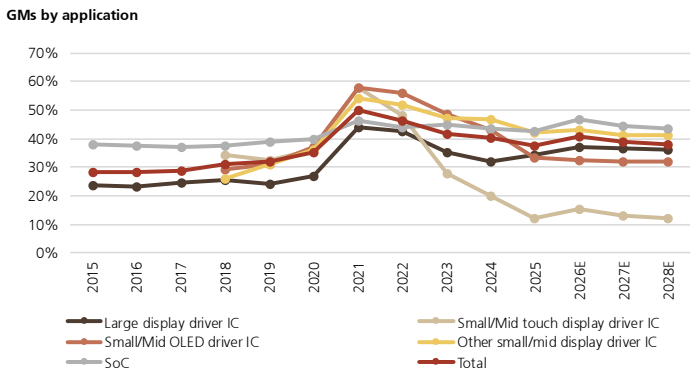


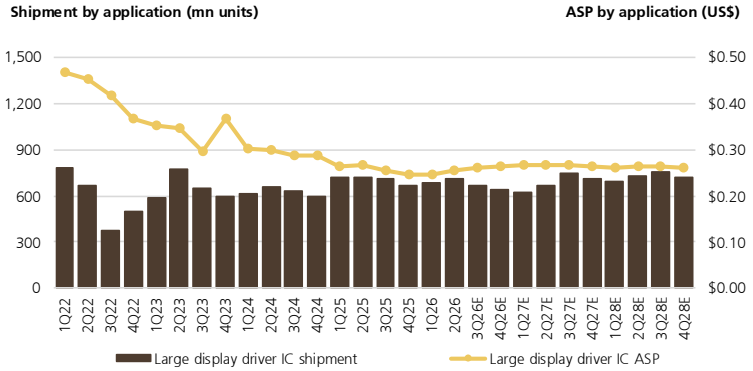


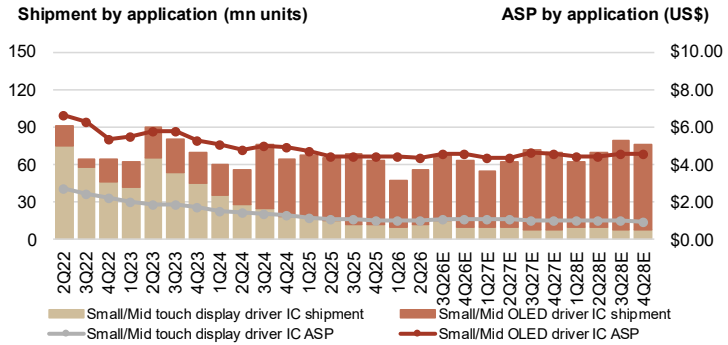


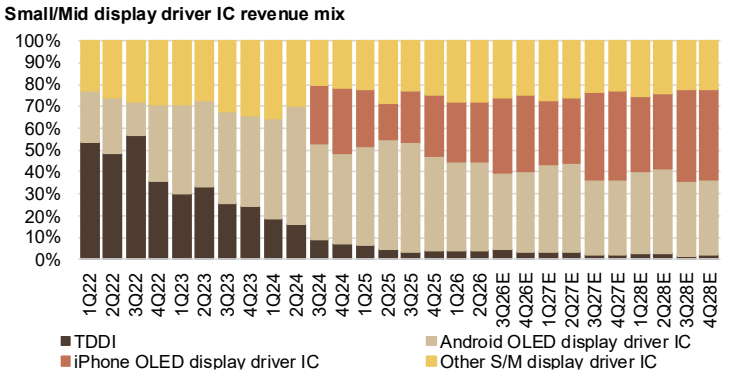
Source: Company data, UBS estimates

Better product mix keeps its margins higher than pre-COVID



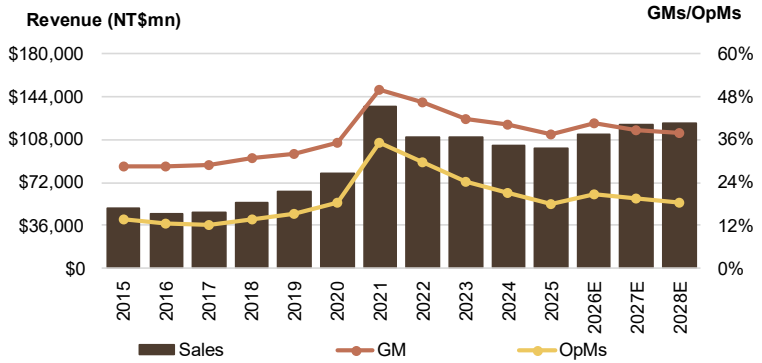


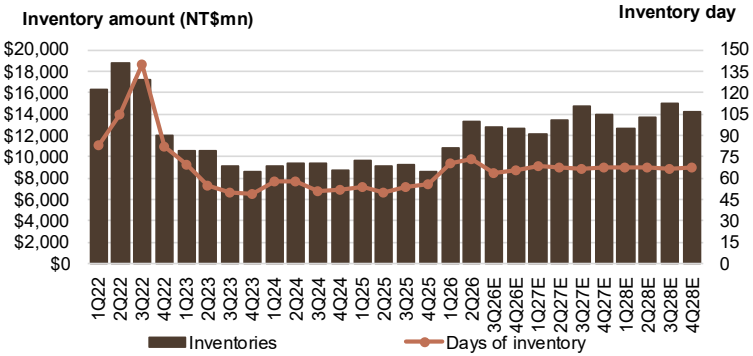


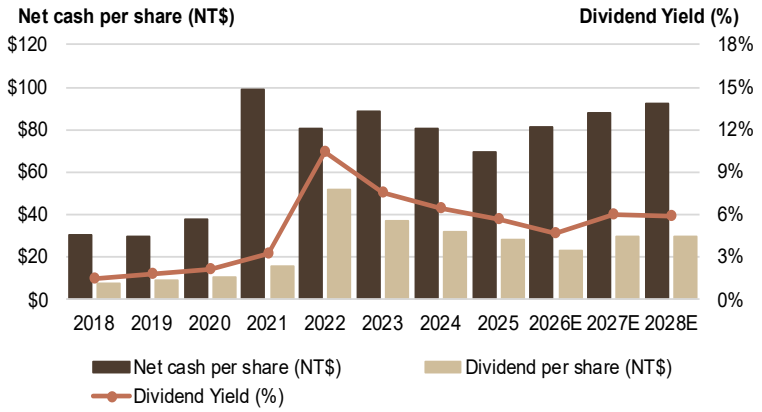


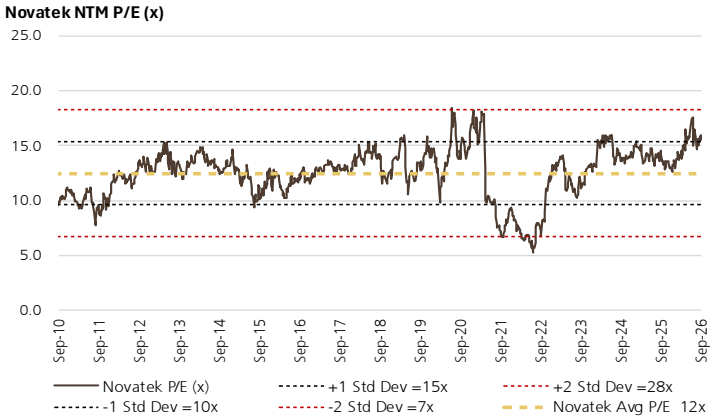
Source: Company data, UBS estimates

Novatek's valuation at the mid-cycle





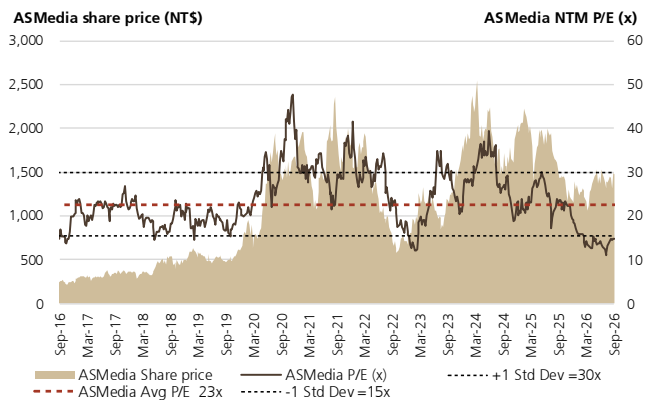


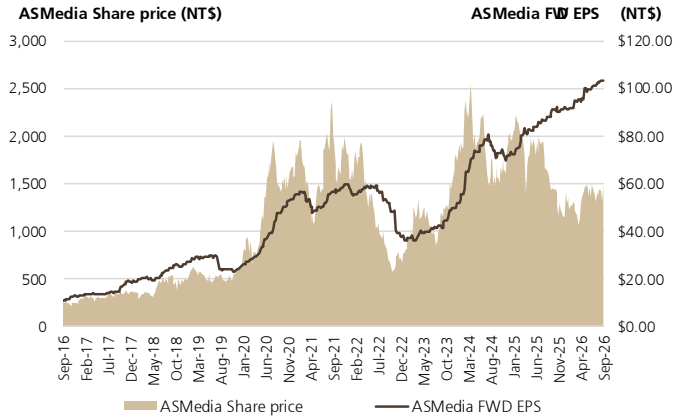


Source: Company data, UBS estimates, Eikon

Asmedia financial summary

	Q226	Q326E		Q426E		2025	2026E		2027E	
(NT$m)	Actual	UBSe	VA	UBSe	VA	Actual	UBSe	VA	UBSe	VA
Revenue	**2,723**	**2,386**	**2,616**	**2,572**	**2,705**	**13,415**	**11,178**	**11,641**	**13,099**	**12,962**
- QoQ / YoY	-22.2%	-12.4%	-3.9%	7.8%	3.4%	66.0%	-16.7%	-13.2%	17.2%	11.4%
Gross profit	**1,369**	**1,231**	**1,331**	**1,366**	**1,390**	**7,005**	**5,743**	**5,924**	**6,969**	**6,699**
- Gross margin	50.3%	51.6%	50.9%	53.1%	51.4%	52.2%	51.4%	50.9%	53.2%	51.7%
Operating profit	**649**	**514**	**560**	**613**	**617**	**3,959**	**2,583**	**2,640**	**3,670**	**3,338**
- OP margin	23.8%	21.6%	21.4%	23.8%	22.8%	29.5%	23.1%	22.7%	28.0%	25.8%
Non-Op	**1,536**	**1,522**	**1,370**	**1,397**	**1,300**	**2,266**	**5,584**	**5,283**	**5,529**	**5,707**
Pre-tax profit	**2,185**	**2,037**	**1,930**	**2,009**	**1,917**	**6,225**	**8,167**	**7,923**	**9,200**	**9,045**
Tax	**168**	**100**	**163**	**117**	**180**	**799**	**467**	**623**	**742**	**959**
- Tax rate	-8%	-5%	-8%	-6%	-9%	-13%	-6%	-8%	-8%	-11%
Net profit	**2,017**	**1,936**	**1,894**	**1,893**	**1,803**	**5,426**	**7,700**	**7,299**	**8,457**	**8,087**
Diluted EPS (NT$)	**27.22**	**26.13**	**24.08**	**25.54**	**23.60**	**72.71**	**103.73**	**98.30**	**114.12**	**108.88**

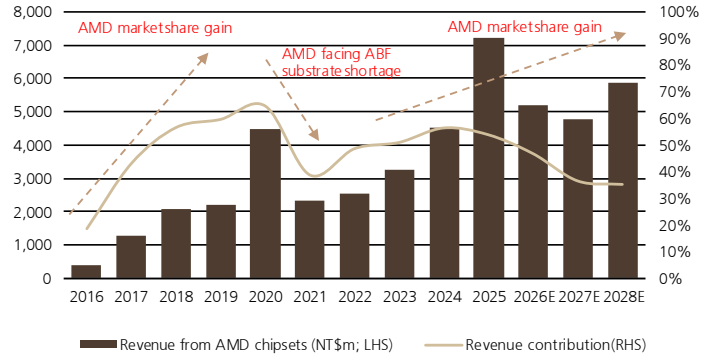




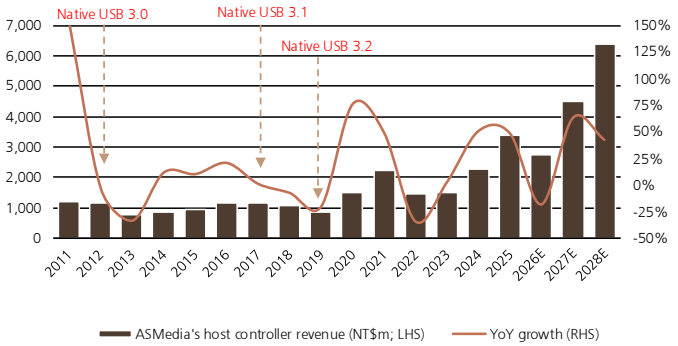
Source: Company data, Visible Alpha, UBS estimates

Multiple drivers amid PC demand slowdown

Mix-up to back AMD chipset revenue



Host controller sales growth driven by packet switch ramp



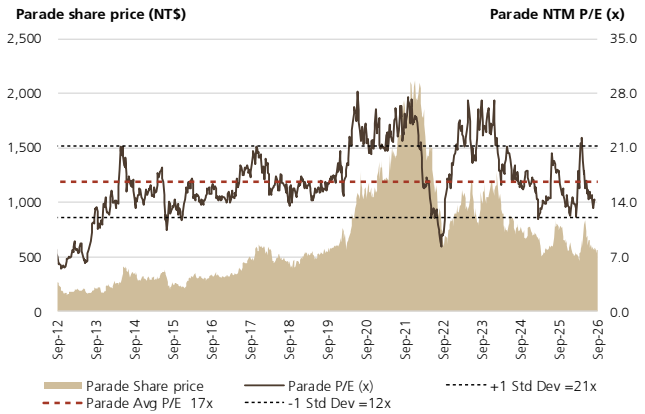
ASMedia's revenue drivers

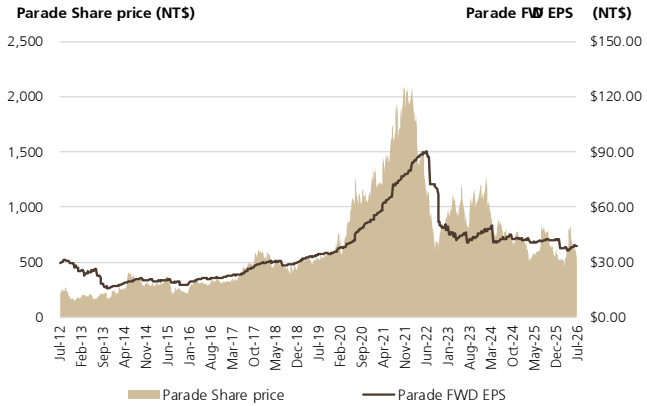
(NT$m)	2022	2023	2024	2025	2026E	2027E	2028E	2029E
Revenue	5,248	6,401	8,081	13,415	11,178	13,099	16,694	19,481
- YoY chg	*-13%*	*22%*	*26%*	*66%*	*-17%*	*17%*	*27%*	*17%*
Breakdown by product line								
AMD chipsets	2,544	3,253	4,544	7,199	5,209	4,767	5,859	6,931
- YoY chg	*10%*	*28%*	*40%*	*58%*	*-28%*	*-8%*	*23%*	*18%*
Shipment (m)	10.5	12.3	16.4	24.5	18.5	17.2	19.5	21.1
ASP (US$)	8.3	8.2	8.5	8.6	9.4	8.9	8.9	9.7
Other host controllers	1,470	1,509	2,274	3,372	2,754	4,491	6,396	7,787
- YoY chg	*-34%*	*3%*	*51%*	*48%*	*-18%*	*63%*	*42%*	*22%*
Device controllers	1,234	1,639	1,263	1,450	845	1,231	1,323	1,337
- YoY chg	*-15%*	*33%*	*-23%*	*15%*	*-42%*	*46%*	*7%*	*1%*
Techpoint	0	0	0	1,393	2,369	2,611	3,116	3,425
- YoY chg	*0%*	*0%*	*0%*	*0%*	*70%*	*10%*	*19%*	*10%*

Source: Company data, UBSe

Parade financial summary

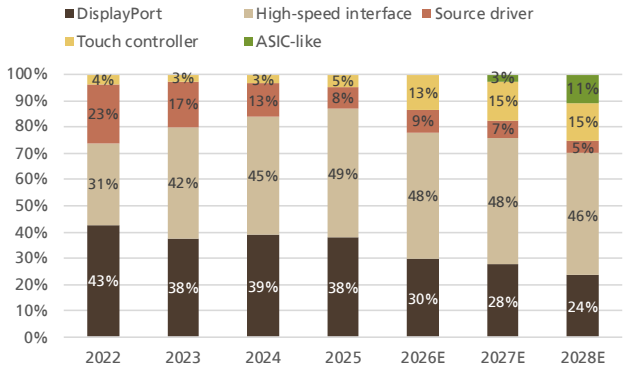
	Q226	Q326E		Q426E		2025	2026E		2027E	
(NT$m)	Actual	UBSe	VA	UBSe	VA	Actual	UBSe	VA	UBSe	VA
Revenue	**4,249**	**4,257**	**4,609**	**4,226**	**4,619**	**16,531**	**16,722**	**17,467**	**18,515**	**19,139**
- QoQ / YoY	6.5%	0.2%	8.5%	-0.7%	0.2%	1.8%	1.2%	5.7%	10.7%	9.6%
Gross profit	**1,708**	**1,726**	**1,875**	**1,732**	**1,889**	**7,035**	**6,774**	**7,080**	**7,734**	**7,877**
- Gross margin	40.2%	40.6%	40.7%	41.0%	40.9%	42.6%	40.5%	40.5%	41.8%	41.2%
Operating profit	**596**	**628**	**745**	**646**	**768**	**2,709**	**2,410**	**2,649**	**3,225**	**3,192**
- OP margin	14.0%	14.8%	16.2%	15.3%	16.6%	16.4%	14.4%	15.2%	17.4%	16.7%
Non-Op	**50**	**65**	**66**	**66**	**68**	**273**	**223**	**225**	**279**	**264**
Pre-tax profit	**646**	**693**	**811**	**711**	**835**	**2,982**	**2,632**	**2,874**	**3,504**	**3,456**
Tax	**52**	**69**	**72**	**71**	**74**	**256**	**246**	**251**	**315**	**302**
- Tax rate	-8%	-10%	-9%	-10%	-9%	-9%	-9%	-9%	-9%	-9%
Net profit	**593**	**624**	**739**	**640**	**762**	**2,727**	**2,387**	**2,623**	**3,189**	**3,154**
Diluted EPS (NT$)	**7.64**	**8.03**	**8.59**	**8.24**	**8.30**	**34.62**	**30.63**	**32.77**	**41.04**	**40.10**

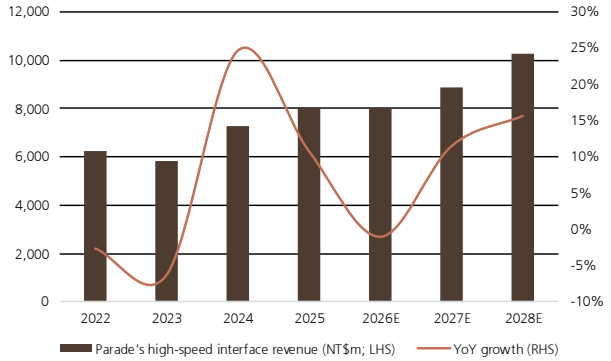




Source: Company data, Visible Alpha, UBS estimates

High-speed sales growth remains robust; ASIC-like to be the next driver



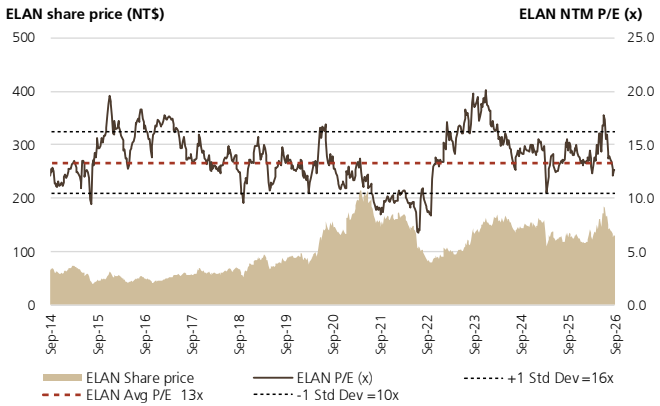


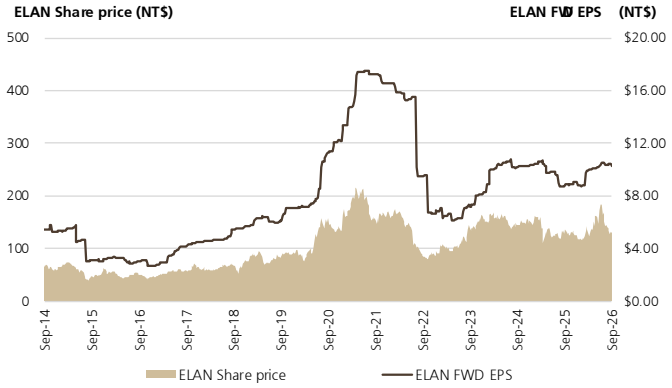
(NT$m)	2022	2023	2024	2025	2026E	2027E	2028E	2029E
Revenue	20,055	13,769	16,246	16,531	16,722	18,515	22,150	25,950
- YoY chg	*0%*	*-31%*	*18%*	*2%*	*1%*	*11%*	*20%*	*17%*
Breakdown by product line								
DisplayPort	8,562	5,190	6,334	6,299	5,015	5,135	5,209	5,447
- YoY chg	*1%*	*-39%*	*22%*	*-1%*	*-20%*	*2%*	*1%*	*5%*
High-speed interface	6,230	5,837	7,275	8,059	7,975	8,890	10,281	11,602
- YoY chg	*-3%*	*-6%*	*25%*	*11%*	*-1%*	*11%*	*16%*	*13%*
Source driver	4,530	2,395	2,069	1,354	1,478	1,252	1,043	931
- YoY chg	*8%*	*-47%*	*-14%*	*-35%*	*9%*	*-15%*	*-17%*	*-11%*
Touch controller	733	347	567	819	2,253	2,758	3,217	3,811
- YoY chg	*-22%*	*-53%*	*63%*	*44%*	*175%*	*22%*	*17%*	*18%*
ASIC-like	0	0	0	0	0	480	2,400	4,160
- YoY chg							*400%*	*73%*

Source: Company data, UBSe

Elan financial summary

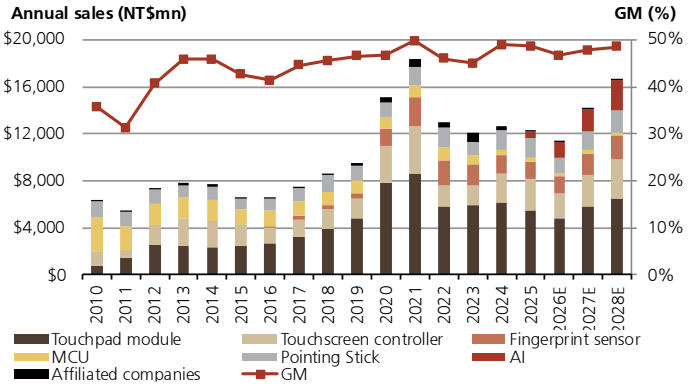
	Q226	Q326E		Q426E		2025	2026E		2027E	
(NT$m)	Actual	UBSe	Eikon	UBSe	Eikon	Actual	UBSe	Eikon	UBSe	Eikon
Revenue	**3,205**	**2,434**	**3,213**	**2,540**	**3,094**	**12,326**	**11,403**	**12,954**	**14,216**	**14,651**
- QoQ / YoY	-0.6%	-24.1%	0.2%	4.4%	-3.7%	-2.9%	-7.5%	5.1%	24.7%	13.1%
Gross profit	**1,519**	**1,104**	**1,571**	**1,164**	**1,503**	**5,996**	**5,324**	**6,198**	**6,802**	**6,819**
- Gross margin	47.4%	45.3%	48.9%	45.8%	48.6%	48.6%	46.7%	47.8%	47.8%	46.5%
Operating profit	**697**	**394**	**754**	**445**	**710**	**2,982**	**2,315**	**3,074**	**3,554**	**3,734**
- OP margin	21.7%	16.2%	23.5%	17.5%	22.9%	24.2%	20.3%	23.7%	25.0%	25.5%
Non-Op	**294**	**37**	**27**	**29**	**24**	**-132**	**422**	**286**	**119**	**117**
Pre-tax profit	**991**	**432**	**781**	**473**	**734**	**2,850**	**2,736**	**3,359**	**3,673**	**3,851**
Tax	**146**	**86**	**160**	**95**	**136**	**543**	**491**	**610**	**735**	**718**
- Tax rate	-15%	-20%	-20%	-20%	-19%	-19%	-18%	-18%	-20%	-19%
Net profit	**879**	**370**	**662**	**407**	**620**	**2,442**	**2,361**	**2,798**	**3,113**	**3,156**
Diluted EPS (NT$)	**3.05**	**1.29**	**2.30**	**1.41**	**2.15**	**8.48**	**8.19**	**9.71**	**10.82**	**10.97**

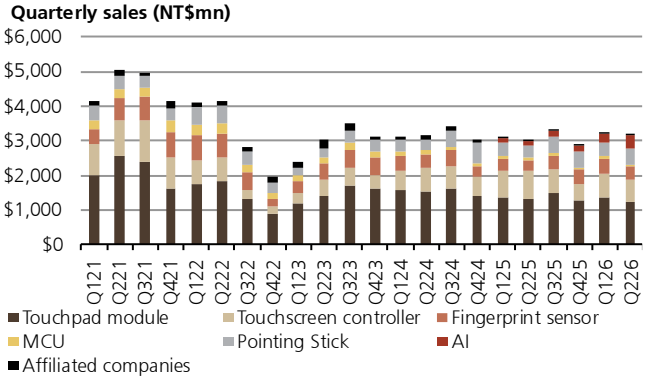


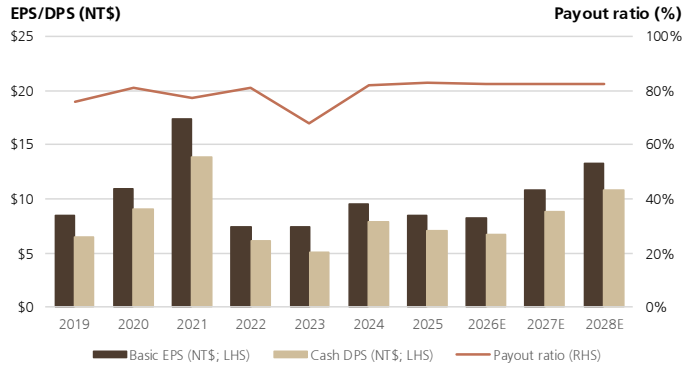


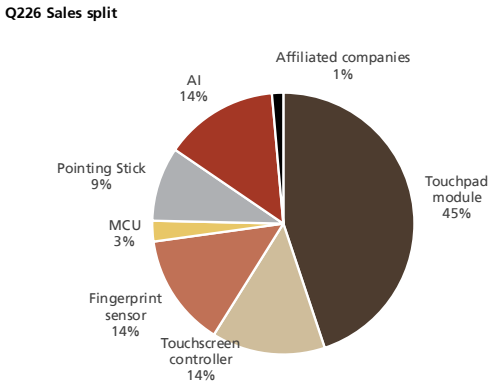
Source: Company data, Visible Alpha, UBS estimates

AI related sales picking up on smart city and drone









Source: Company data, UBSe

Section 4

OSAT and Compound Semi company section

Foundry capex +15%/+41% in 2025-26E

US$mn	Metric	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026E	Totals	Share
	Sales	17,154	20,111	25,173	26,606	29,434	32,105	34,196	34,633	45,505	56,822	75,864	69,300	90,083	122,424	171,769	**937,628**	58%
TSMC	Capex	8,443	9,736	9,373	7,893	10,326	10,972	10,236	14,900	17,183	30,018	36,337	30,425	29,760	40,739	63,000	**357,752**	55%
	Capex/Sales	**49%**	**48%**	**37%**	**30%**	**35%**	**34%**	**30%**	**43%**	**38%**	**53%**	**48%**	**44%**	**33%**	**33%**	**37%**	**38%**	
	Sales	3,968	4,191	4,548	4,439	4,654	4,955	4,906	4,856	5,997	7,616	9,363	7,134	7,230	7,635	8,606	**115,823**	7%
UMC	Capex	1,743	1,114	1,405	1,854	2,882	1,468	635	541	907	1,721	2,639	2,922	2,752	1,530	1,491	**33,787**	5%
	Capex/Sales	**44%**	**27%**	**31%**	**42%**	**62%**	**30%**	**13%**	**11%**	**15%**	**23%**	**28%**	**41%**	**38%**	**20%**	**17%**	**29%**	
	Sales							1,619	1,179	1,549	2,348	2,556	1,411	1,392	1,502	2,200	**15,757**	1%
PSMC	Capex							338	399	95	355	650	1,533	730	276	508	**4,885**	1%
	Capex/Sales							**21%**	**34%**	**6%**	**15%**	**25%**	**109%**	**52%**	**18%**	**23%**	**31%**	
	Sales	1,702	2,069	1,970	2,236	2,914	3,101	3,360	3,116	3,907	5,443	7,273	6,322	8,030	9,327	11,079	**82,308**	5%
SMIC	Capex	417	650	653	1,231	2,757	2,250	1,808	1,870	5,251	4,120	6,172	7,627	7,664	8,400	8,100	**65,601**	10%
	Capex/Sales	**24%**	**31%**	**33%**	**55%**	**95%**	**73%**	**54%**	**60%**	**134%**	**76%**	**85%**	**121%**	**95%**	**90%**	**73%**	**80%**	
	Sales	3,986	4,121	4,351	5,015	4,989	5,089	6,196	5,813	4,851	6,585	8,108	7,392	6,750	6,791	7,306	**103,505**	6%
GlobalFoundries	Capex	3,800	4,400	3,500	3,500	2,000	3,000	1,150	588	449	1,698	3,059	1,666	615	574	1,331	**43,204**	7%
	Capex/Sales	**95%**	**107%**	**80%**	**70%**	**40%**	**59%**	**19%**	**10%**	**9%**	**26%**	**38%**	**23%**	**9%**	**8%**	**18%**	**42%**	
	Sales	12,951	12,870	9,887	11,756	11,438	12,343	12,643	12,637	14,669	18,855	23,241	17,071	19,481	18,286	21,348	**264,677**	16%
Samsung	Capex	6,598	4,523	2,505	3,375	2,275	6,035	3,360	6,299	9,406	12,207	11,652	13,987	9,428	7,176	10,232	**120,853**	18%
	Capex/Sales	**51%**	**35%**	**25%**	**29%**	**20%**	**49%**	**27%**	**50%**	**64%**	**65%**	**50%**	**82%**	**48%**	**39%**	**48%**	**46%**	
	Sales	589	715	777	715	813	827	938	927	1,124	1,573	1,737	1,227	1,371	1,562	1,827	**19,854**	1%
Vanguard	Capex	46	32	101	46	40	66	62	271	128	476	634	216	495	2,033	2,043	**7,381**	1%
	Capex/Sales	**8%**	**5%**	**13%**	**6%**	**5%**	**8%**	**7%**	**29%**	**11%**	**30%**	**36%**	**18%**	**36%**	**130%**	**112%**	**37%**	
	Sales	571	585	665	650	721	808	930	933	961	1,631	2,475	2,286	2,004	2,402	3,020	**21,253**	1%
Hua Hong	Capex	51	32	81	176	173	136	239	922	1,087	939	996	907	2,739	1,814	1,700	**12,080**	2%
	Capex/Sales	**9%**	**6%**	**12%**	**27%**	**24%**	**17%**	**26%**	**99%**	**113%**	**58%**	**40%**	**40%**	**137%**	**76%**	**56%**	**57%**	
	Sales	297	290	330	331	513	582	588	506	478	662	739	906	816	870	847	**10,935**	1%
X-Fab	Capex			49	71	72	103	84	79	35	71	181	338	509	204	138	**1,934**	0%
	Capex/Sales			**15%**	**22%**	**14%**	**18%**	**14%**	**16%**	**7%**	**11%**	**24%**	**37%**	**62%**	**23%**	**16%**	**18%**	
	Sales	639	505	828	961	1,250	1,387	1,304	1,234	1,266	1,510	1,661	1,423	1,436	1,566	1,819	**20,979**	1%
Towerjazz	Capex	104	152	204	165	210	165	170	172	257	273	416	425	432	437	481	**4,715**	1%
	Capex/Sales	**16%**	**30%**	**25%**	**17%**	**17%**	**12%**	**13%**	**14%**	**20%**	**18%**	**25%**	**30%**	**30%**	**28%**	**26%**	**22%**	
	Sales					628	839	896	820	997	1,321	1,437	1,414	1,446	1,579	1,882	**13,260**	1%
CR Micro	Capex					61	82	78	87	82	181	305	744	224	215	233	**2,291**	0%
	Capex/Sales					**10%**	**10%**	**9%**	**11%**	**8%**	**14%**	**21%**	**53%**	**16%**	**14%**	**12%**	**17%**	
US$mn		**2012**	**2013**	**2014**	**2015**	**2016**	**2017**	**2018**	**2019**	**2020**	**2021**	**2022**	**2023**	**2024**	**2025**	**2026E**	**Totals**	**Share**
	Sales	2,273	2,654	2,635	2,887	4,264	4,749	5,186	4,869	5,865	8,395	11,186	10,022	11,479	13,308	15,981	**116,821**	7%
China Foundry	Capex	468	682	734	1,406	2,991	2,467	2,125	2,879	6,420	5,240	7,473	9,277	10,627	10,429	10,033	**79,973**	12%
Total	**YoY Capex**	**-55%**	**46%**	**8%**	**92%**	**113%**	**-18%**	**-14%**	**36%**	**123%**	**-18%**	**43%**	**24%**	**15%**	**-2%**	**-4%**		
	Capex/Sales	**21%**	**26%**	**28%**	**49%**	**70%**	**52%**	**41%**	**59%**	**109%**	**62%**	**67%**	**93%**	**93%**	**78%**	**63%**	**68%**	
US$mn		**2012**	**2013**	**2014**	**2015**	**2016**	**2017**	**2018**	**2019**	**2020**	**2021**	**2022**	**2023**	**2024**	**2025**	**2026E**	**Totals**	**Share**
	Sales	41,856	45,456	48,530	52,709	57,355	62,036	67,576	66,654	81,304	104,366	134,454	115,887	140,039	173,943	231,702	**1,604,472**	100%
Foundry	Capex	21,202	20,639	17,870	18,311	20,796	24,276	18,161	26,128	34,880	52,059	63,040	60,790	55,349	63,398	89,256	**655,961**	100%
Total	**YoY Capex**	**11%**	**-3%**	**-13%**	**2%**	**14%**	**17%**	**-25%**	**44%**	**33%**	**49%**	**21%**	**-4%**	**-9%**	**15%**	**41%**		
	Capex/Sales	**51%**	**45%**	**37%**	**35%**	**36%**	**39%**	**27%**	**39%**	**43%**	**50%**	**47%**	**52%**	**40%**	**36%**	**39%**	**41%**	

Source: Company data, UBSe (TSMC, UMC, PSMC, SMIC, Samsung, Vanguard, Hua Hong, CR Micro), Bloomberg consensus estimates

Foundry capacity growing at +6-9% through 2025-27E

Period-end capacity (kwpm)	2019	2020	2021	2022	2023	2024	2025E	2026E	2027E
Overall foundry industry capacity (kwpm)									
FinFET	**427**	**550**	**689**	**712**	**810**	**847**	**971**	**1,100**	**1,233**
YoY	*40%*	*29%*	*25%*	*3%*	*14%*	*5%*	*15%*	*13%*	*12%*
Mature 12"	**1,124**	**1,364**	**1,551**	**1,755**	**1,942**	**2,181**	**2,423**	**2,681**	**2,891**
YoY		*21%*	*14%*	*13%*	*11%*	*12%*	*11%*	*11%*	*8%*
8"	**2,762**	**2,786**	**2,995**	**3,165**	**3,308**	**3,354**	**3,417**	**3,447**	**3,385**
YoY		*1%*	*8%*	*6%*	*5%*	*1%*	*2%*	*1%*	*-2%*
Total foundry capacity (12" equivalent kwpm)	**2,779**	**3,153**	**3,572**	**3,874**	**4,222**	**4,519**	**4,913**	**5,313**	**5,629**
YoY		*13%*	*13%*	*8%*	*9%*	*7%*	*9%*	*8%*	*6%*
Non Chinese foundry capacity (kwpm)									
FinFET		**538**	**673**	**696**	**794**	**826**	**950**	**1,063**	**1,177**
YoY			*25%*	*3%*	*14%*	*4%*	*15%*	*12%*	*11%*
Mature 12"		**1,078**	**1,152**	**1,264**	**1,334**	**1,418**	**1,486**	**1,540**	**1,582**
YoY			*7%*	*10%*	*6%*	*6%*	*5%*	*4%*	*3%*
8"		**2,204**	**2,277**	**2,339**	**2,394**	**2,400**	**2,413**	**2,401**	**2,339**
YoY			*3%*	*3%*	*2%*	*0%*	*1%*	*-1%*	*-3%*
Total non China foundry capacity (12" equiv)		**2,595**	**2,837**	**2,999**	**3,192**	**3,311**	**3,508**	**3,670**	**3,799**
YoY			*9%*	*6%*	*6%*	*4%*	*6%*	*5%*	*4%*
Major Chinese foundry capacity (kwpm)									
FinFET		**12**	**16**	**16**	**16**	**21**	**21**	**36**	**56**
YoY			*32%*	*0%*	*0%*	*30%*	*0%*	*70%*	*55%*
Mature 12"		**286**	**399**	**491**	**607**	**763**	**938**	**1,141**	**1,309**
YoY			*39%*	*23%*	*24%*	*26%*	*23%*	*22%*	*15%*
8"		**582**	**718**	**826**	**914**	**954**	**1,004**	**1,046**	**1,046**
YoY			*23%*	*15%*	*11%*	*4%*	*5%*	*4%*	*0%*
Total major China foundry capacity (12" equiv)		**557**	**735**	**875**	**1,030**	**1,208**	**1,405**	**1,642**	**1,830**
YoY			*32%*	*19%*	*18%*	*17%*	*16%*	*17%*	*11%*
Chinese foundry as % of industry capacity									
FinFET		2%	2%	2%	2%	3%	2%	3%	5%
Mature 12"		21%	26%	28%	31%	35%	39%	43%	45%
8"		21%	24%	26%	28%	28%	29%	30%	31%
Total China foundry capacity as % of industry		**18%**	**21%**	**23%**	**24%**	**27%**	**29%**	**31%**	**33%**

Source: Company data, UBS estimates, Intel estimates based on wafer output

Advanced foundry capacity ramp led by TSMC

Leading-edge foundry capacity forecasts

Period-end capacity (kwpm)	2019	2020	2021	2022	2023	2024	2025	2026E	2027E	2028E
FinFET foundry capacity (kwpm)										
TSMC	235.0	280.0	335.0	405.0	445.0	470.0	570.0	650.0	720.0	750.0
Samsung Foundry	80.0	120.0	160.0	175.0	180.0	190.0	193.0	215.0	240.0	250.0
Intel	81.3	111.0	151.3	89.0	142.0	139.4	163.9	185.2	193.8	204.0
UMC	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	13.0	23.0
GlobalFoundries	25.0	25.0	25.0	25.0	25.0	25.0	20.0	10.0	10.0	10.0
China	3.0	11.0	15.0	15.0	15.0	20.0	21.4	36.4	56.4	
Total FinFET supply	**427.3**	**550.0**	**689.3**	**712.0**	**810.0**	**847.4**	**971.3**	**1,099.6**	**1,233.2**	**1,237.0**
YoY	*40%*	*29%*	*25%*	*3%*	*14%*	*5%*	*15%*	*13%*	*12%*	*0%*

N2 foundry capacity forecasts

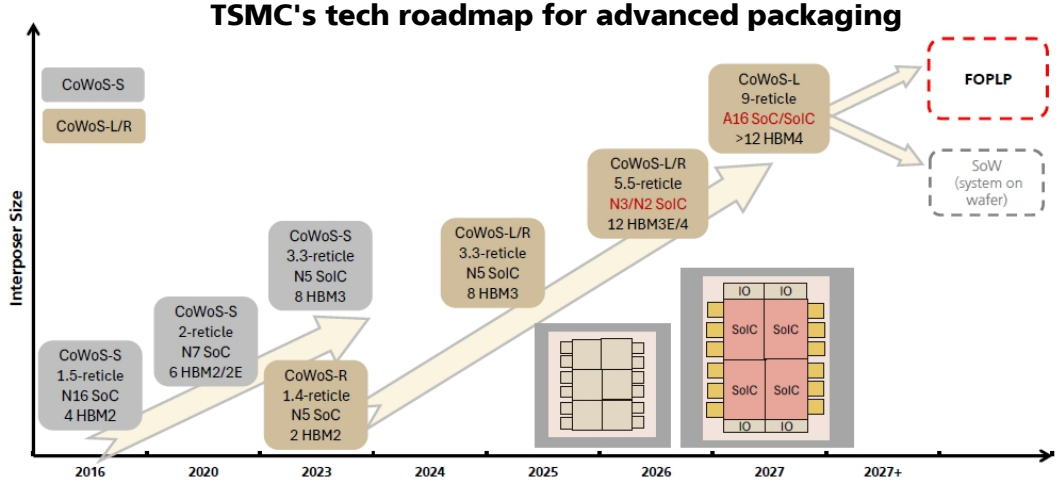
Period-end capacity (kwpm)	2025	2026E	2027E	2028E
2nm				
TSMC	40.0	90.0	140.0	160.0
Samsung Foundry	3.0	10.0	20.0	30.0
Intel	4.0	14.0	30.0	40.0
Total wafer supply	**47.0**	**114.0**	**190.0**	**230.0**
YoY		*143%*	*67%*	*21%*

Source: Company data, UBS estimates

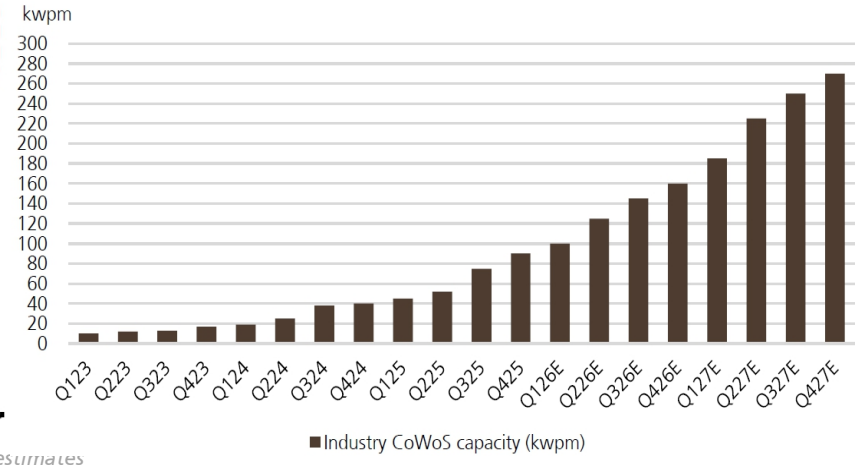
CoWoS packaging ramp

	Q125	Q225	Q325	Q425	Q126	Q226	Q326E	Q426E	Q127E	Q227E	Q327E	Q427E	2025	2026E	2027E
Base case															
TSMC CoWoS	40	45	65	70	80	105	120	130	140	160	170	180	55	109	163
Non-TSMC	5	7	10	20	20	20	25	30	45	65	80	90	11	24	70
Industry CoWoS capacity (kwpm)	45	52	75	90	100	125	145	160	185	225	250	270	66	133	233
TSMC CoWoS % of industry capacity	*89%*	*87%*	*87%*	*78%*	*80%*	*84%*	*83%*	*81%*	*76%*	*71%*	*68%*	*67%*	*84%*	*82%*	*70%*
Allocation taken by Nvidia	61%	68%	58%	46%	43%	41%	53%	60%	49%	44%	46%	46%	57%	50%	46%
Nvidia's volume estimates (kwpm)	27.5	35.2	43.6	41.8	42.7	51.3	76.9	95.4	91.3	99.9	114.1	124.7	37.0	66.6	107.5
Demand ex-NVIDIA (kwpm)															
AMD	2.6	1.8	3.7	4.5	3.6	3.8	9.9	25.7	30.2	40.5	41.4	46.1	3.1	10.7	39.6
ASICs and others	12.9	16.1	17.4	18.0	26.2	32.8	35.4	36.7	58.1	72.6	78.4	81.3	16.1	32.8	72.6
Google TPU - Broadcom													6.3	16.2	28.2
Google TPU - MediaTek													0.0	1.8	15.2
Amazon Trainium - Alchip													0.4	5.9	10.9
Amazon Trainium - Marvell													3.2	1.7	0.2
Others													6.2	7.1	18.1
Total demand (kwpm)	43.0	53.1	64.7	64.3	72.5	87.9	122.2	157.8	179.6	213.0	233.9	252.1	56.3	110.1	219.7
Industry UTR	*96%*	*102%*	*86%*	*71%*	*73%*	*70%*	*84%*	*99%*	*97%*	*95%*	*94%*	*93%*	*86%*	*83%*	*94%*

TSMC's tech roadmap for advanced packaging

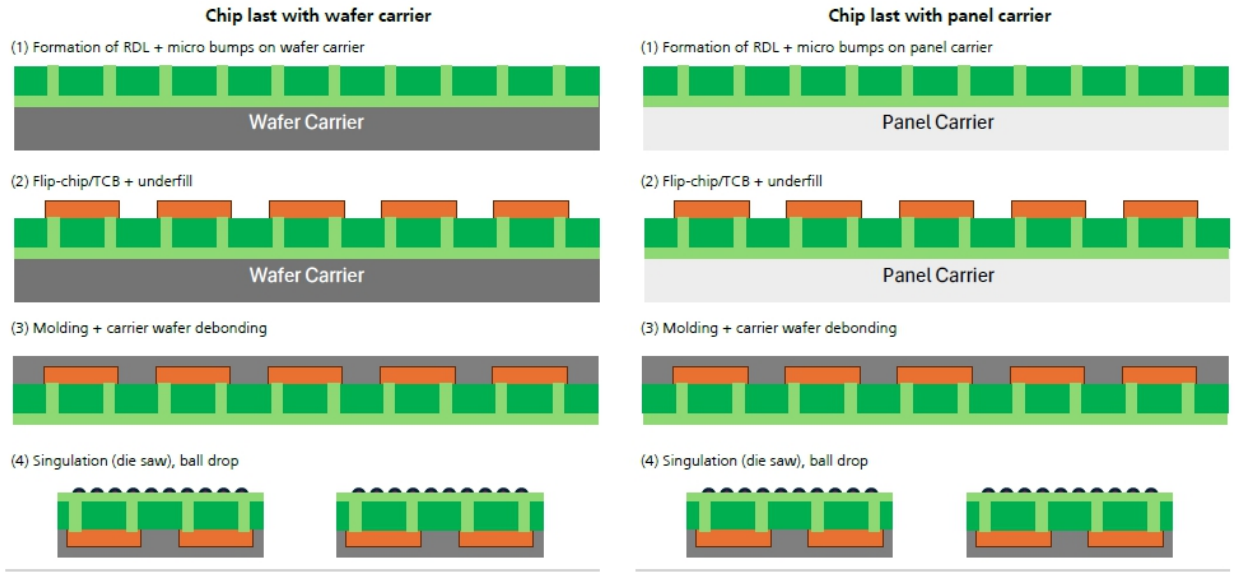


Industry CoWoS Capacity Ramp



Source: Company data, UBS estimates

Technology migration to CoPoS/FOPLP and glasscore substrate



Organic substrate vs glass core substrate



Source: Company data, UBS estimates

Potential CoPoS equipment suppliers and material characteristics

TSMC CoPoS supply chain	Suppliers
Desposition and re-distribution layer	Applied Materials, SCREEN, Tokyo Electron, Canon
Baking and thermal treatment	APT, C Sun, GMM, Kokusai Electric
Wet process	GPTC, Scientech
Debonding	SÜSS MicroTec, Tokyo Electron, EVG, Scientech, E&R engineering, Daxin
CMP	Applied Materials, Disco, Ebara, LAM research, Tokyo Electron, GPM
Molding equipment	Apic Yamada, Towa
Pod	Gudeng, Chung King
Underfill dispenser	All Ring, Asymtek
Die attach	Kulicke & Soffa, ASMPT, Shibaura
Metrology, inspection, and automation	KLA, Chroma, Camtek, Favite, Ta Liang Technology, V5 Technologies
OSAT partner	ASE/SPIL
Substrate	Ibiden, Unimicron, Toppan, Shinko, Nanya PCB, Kinsus

Comparison of material characteristics for CoWoS/CoPoS

Material	CTE (ppm/°C)	Young's Modulus (GPa)
Silicon	~2.6	120–190
Glass (for advanced packaging)	~3.0–9.0	70–85
Ceramic (Aluminium Nitride)	~4.0–5.5	300–400
Silicon Carbide	~3.8-4.1	380-450

Potential suppliers for glass panel carriers and glass TGV

	Suppliers	Alternative materials
Glass panel carriers	Glass: Corning, AGC, NEG, Schott, etc	Ceramic
Glass-core substrates	TGV: Innolux, Corning, AGC, DNP, Toppan, TPK, BOE, Lens Tech, Unimicron, etc	Ceramic, Silicon Carbide

Source: Company data, UBS estimates

Hardware ODM / Power opportunity per GW for AI GPUs

	NVIDIA							AMD		
Hardware Opportunity	**H200**	**GB200**	**GB300**	**VR200**	**VR300 Oberon**	**RF 200**	**RF 200 + SST**	**MI300**	**MI455**	**MI500**
Year of Introduction	**H223**	**H224**	**H225**	**H226**	**H227**	**H228**	**H228**	**Dec-23**	**H226**	**H227**
Rack architecture	HGX	Oberon	Oberon	Oberon	Oberon	TBD	TBD	HGX	Helios	Mega Pod
Process node	N4	N4	N4	N3	N3P	A16	A16	N5	N2/N3	N2P
Design service company	NVIDIA	NVIDIA	NVIDIA	NVIDIA	NVIDIA	NVIDIA	NVIDIA	AMD	AMD	AMD
GPU/XPU #	32	72	72	72	72	144	144	32	72	256
Accelerator dies per package	1	2	2	2	2	4	4	8	8	8
XPU Dies per rack	32	144	144	144	144	576	576	256	576	2048
Power per XPU die (W)	700	650	700	1,150	1,380	1,500	1,631	94	288	316
Power per XPU (W)	700	1,300	1,400	2,300	2,600	6,000	6,522	750	2,300	2,530
1GW of Data Center Power in kW	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000
PUE	1.15	1.15	1.15	1.15	1.15	1.15	1.15	1.15	1.15	1.15
Power avail for AI Hardware, Net (kW)	870,000	870,000	870,000	870,000	870,000	870,000	870,000	870,000	870,000	870,000
Power per rack (kW)	**45**	**120**	**140**	**200**	**250**	**1,200**	**1200**	**40**	**235**	**1000**
Number of racks per GW	**19,333**	**7,250**	**6,214**	**4,350**	**3,480**	**725**	**725**	**21,750**	**3,702**	**870**
Rack ASP (US$mn)	**$1.3**	**$3.3**	**$4.3**	**$9.0**	**$11.7**	**$56.3**	**$56.3**	**$0.6**	**$4.9**	**$25.6**
Customer compute sales per GW ($bn)	**$25.1**	**$23.9**	**$26.7**	**$39.2**	**$40.7**	**$40.8**	**$40.8**	**$13.7**	**$18.1**	**$22.3**

ODM Revenue opportunity	**Hopper**	**Blackwell**	**GB300**	**VR200**	**VR300 Oberon**	**RF 200**	**RF 200 + SST**	**MI300**	**MI455**	**MI500**
Number of racks per GW	19,333	7,250	6,214	4,350	3,480	725	725	21,750	3,702	870
ODM Rack ASP (US$mn)	$1.1	$3.0	$4.0	$8.5	$11.0	$52.9	$52.9	$0.6	$4.5	$23.6
ODM Compute revenue per GW (US$mn)	**$21.3**	**$22.0**	**$24.9**	**$36.8**	**$38.3**	**$38.3**	**$38.3**	**$12.6**	**$16.7**	**$20.5**

Performance measures	**H200**	**GB200**	**GB300**	**VR200**	**VR300 Oberon**	**RF 200**	**RF 200 + SST**	**MI300**	**MI455**	**MI500**
FP8 TFLOPs Per Package	1,979	4,500	7,000	35,000	70,000	280,000	280,000	2,615	20,130	40,260
FP8 TFLOPs Per Rack	63,328	324,000	504,000	2,520,000	10,080,000	40,320,000	40,320,000	83,680	1,449,360	10,306,560
FP8 EFLOPs Per GW	1,224	2,349	3,132	10,962	35,078	29,232	29,232	1,820	5,366	8,967
Customer Price	$1.3	$3.3	$4.3	$9.0	$11.7	$56.3	$56.3	$0.6	$4.9	$25.6
Price per TFLOPs (US$mn)	**$20.5**	**$10.2**	**$8.5**	**$3.6**	**$1.2**	**$1.4**	**$1.4**	**$7.5**	**$3.4**	**$2.5**

Power Electronics Content Rack + Sidecar (US$	**Hopper**	**GB200**	**GB300**	**VR200**	**Rubin Ultra**	**RF 200**	**RF 200 + SST**	**MI300**	**MI455**	**MI500**
PSUs, Shelves & Controls	$13,496	$36,960	$53,680	$79,096	$79,496	$324,080	$14,000	$12,320	$84,720	$238,560
Back-up Power / Energy Storage (BBU/CBU)	$720	$6,550	$14,560	$30,400	$34,800	$204,000	$204,000	$1,140	$21,600	$162,400
HVDC Power distribution (800/400V)	$0	$0	$0	$0	$0	$192,500	$172,500	$0	$0	$164,000
DC-DC Power Electronics (PDB/POL/VRM)	$3,866	$13,198	$16,531	$40,075	$45,302	$209,088	$209,088	$6,984	$38,419	$150,262
Rack Power Infrastructure (Busbars, Whip, Chassis)	$1,000	$10,000	$11,000	$20,000	$24,000	$143,000	$148,000	$2,250	$23,000	$113,000
SST / Upstream Power Transformation	$0	$0	$0	$0	$0	$0	$705,600	$0	$0	$0
Total	**$19,082**	**$66,708**	**$95,771**	**$169,571**	**$183,598**	**$1,072,668**	**$1,453,188**	**$22,694**	**$167,739**	**$828,222**
Power System Content per W (US$)	**$0.42**	**$0.56**	**$0.68**	**$0.85**	**$0.73**	**$0.89**	**$1.21**	**$0.57**	**$0.71**	**$0.83**

Source: Company Data, UBS research

Hardware ODM / Power opportunity per GW for selected ASICs

	Amazon				Google					Meta			GUC
Hardware Opportunity	**Trainium 3**	**T3 72**	**T3 72 Pwr Rack**	**Trainium 4**	**TPU v7x**	**TPU 8i**	**TPU 8t**	**TPU 8 Pwr Rack**	**TPU 9**	**MTIA 400**	**MTIA 450**	**MTIA 500**	**Maia 300**
Year of Introduction	**H226**	**H226**	**H226**	**H227**	**H225**	**H226**	**H226**	**H226**	**H227**	**2026**	**2027**	**2027**	**2026**
Rack architecture	3D Torus	3D Torus	3D Torus	3D Torus	Torus Cube	Torus Cube	Torus Cube	Torus Cube	Torus Cube	MTIA	MTIA	MTIA	Maia
Process node	N3P	N3P	N3P	N2	N3	N2	N2	N2	N2P	N3	N3	N2	N3
Design service company	Alchip	Alchip	Alchip	Alchip	Broadcom	Broadcom	Mediatek	AVGO/MTK	AVGO/MTK	Broadcom	Broadcom	Broadcom	Marvell
GPU/XPU #	32	72	72	72	64	32	64	64	64	72	72	72	64
Accelerator dies per package	2	2	2	4	2	2	1	2	4	2	2	4	1
XPU Dies per rack	64	144	144	288	128	64	64	128	256	144	144	288	64
Power per XPU die (W)	500	500	500	800	550	450	1,000	800	600	600	700	850	1,250
Power per XPU (W)	1,000	1,000	1,000	3,200	1,100	900	1,000	1,600	2,400	1,200	1,400	1,700	1,250
1GW of Data Center Power in kW	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000
PUE	1.15	1.15	1.15	1.15	1.15	1.15	1.15	1.15	1.15	1.15	1.15	1.15	1.15
Power avail for AI Hardware, Net (kW)	870,000	870,000	870,000	870,000	870,000	870,000	870,000	870,000	870,000	870,000	870,000	870,000	870,000
Power per rack (kW)	**65**	**155**	**155**	**330**	**90**	**50**	**90**	**90**	**200**	**110**	**130**	**170**	**125**
Number of racks per GW	**13,385**	**5,613**	**5,613**	**2,636**	**9,667**	**17,400**	**9,667**	**9,667**	**4,350**	**7,909**	**6,692**	**5,118**	**6,960**

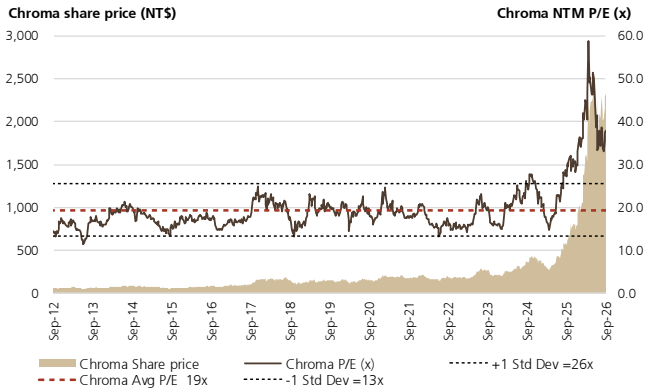
Power Electronics Content Rack + Sidecar (US$	**Trainium 3**	**T3 72**	**T3 72 Pwr Rack**	**T4 Pwr Rack**	**TPU v7x**	**TPU 8i**	**TPU 8t**	**TPU 8 Pwr Rack**	**TPU 9**	**MTIA 400**	**MTIA 450**	**MTIA 500**	**Maia 300**
PSUs, Shelves & Controls	$19,760	$54,650	$54,150	$104,000	$37,450	$13,110	$26,220	$27,720	$57,892	$25,120	$39,330	$45,200	$39,180
Back-up Power / Energy Storage (BBU/CBU)	$11,640	$33,600	$34,000	$70,400	$18,240	$7,680	$15,360	$12,800	$31,200	$19,040	$27,120	$32,000	$29,120
HVDC Power distribution (800/400V)	$0	$0	$20,000	$63,000	$0	$0	$0	$22,000	$37,000	$0	$0	$39,000	$0
DC-DC Power Electronics (PDB/POL/VRM)	$17,424	$17,424	$17,424	$27,878	$17,037	$18,586	$12,390	$12,390	$30,976	$18,230	$21,269	$25,826	$25,360
Rack Power Infrastructure (Busbars, Whip, Chassis)	$5,000	$11,000	$26,000	$40,500	$5,500	$2,800	$5,500	$17,300	$37,500	$11,000	$12,500	$33,333	$9,000
SST / Upstream Power Transformation	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Total	**$53,824**	**$116,674**	**$151,574**	**$305,778**	**$78,227**	**$42,176**	**$59,470**	**$92,210**	**$194,568**	**$73,390**	**$100,219**	**$175,360**	**$102,660**
Power System Content per W (US$)	**$0.83**	**$0.75**	**$0.98**	**$0.93**	**$0.87**	**$0.84**	**$0.66**	**$1.02**	**$0.97**	**$0.67**	**$0.77**	**$1.03**	**$0.82**

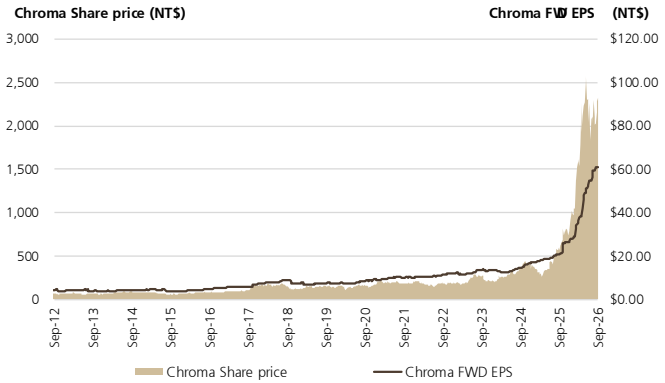
Power Content % of Total	**Trainium 3**	**T3 72**	**T3 72 Pwr Rack**	**Trainium 4**	**TPU v7x**	**TPU 8i**	**TPU 8t**	**TPU 8 Pwr Rack**	**TPU 9**	**MTIA 400**	**MTIA 450**	**MTIA 500**	**Maia 300**
PSUs, Shelves & Controls	37%	47%	36%	34%	48%	31%	44%	30%	30%	34%	39%	26%	38%
Back-up Power / Energy Storage (BBU/CBU)	22%	29%	22%	23%	23%	18%	26%	14%	16%	26%	27%	18%	28%
HVDC Power distribution (800/400V)	0%	0%	13%	21%	0%	0%	0%	24%	19%	0%	0%	22%	0%
DC-DC Power Electronics (PDB/POL/VRM)	32%	15%	11%	9%	22%	44%	21%	13%	16%	25%	21%	15%	25%
Rack Power Infrastructure (Busbars, Whip, Chassis)	9%	9%	17%	13%	7%	7%	9%	19%	19%	15%	12%	19%	9%
SST / Upstream Power Transformation	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
Total	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**

Source: Company Data, UBS research

Chroma financial summary

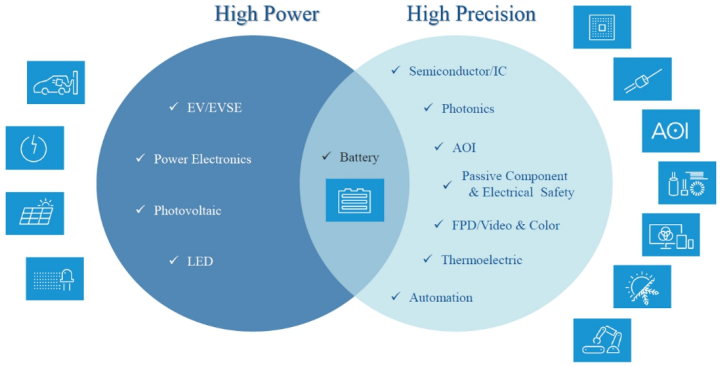
	2Q26	3Q26E		4Q26E		2025	2026E		2027E	
(NT$m)	Actual	UBSe	VA	UBSe	VA	Actual	UBSe	VA	UBSe	VA
Revenue	**13,529**	**14,315**	**14,693**	**14,505**	**15,535**	**28,311**	**54,208**	**55,617**	**71,080**	**75,463**
- QoQ/ YoY	14.1%	5.8%	8.6%	1.3%	5.7%	31.0%	91.5%	96.5%	31.1%	35.7%
Gross profit	**8,185**	**8,821**	**8,999**	**9,061**	**9,580**	**17,425**	**33,491**	**34,187**	**45,040**	**47,192**
- Gross margin	60.5%	61.6%	61.2%	62.5%	61.7%	61.5%	61.8%	61.5%	63.4%	62.5%
Operating profit	**5,241**	**5,686**	**6,004**	**5,826**	**6,459**	**9,198**	**21,551**	**22,501**	**31,538**	**31,241**
- OP margin	38.7%	39.7%	40.9%	40.2%	41.6%	32.5%	39.8%	40.5%	44.4%	41.4%
Non-Op	**1,272**	**790**	**353**	**516**	**323**	**4,720**	**2,875**	**2,245**	**1,352**	**1,277**
Pre-tax profit	**6,514**	**6,476**	**6,357**	**6,342**	**6,781**	**13,918**	**24,426**	**24,746**	**32,890**	**33,842**
Tax	**1,284**	**1,230**	**1,218**	**1,205**	**1,297**	**1,992**	**4,866**	**4,945**	**6,249**	**6,445**
- Tax rate	-20%	-19%	-19%	-19%	-19%	-14%	-20%	-20%	-19%	-19%
Net profit	**5,123**	**5,166**	**5,055**	**5,057**	**5,399**	**11,692**	**19,210**	**19,489**	**26,416**	**27,148**
EPS (NT$)	**12.09**	**12.19**	**12.02**	**11.94**	**12.97**	**27.59**	**45.34**	**46.20**	**62.34**	**63.72**

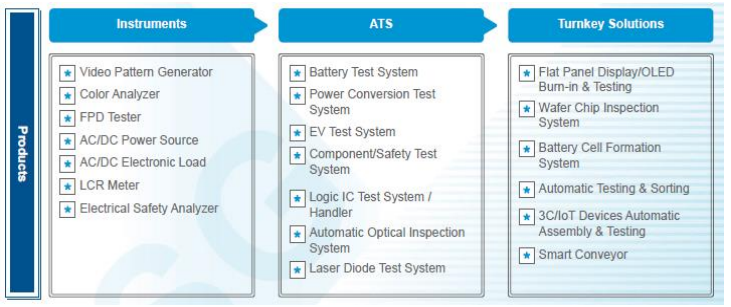


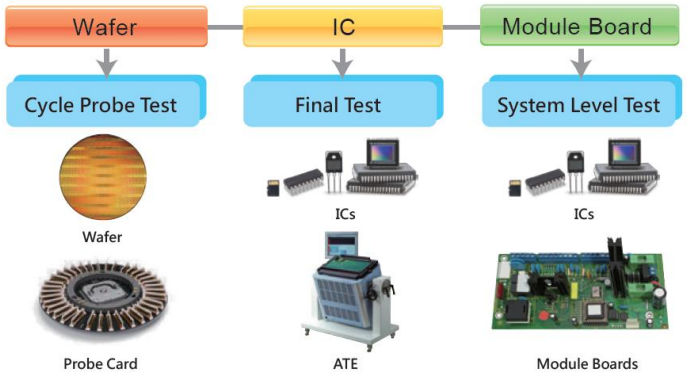


Source: Company data, Visible Alpha, UBS estimates

Flexible business adapting to the technology innovation



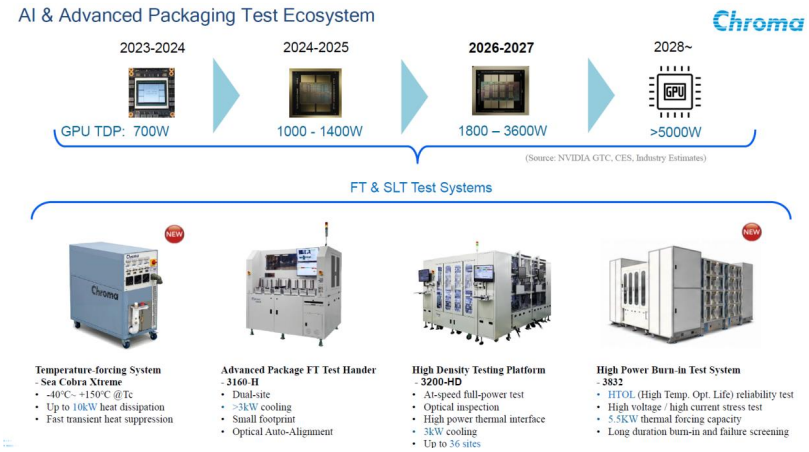


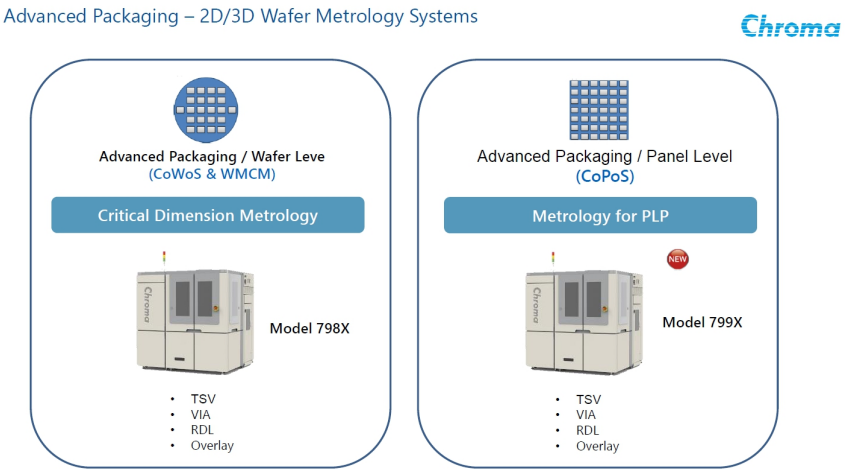


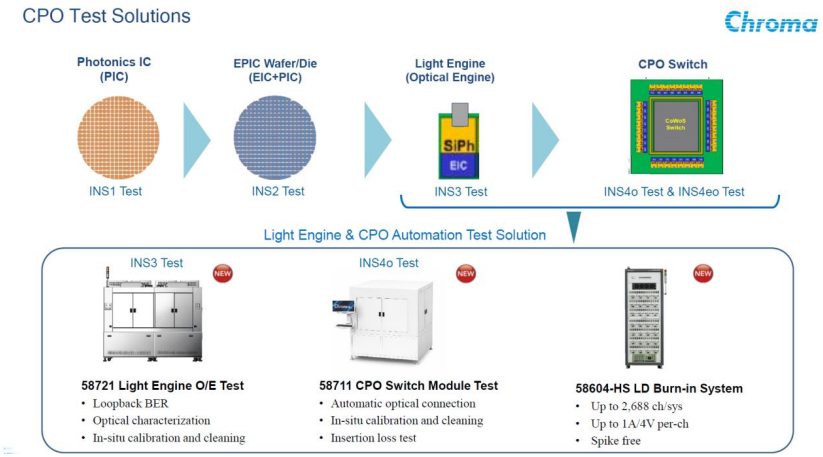


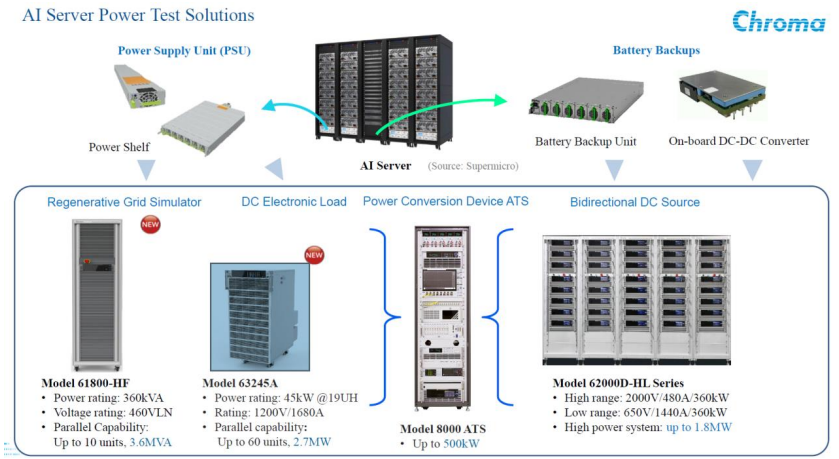
Source: Company data

New opportunities in CPO, PLP, FT Handler and HVDC









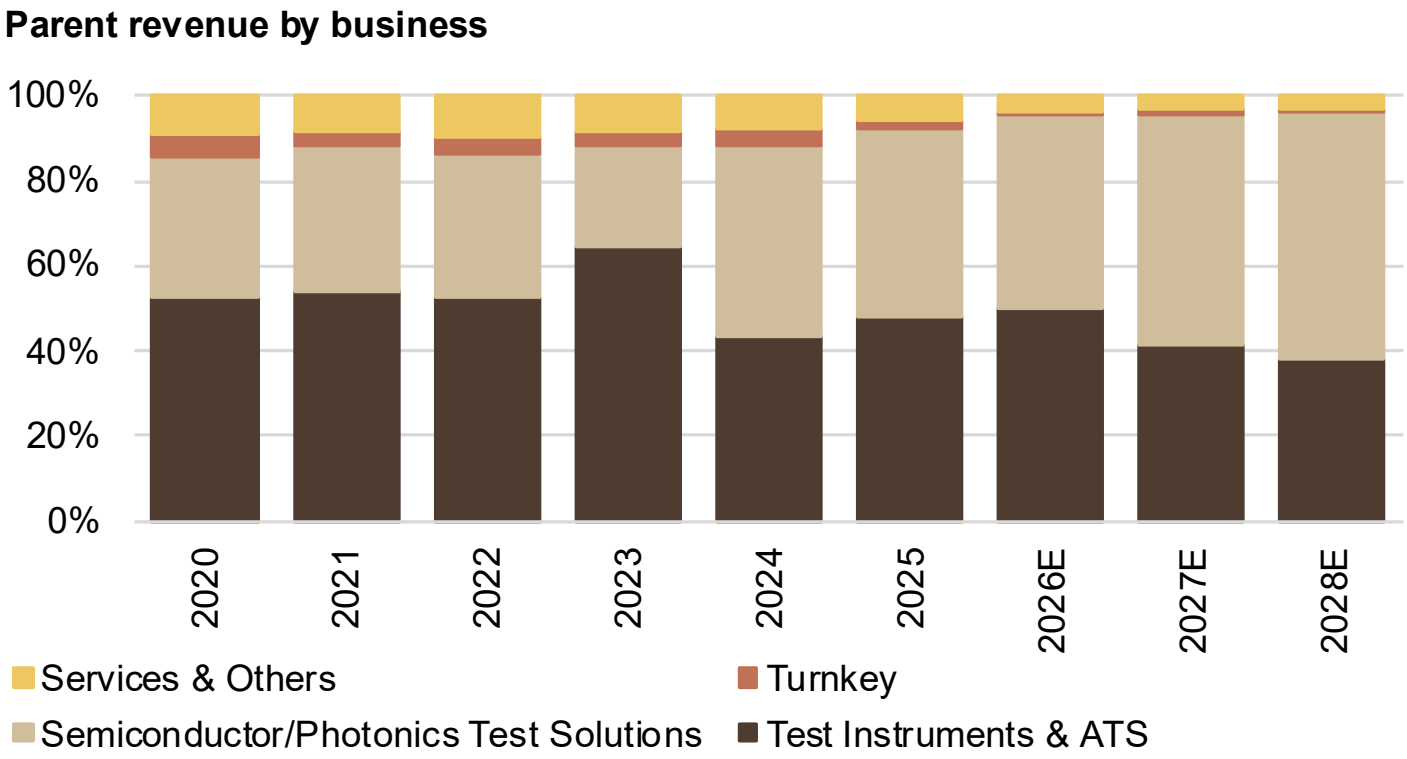
Source: Company data

Chroma operating metrics

NT$ mn	2019	2020	2021	2022	2023	2024	2025	2026E	2027E	2028E	2019-24 CAGR	2025-28 CAGR
Test instruments & ATS	$4,605	$4,849	$5,531	$7,052	$8,087	$6,825	$10,546	$22,108	$24,434	$26,206	8%	35%
Semiconductor/Photonics	$2,311	$3,025	$3,589	$4,523	$2,956	$6,973	$9,759	$20,340	$31,935	$39,879	25%	60%
Turnkey	$632	$456	$347	$578	$454	$685	$444	$289	$551	$588	2%	10%
Service & Others	$563	$850	$841	$1,308	$1,033	$1,168	$1,263	$1,769	$1,895	$2,104	16%	19%
Parent sales	**$8,111**	**$9,180**	**$10,308**	**$13,461**	**$12,530**	**$15,652**	**$22,012**	**$44,506**	**$58,816**	**$68,777**	**14%**	**46%**
Overseas sales	$2,435	$2,865	$3,247	$6,808	$5,257	$4,766	$5,154	$8,391	$10,926	$12,938	14%	36%
Chroma Testing Equipment Business	**$10,546**	**$12,045**	**$13,555**	**$20,269**	**$17,787**	**$20,418**	**$27,166**	**$52,897**	**$69,742**	**$81,714**	**14%**	**44%**
MAS (automation)	$1,009	$618	$780	$830	$659	$873	$884	$1,038	$1,057	$1,023	-3%	5%
Other subsidiaries	$2,355	$2,870	$3,249	$968	$230	$313	$261	$274	$281	$303	-33%	5%
Consolidated sales	**$13,910**	**$15,533**	**$17,584**	**$22,067**	**$18,676**	**$21,604**	**$28,311**	**$54,208**	**$71,080**	**$83,041**	**9%**	**43%**
YoY changes												
Test instruments & ATS	4%	5%	14%	27%	15%	-16%	55%	110%	11%	7%		
Semiconductor/Photonics	22%	31%	19%	26%	-35%	136%	40%	108%	57%	25%		
Turnkey	-19%	-28%	-24%	67%	-21%	51%	-35%	-35%	91%	7%		
Service & Others	21%	51%	-1%	56%	-21%	13%	8%	40%	7%	11%		
Parent sales	**7%**	**13%**	**12%**	**31%**	**-7%**	**25%**	**41%**	**102%**	**32%**	**17%**		
Chroma Testing Equipment Business	**8%**	**14%**	**13%**	**50%**	**-12%**	**15%**	**33%**	**95%**	**32%**	**17%**		
Consolidated sales	**-7%**	**12%**	**13%**	**25%**	**-15%**	**16%**	**31%**	**91%**	**31%**	**17%**		

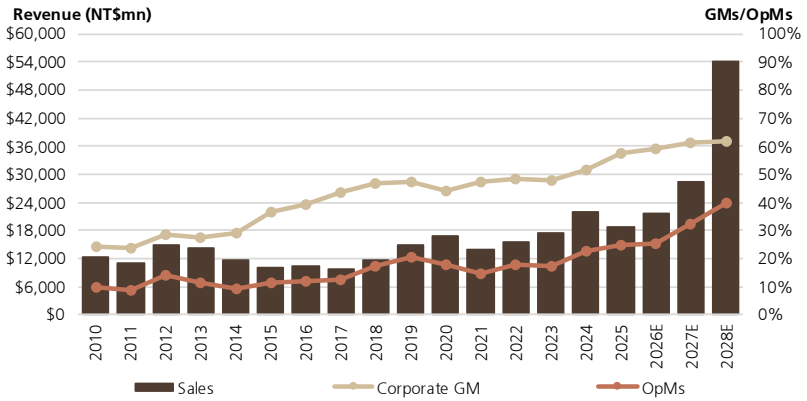
Source: Company data, UBS estimates

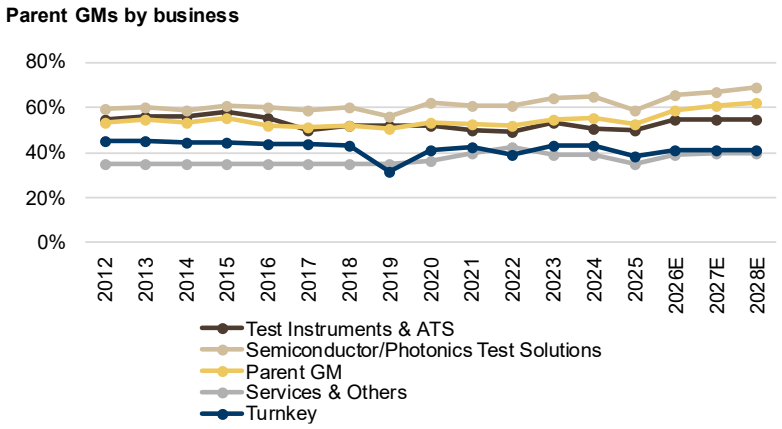
Dual drivers supported by Power Testing and Semi/Photonics



Source: Company data, UBS estimates

Consolidated margins should improve with greater scale and better mix

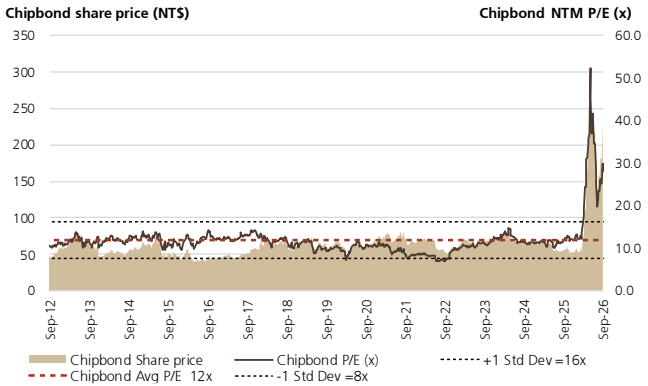


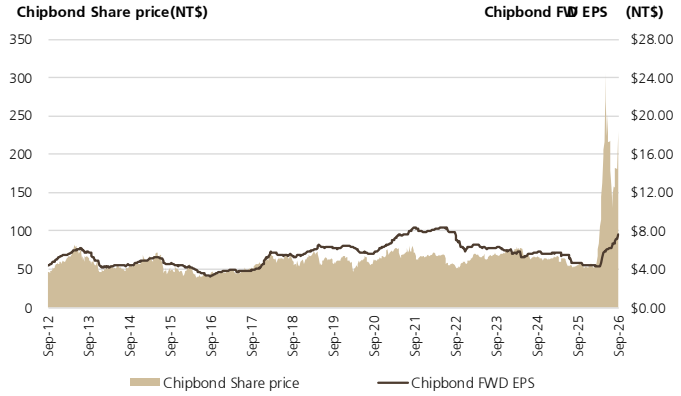


Source: Company data, UBS estimates

Chipbond financial summary

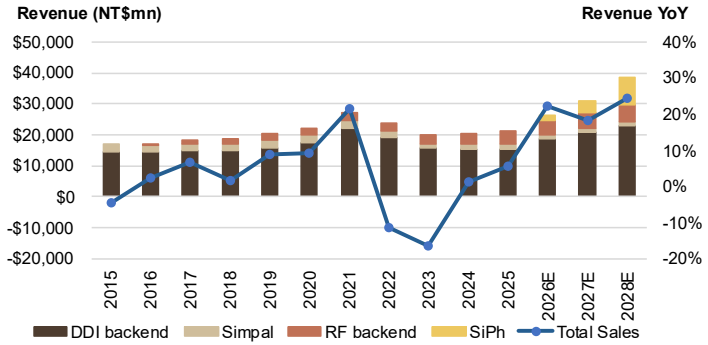
	2Q26	3Q26E		4Q26E		2025	2026E		2027E	
(NT$m)	Actual	UBSe	VA	UBSe	VA	Actual	UBSe	VA	UBSe	VA
Revenue	**6,632**	**7,108**	**7,175**	**6,722**	**6,957**	**21,454**	**26,218**	**26,519**	**31,017**	**31,409**
- QoQ / YoY	15.2%	7.2%	8.2%	-5.4%	-3.0%	5.5%	22.2%	23.6%	18.3%	18.4%
Gross profit	**2,010**	**2,186**	**2,223**	**2,013**	**2,098**	**4,591**	**7,559**	**7,681**	**9,499**	**9,740**
- Gross margin	30.3%	30.8%	31.0%	29.9%	30.2%	21.4%	28.8%	29.0%	30.6%	31.0%
Operating profit	**1,278**	**1,474**	**1,516**	**1,286**	**1,379**	**2,400**	**4,826**	**4,961**	**6,546**	**6,731**
- OP margin	19.3%	20.7%	21.1%	19.1%	19.8%	11.2%	18.4%	18.7%	21.1%	21.4%
Non-Op	**93**	**223**	**179**	**366**	**216**	**856**	**387**	**193**	**885**	**749**
Pre-tax profit	**1,371**	**1,697**	**1,694**	**1,652**	**1,595**	**3,256**	**5,213**	**5,153**	**7,430**	**7,480**
Tax	**421**	**288**	**249**	**281**	**240**	**481**	**1,046**	**966**	**1,352**	**1,182**
- Tax rate	-31%	-17%	-15%	-17%	-15%	-15%	-20%	-19%	-18%	-16%
Net profit	**950**	**1,408**	**1,445**	**1,372**	**1,355**	**2,775**	**4,167**	**4,187**	**6,078**	**6,298**
EPS (NT$)	**1.29**	**1.91**	**1.95**	**1.86**	**1.83**	**3.76**	**5.64**	**5.65**	**8.23**	**8.50**

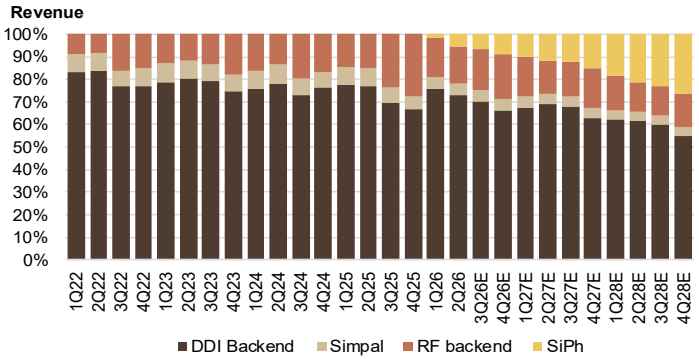


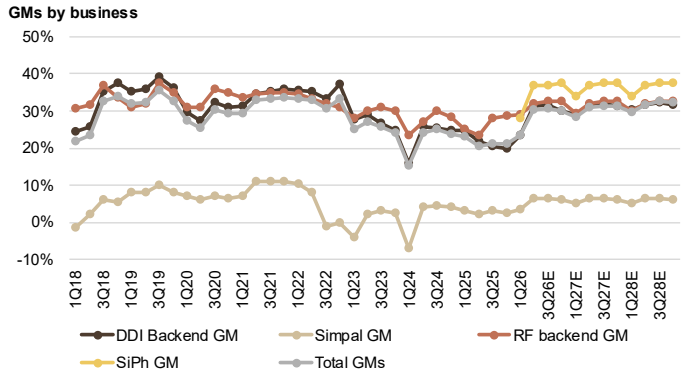


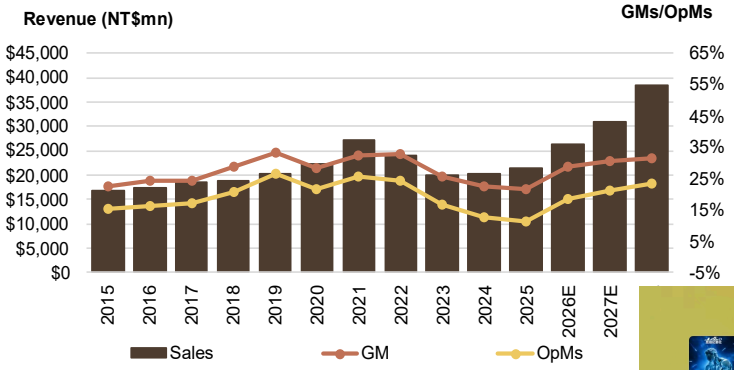
Source: Company data, Visible Alpha, UBS estimates

Chipbond's sales mix from display driver IC is declining







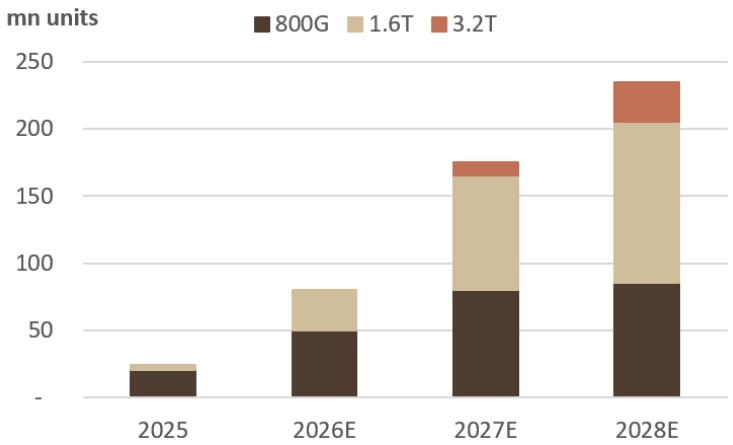


Source: Company data, UBS estimates

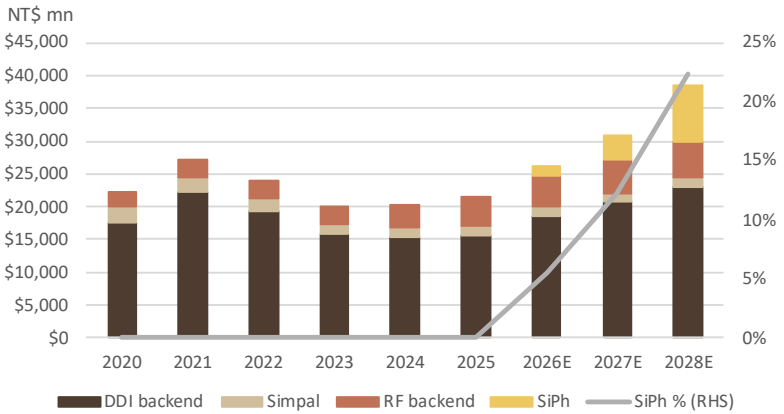
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New opportunities for the optical transceiver business

800G+ transceivers seeing robust growth due to networking speed upgrades

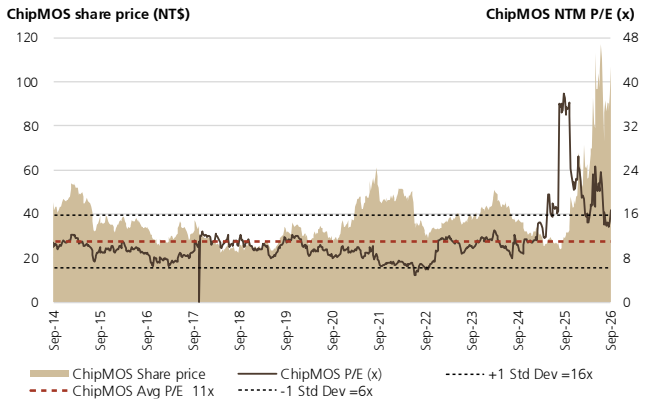


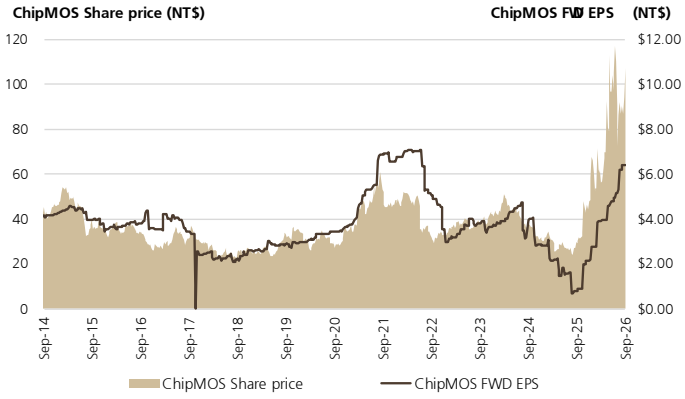
Chipbond's SiPh revenue to account for 22% of total sales in 2028E



ChipMOS financial summary

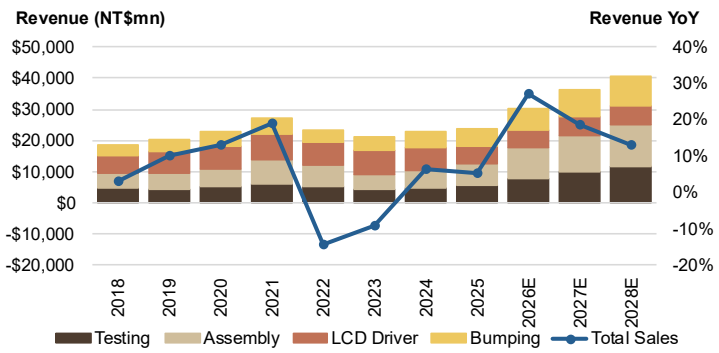
	2Q26	3Q26E		4Q26E		2025	2026E		2027E	
(NT$m)	Actual	UBSe	LSEG	UBSe	LSEG	Actual	UBSe	LSEG	UBSe	LSEG
Revenue	**7,383**	**8,112**	**8,113**	**8,007**	**8,290**	**23,933**	**30,438**	**30,722**	**36,087**	**35,922**
- QoQ / YoY	6.5%	9.9%	9.9%	-1.3%	2.2%	5.5%	27.2%	28.4%	18.6%	16.9%
Gross profit	**1,326**	**1,506**	**1,575**	**1,502**	**1,670**	**2,592**	**5,289**	**5,526**	**7,324**	**7,734**
- Gross margin	18.0%	18.6%	19.4%	18.8%	20.1%	10.8%	17.4%	18.0%	20.3%	21.5%
Operating profit	**948**	**1,015**	**1,091**	**999**	**1,178**	**1,143**	**3,482**	**3,561**	**5,229**	**5,507**
- OP margin	12.8%	12.5%	13.4%	12.5%	14.2%	4.8%	11.4%	11.6%	14.5%	15.3%
Non-Op	**79**	**120**	**58**	**99**	**61**	**-555**	**377**	**426**	**377**	**284**
Pre-tax profit	**1,027**	**1,055**	**1,148**	**1,016**	**1,239**	**587**	**3,697**	**3,987**	**5,384**	**5,792**
Tax	**135**	**164**	**227**	**158**	**277**	**92**	**550**	**594**	**835**	**919**
- Tax rate	-13%	-16%	-20%	-16%	-22%	-16%	-15%	-15%	-16%	-16%
Net profit	**892**	**892**	**921**	**859**	**962**	**495**	**3,147**	**3,394**	**4,550**	**4,872**
EPS (NT$)	**1.27**	**1.27**	**1.35**	**1.23**	**1.47**	**0.69**	**4.50**	**4.82**	**6.50**	**6.90**

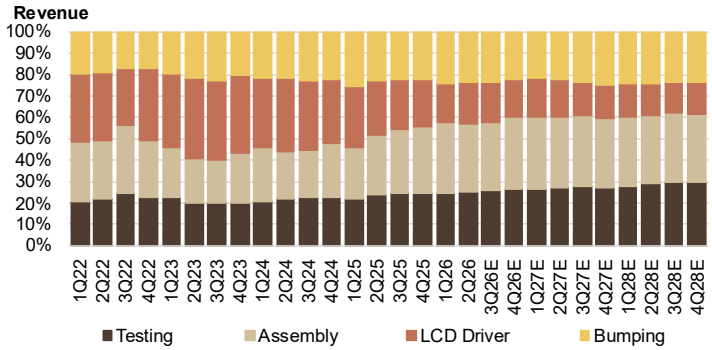


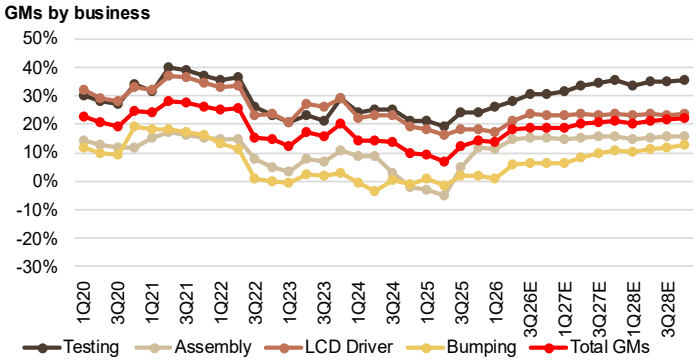


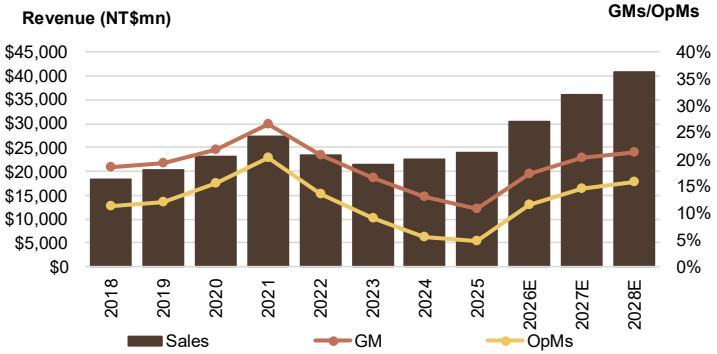
Source: Company data, Visible Alpha, UBS estimates

ChipMOS' memory/logic business driving growth





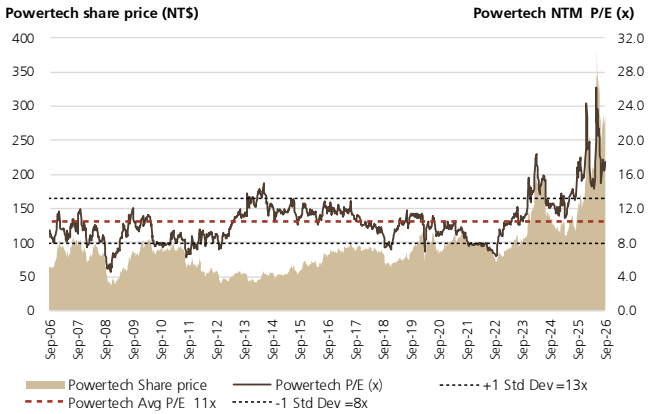


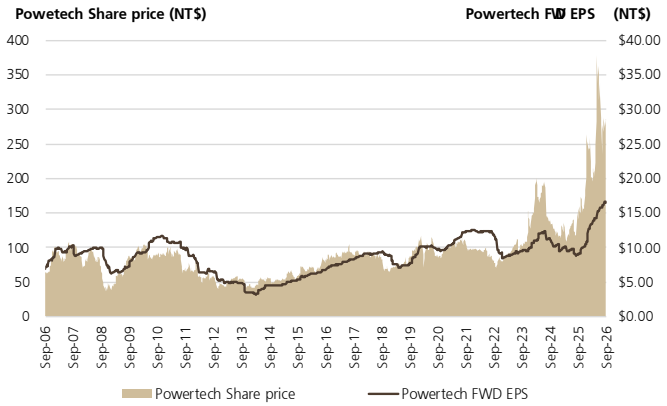


Source: Company data, UBS estimates

Powertech financial summary

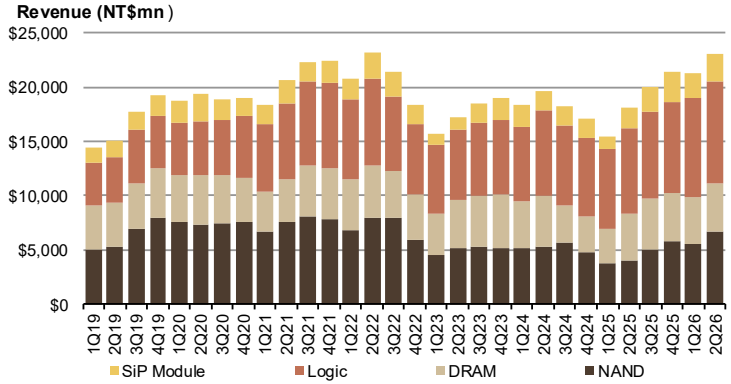
	2Q26	3Q26E		4Q26E		2025	2026E		2027E	
(NT$m)	Actual	UBSe	VA	UBSe	VA	Actual	UBSe	VA	UBSe	VA
Revenue	**23,116**	**24,219**	**24,595**	**24,605**	**25,287**	**74,929**	**93,254**	**94,312**	**103,336**	**112,179**
- QoQ / YoY	8.5%	4.8%	6.4%	1.6%	2.8%	2.2%	24.5%	25.9%	10.8%	18.9%
Gross profit	**5,031**	**5,355**	**5,471**	**5,492**	**5,685**	**12,729**	**20,022**	**20,331**	**23,008**	**25,691**
- Gross margin	21.8%	22.1%	22.2%	22.3%	22.5%	17.0%	21.5%	21.6%	22.3%	22.9%
Operating profit	**3,531**	**3,887**	**4,008**	**4,025**	**4,188**	**8,132**	**14,204**	**14,488**	**17,028**	**19,370**
- OP margin	15.3%	16.1%	16.3%	16.4%	16.6%	10.9%	15.2%	15.4%	16.5%	17.3%
Non-Op	**130**	**113**	**91**	**73**	**87**	**660**	**712**	**704**	**204**	**352**
Pre-tax profit	**3,661**	**4,000**	**4,099**	**4,098**	**4,275**	**8,792**	**14,917**	**15,192**	**17,233**	**19,721**
Tax	**811**	**760**	**804**	**779**	**839**	**1,572**	**3,120**	**3,224**	**3,400**	**4,076**
- Tax rate	-22%	-19%	-20%	-19%	-20%	-18%	-21%	-21%	-20%	-21%
Net profit	**2,219**	**2,578**	**2,648**	**2,657**	**2,770**	**5,536**	**9,298**	**9,482**	**11,259**	**12,769**
EPS (NT$)	**3.00**	**3.49**	**3.52**	**3.60**	**3.70**	**7.47**	**12.58**	**12.66**	**15.24**	**17.25**

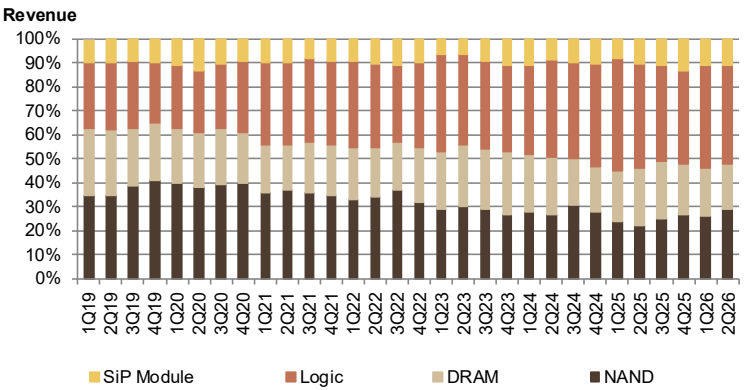


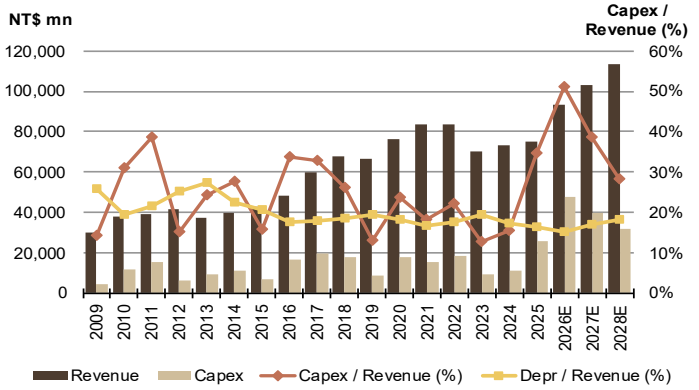


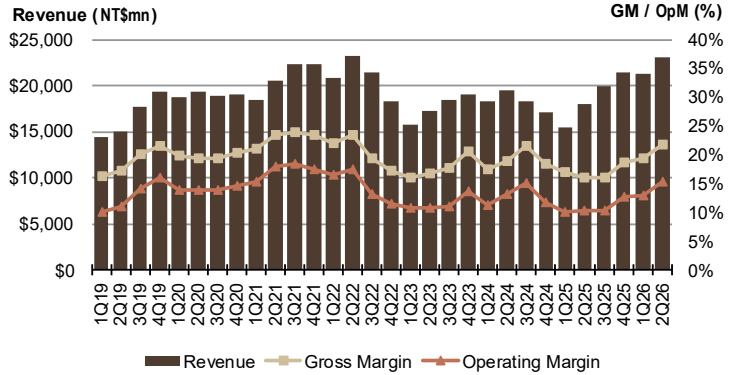
Source: Company data, Visible Alpha, UBS estimates

Powertech's revenue recovering post Xi'an fab divestment





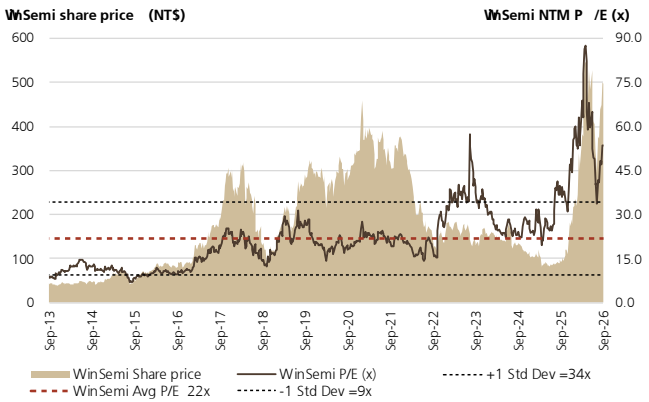


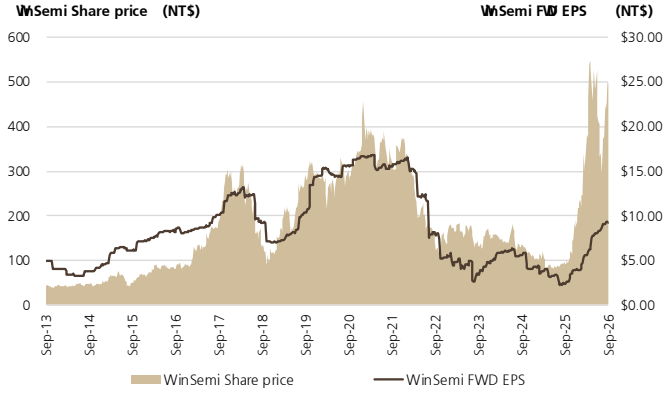


Source: Company data, UBS estimates

Win Semi financial summary

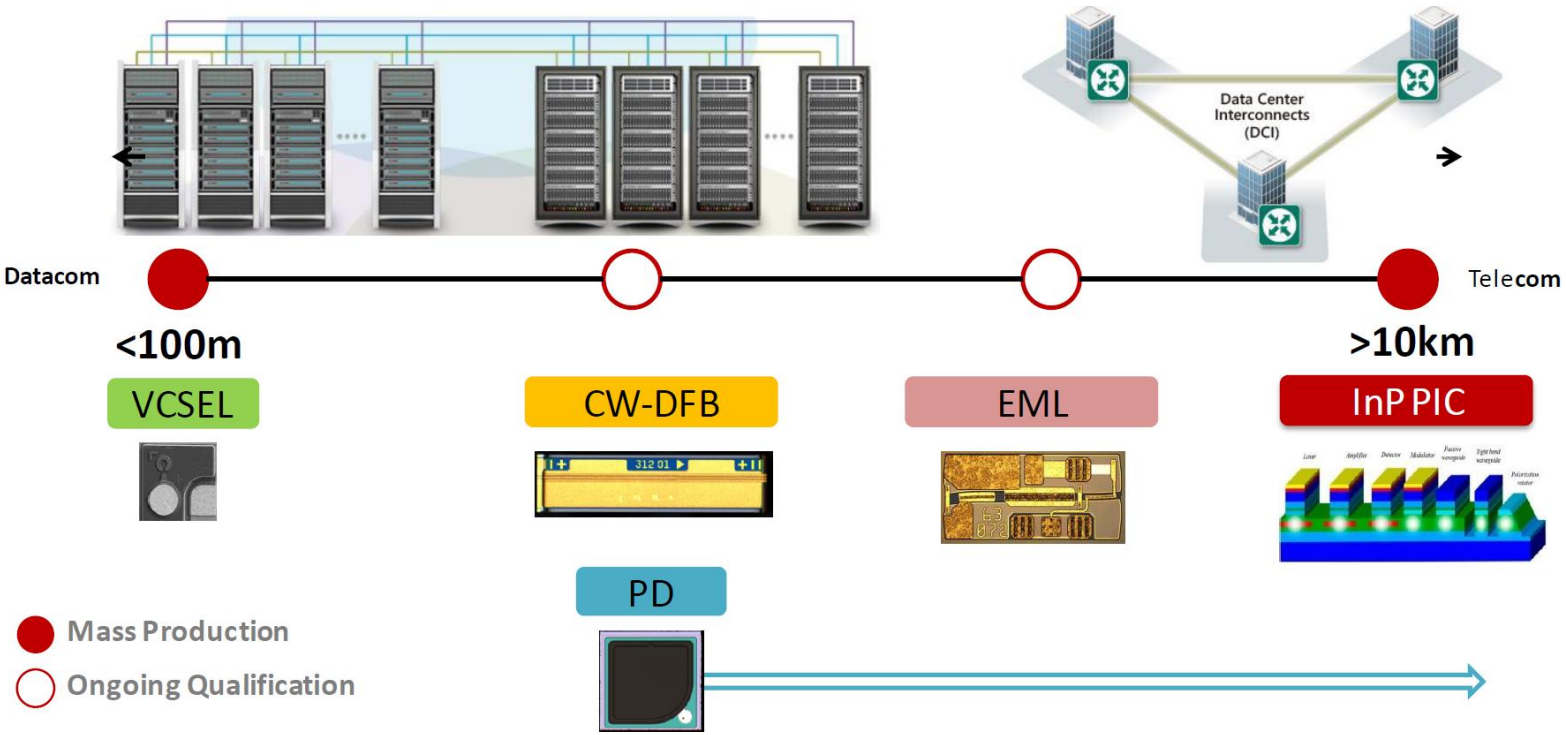
	Q226	Q326E		Q426E		2025	2026E		2027E	
(NT$m)	Actual	UBSe	VA	UBSe	VA	Actual	UBSe	VA	UBSe	VA
Revenue	**5,257**	**5,895**	**5,891**	**5,842**	**5,816**	**16,639**	**21,584**	**21,554**	**25,506**	**25,551**
- QoQ / YoY	14.5%	12.1%	12.1%	-0.9%	-1.3%	-4.7%	29.7%	29.5%	18.2%	18.5%
Gross profit	**1,485**	**1,783**	**1,826**	**1,786**	**1,797**	**4,026**	**6,262**	**6,319**	**8,369**	**8,339**
- Gross margin	28.2%	30.2%	31.0%	30.6%	30.9%	24.2%	29.0%	29.3%	32.8%	32.6%
Operating profit	**742**	**999**	**1,002**	**962**	**943**	**717**	**3,135**	**3,118**	**5,185**	**4,677**
- OP margin	14.1%	16.9%	17.0%	16.5%	16.2%	4.3%	14.5%	14.5%	20.3%	18.3%
Non-Op	**447**	**20**	**36**	**24**	**0**	**672**	**591**	**578**	**289**	**94**
Pre-tax profit	**1,188**	**1,019**	**1,033**	**986**	**943**	**1,389**	**3,725**	**3,696**	**5,474**	**4,771**
Tax	**284**	**183**	**198**	**177**	**178**	**297**	**728**	**738**	**1,035**	**914**
- Tax rate	-24%	-18%	-19%	-18%	-19%	-21%	-20%	-20%	-19%	-19%
Net profit	**977**	**916**	**968**	**879**	**847**	**1,696**	**3,305**	**3,325**	**4,779**	**4,238**
EPS (NT$)	**2.30**	**2.16**	**2.28**	**2.07**	**2.00**	**4.00**	**7.79**	**7.84**	**11.27**	**9.99**





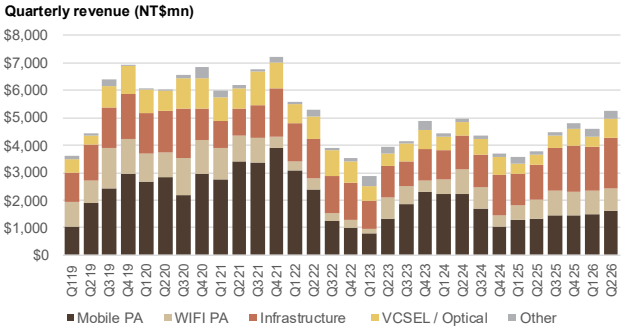
Source: Company data, Visible Alpha, UBS estimates

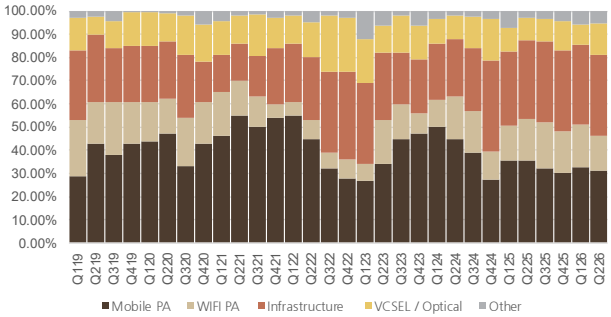
Win Semi's new opportunities in optical data transmission

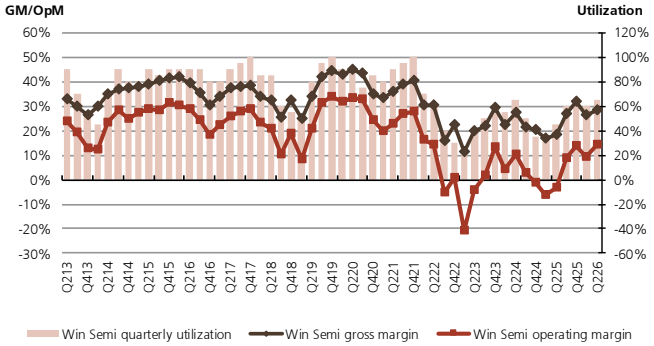


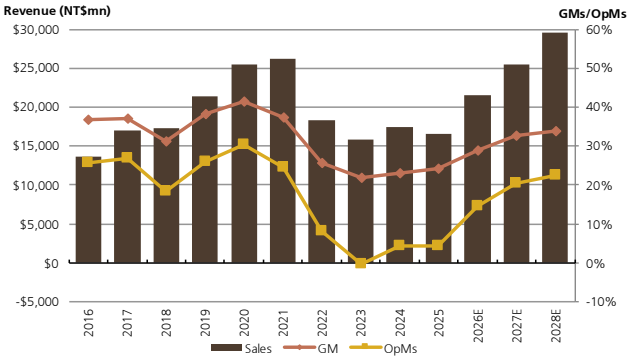
Source: Company data

Win Semi's margins recovering on higher loading and better mix









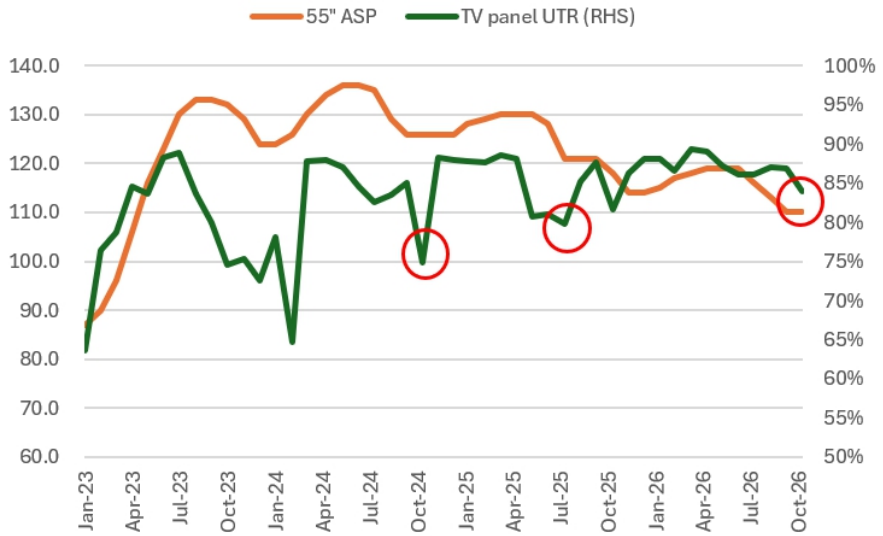
Source: Company data, UBS estimates

Section 5

Display and Tech Hardware company section

TV panel price and UTR turning south from late-Q226 on softer demand

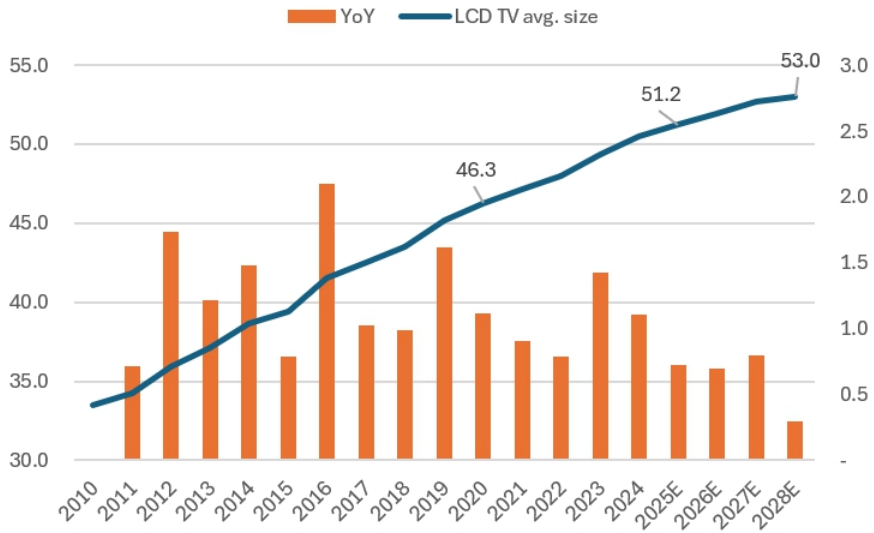




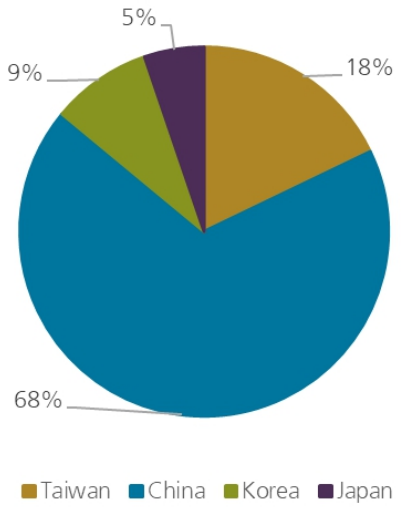
Source: Omdia, UBS estimates

TV size migration slowing down

TV size migration slowing down from prior ~1" p.a.



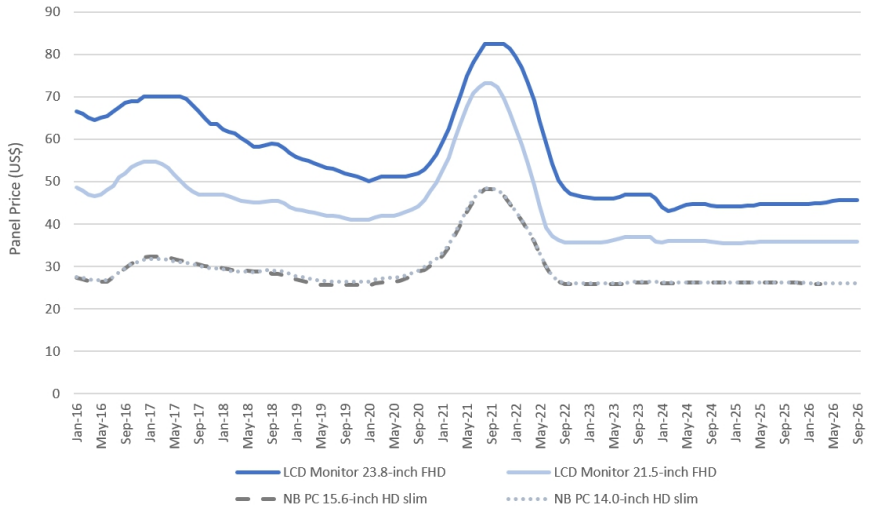
Chinese panel makers account for 68% of global capacity in 2025



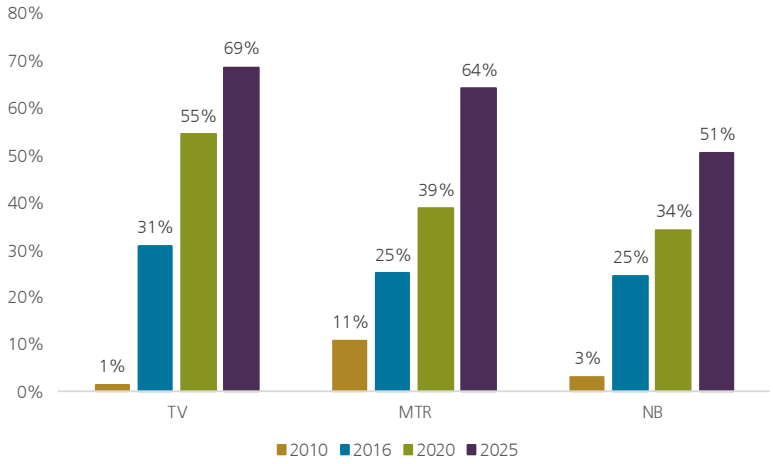
Source: Omdia, UBS estimates

Intensifying competition in NB/monitor panels

NB/monitor panel ASP trend

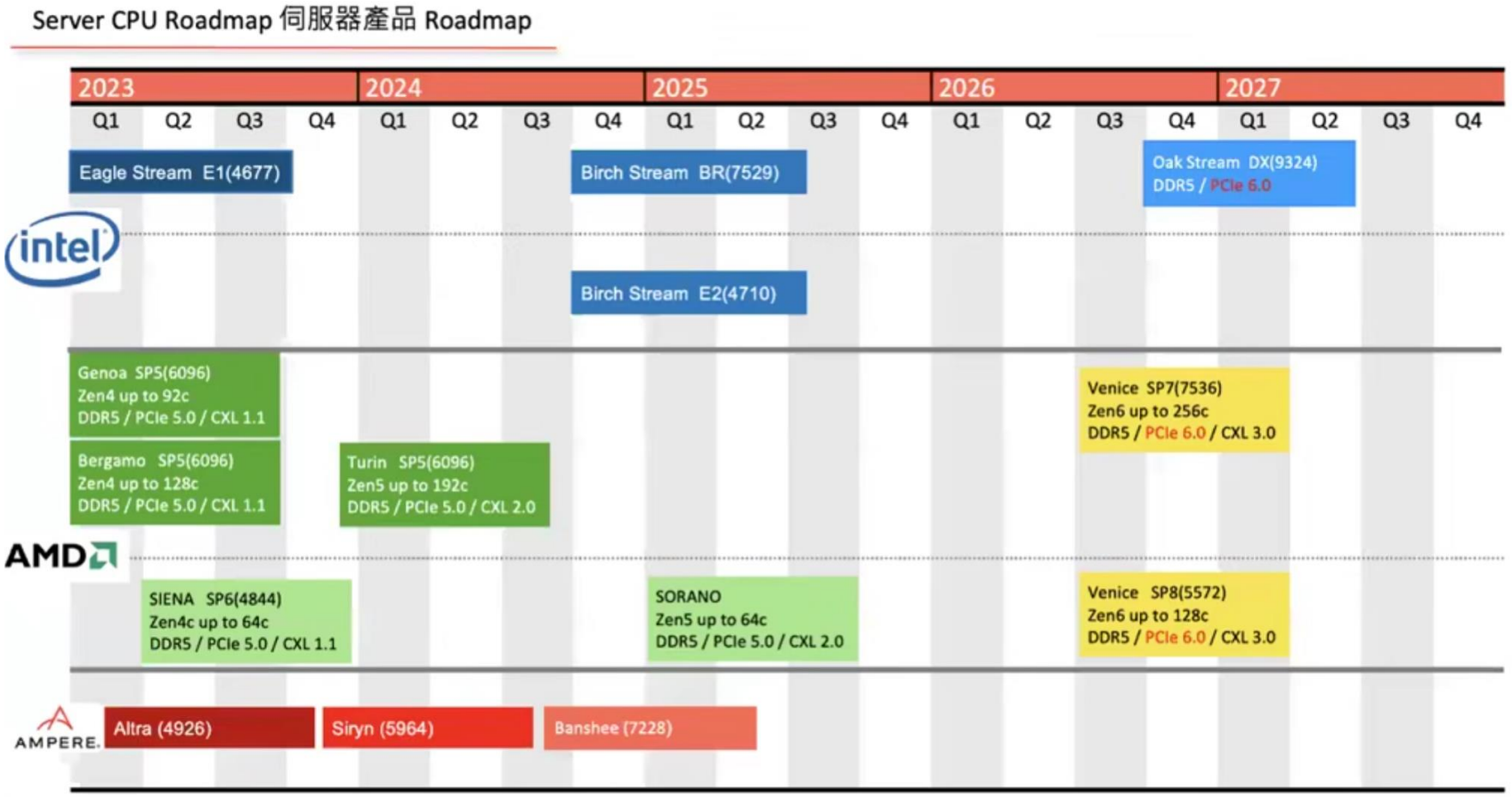


Chinese panel makers catching up on NB/monitor M/S



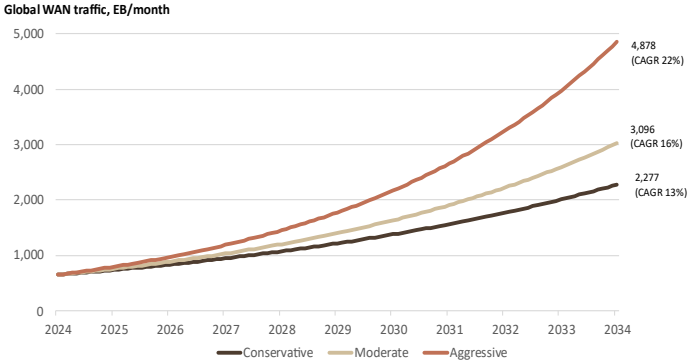
Source: Omdia, UBS estimates

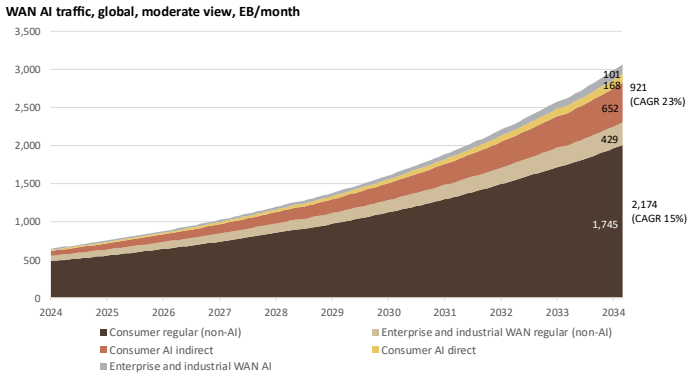
Server CPU Roadmap

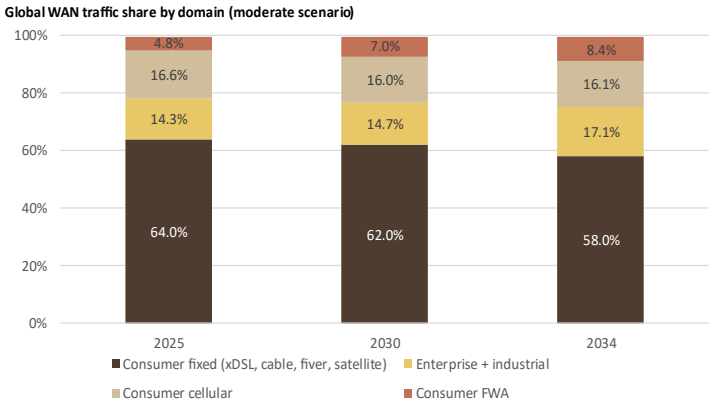


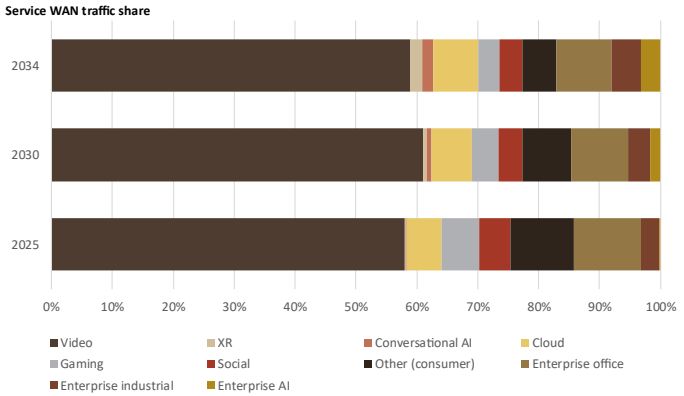
Source: Lotes

Global network traffic to sustain healthy growth



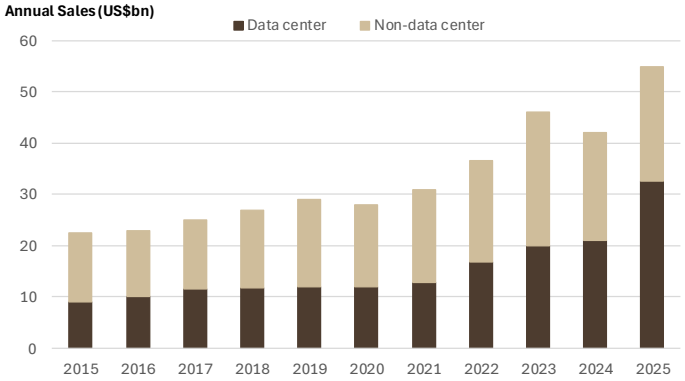


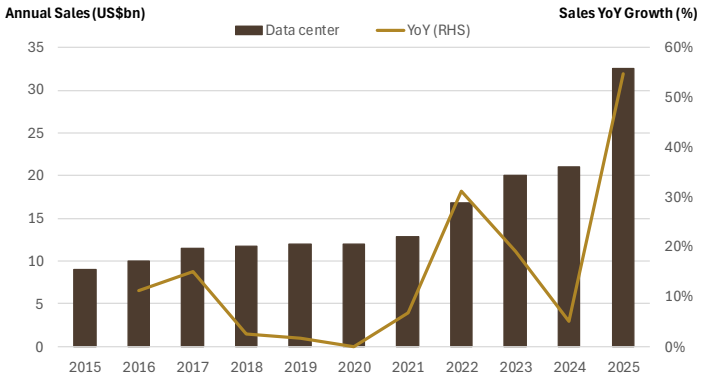


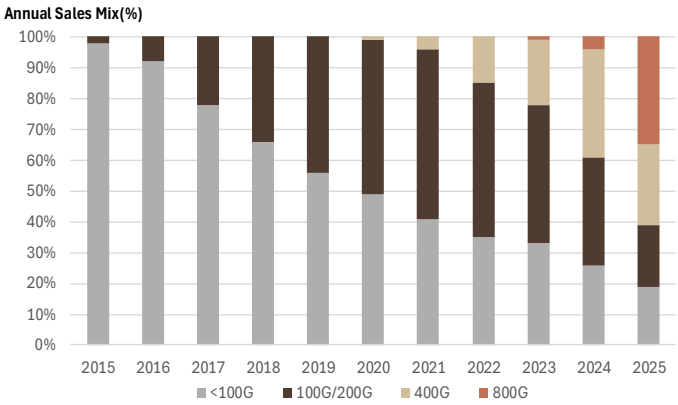


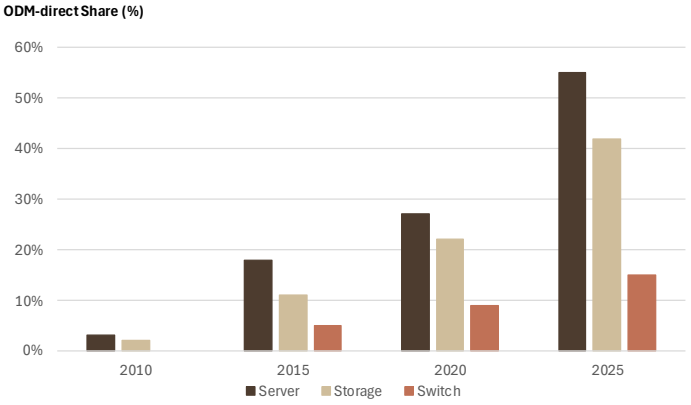
Source: Nokia

ODM Direct could proliferate in data center switches









Source: Company data

Key component suppliers for ASIC servers

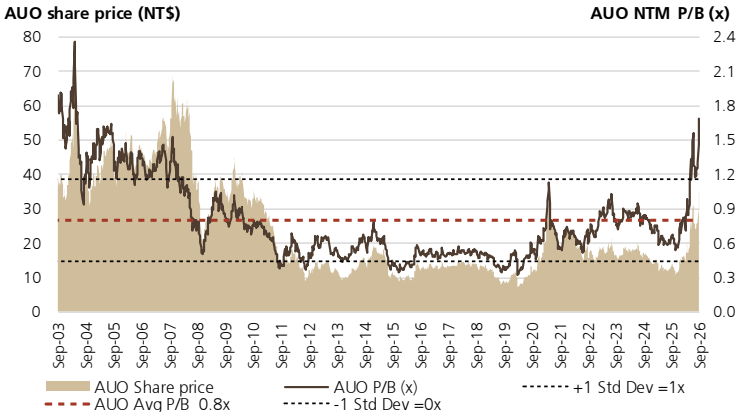
Semiconductors	Google	Meta	Microsoft	Amazon	NVIDIA
Foundry + CoWoS	TSMC	TSMC	TSMC	TSMC	TSMC
Assembly Outsourcing	ASE, Amkor	ASE	ASE	ASE	ASE, Amkor
Back-end Test	King Yuan (Broadcom, NVIDIA)	King Yuan (Broadcom, NVIDIA)	King Yuan	ASE, King Yuan	King Yuan, ASE (2nd source)
ASIC Design Service	Broadcom through v8t Mediatek v8i, GUC Axion	Broadcom	GUC Maia 100/200 & Cobalt, MRVL Maia 300	Tranium 2/3 MRVL Alchip T1/T3	N/A
IC Distribution	WT Micro (TPU)	WT Micro (Broadcom)	N/A	N/A	N/A
HBM	ASIC server: Hynix 67% / Samsung 33%	ASIC server: Micron 63% / Samsung 37%	NVDA server: Hynix 60%+, Micron 24%, Samsung 15%	ASIC Server: Hynix 84%, Samsung 16%	Hynix 60%+, Micron 24%, Samsung 15%
BMC	Google internal	Aspeed	Aspeed	Aspeed	Aspeed
Test Platform	Advantest	Advantest	Advantest	Teradyne	Advantest FT, Chroma SLT, Teradyne
Probe Card	MPI (CHPT load board)	MPI	NVDA server: TPI	MPI	TPI
Hardware	**Google**	**Meta**	**Microsoft**	**Amazon**	**NVIDIA**
ASIC Server	Celestica (TPU tray & L11), Hon Hai (CPU tray & L11), Inventec (CPU L6)	Quanta + Celestica	Hon Hai	Accton, Fabrinet L6 Wiwynn, Jabil L11	N/A
GPU Server	NVIDIA	NVIDIA, AMD	NVIDIA, AMD	NVIDIA	NVIDIA
GPU Server Racks	Quanta, Hon Hai from VR	Hon Hai, Quanta	Hon Hai, Quanta	Quanta	Hon Hai, Quanta, Wistron, SMCI etc
Switch/Networking	Celestica	Celestica, Nvidia, Cisco, Arista, Accton	Arista, Nvidia	Accton, Celestica	Wistron ODM Spectrum, Hon Hai Switch Tray
Substrate	Unimicron, Nanya PCB (late 26)	Unimicron	Unimicron	Unimicron, Semco	Ibiden, Unimicron
PCB	Victory, ISU Petasys, Shennan	Isu Petasys (Switch), Shennan	ISU Petasys (Switch), Avary (Small share)	Shengyi Elect., Avary (small share)	HDI: Victory, Unimicron. MLB: Wus, TTM, ISU, Avary
CCL	Panasonic, Shengyi, Elite Material	Elite Material	N/A	Elite Material, Shengyi Tech	Panasonic, Isola, Shengyi, Elite Material, Doosan
Heatspreader/Stiffener	GPU lid: Jentech, TPU stiffener: Jentech	GPU lid: Jentech	GPU lid: Jentech	GPU lid: Jentech, AWS lid/stiffener: Jentech	Lid/stiffener main: Jentech, legacy: I-Chiun
Liquid Cooling (ASIC)	Boyd, Cooler Master, AVC	AVC, Auras	AVC	AVC, Auras	N/A
Liquid cooling GPU	Cooler master, Vertiv, AVC	AVC, Auras, Delta (L2A)	AVC, Delta (L2A)	AVC, Auras, Delta (L2A)	AVC, Auras, Jentech, CoolerMaster
Power Supply Unit	Delta, Lite-On	Delta	Delta, Lite-On	Delta, Lite-On (T3/T4 rack)	Delta, Lite-On, Megmeet

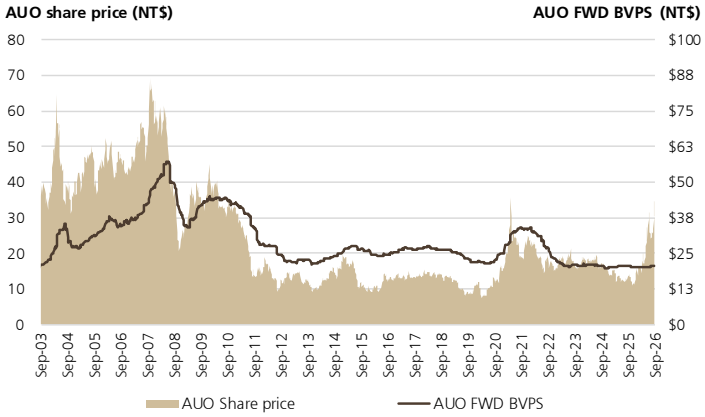
High performance computing ASICs	Trainium 2	Trainium 3	Trainium 4
IC design partner	Marvell	Alchip	Alchip
Design year	2022	2023	2025
Production/Process node	TSMC 5nm	TSMC 3nm	TSMC 2nm
Production year	2024	2026	2027
AI accelerator board manufacturer	Accton	Accton	Accton
OAM per UBB	2	4	4
Heat-dissipation rating (W)	~500W	~700W	1000+ W
Cooling Method	Air Cooled	Air / Liquid Cooled	Liquid Cooled

Source: Company data, UBS estimates

AUO financial summary

	Q226	Q326E		Q426E		2025	2026E		2027E	
(NT$m)	Actual	UBSe	VA	UBSe	VA	Actual	UBSe	VA	UBSe	VA
Revenue	**70,891**	**70,540**	**71,603**	**75,731**	**72,417**	**281,388**	**286,194**	**294,526**	**306,567**	**299,890**
- QoQ / YoY	2.7%	-0.5%	1.0%	7.4%	1.1%	0%	1.7%	4.7%	7.1%	1.8%
Gross profit	**9,248**	**8,746**	**8,887**	**9,558**	**8,922**	**32,355**	**35,735**	**36,620**	**40,080**	**38,481**
- Gross margin	13.0%	12.4%	12.4%	12.6%	12.3%	11.5%	12.5%	12.4%	13.1%	12.8%
Operating profit	**218**	**-283**	**-96**	**16**	**-201**	**-1,056**	**-685**	**2,350**	**4,443**	**2,770**
- OP margin	0.3%	-0.4%	-0.1%	0.0%	-0.3%	-0.4%	-0.2%	0.8%	1.4%	0.9%
Non-Op	**2,533**	**142**	**186**	**13,332**	**6,781**	**9,496**	**16,142**	**875**	**4,149**	**2,535**
Pre-tax profit	**2,751**	**-141**	**90**	**13,348**	**6,580**	**8,441**	**15,457**	**3,226**	**8,592**	**5,304**
Tax	**-631**	**-42**	**-40**	**-40**	**-25**	**-1,452**	**-1,251**	**-447**	**-1,203**	**-776**
- Tax rate	23%	-30%	45%	0%	0%	17%	8%	14%	14%	15%
Net profit	**1,343**	**-303**	**-15**	**13,218**	**6,513**	**6,843**	**13,114**	**2,690**	**6,949**	**4,278**
EPS (NT$)	**0.18**	**-0.04**	**0.04**	**1.75**	**-0.03**	**0.90**	**1.73**	**0.36**	**0.92**	**0.21**

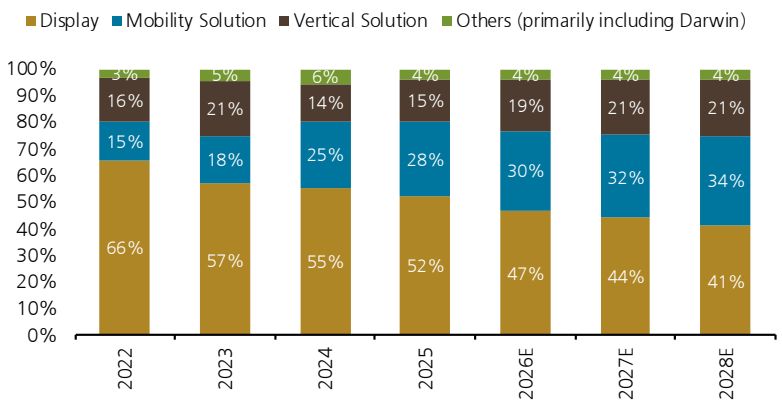




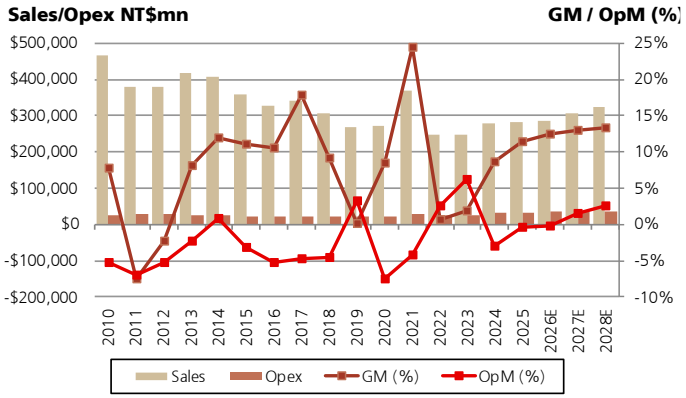
Source: Company data, UBS estimates

AUO Key Business Metrics

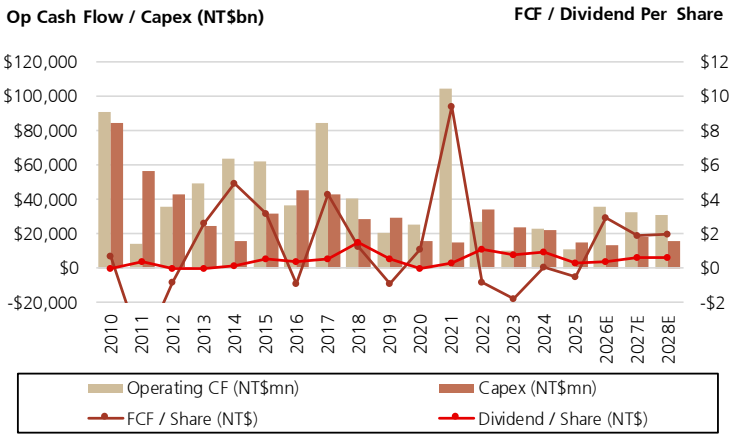
Rev mix by reported segment



AUO sales and margins improving

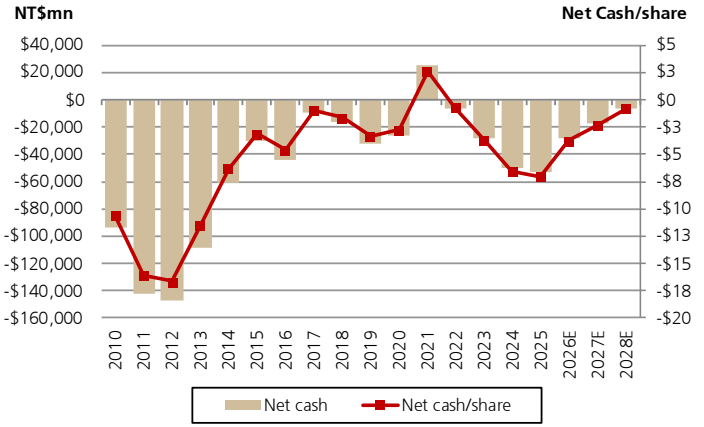


Capex vs FCF

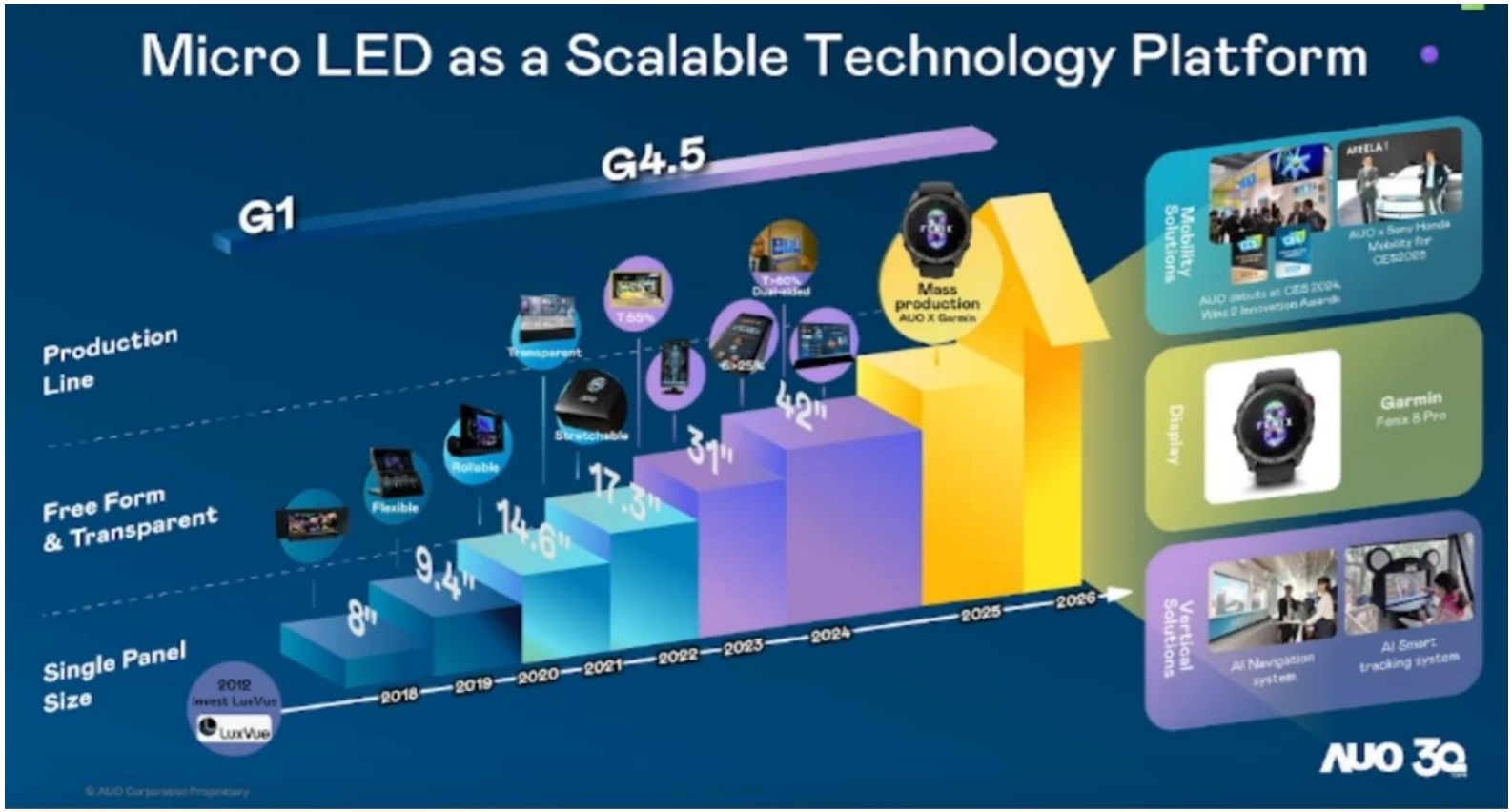


Source: Company data, UBS estimates

AUO Net Cash/share improving

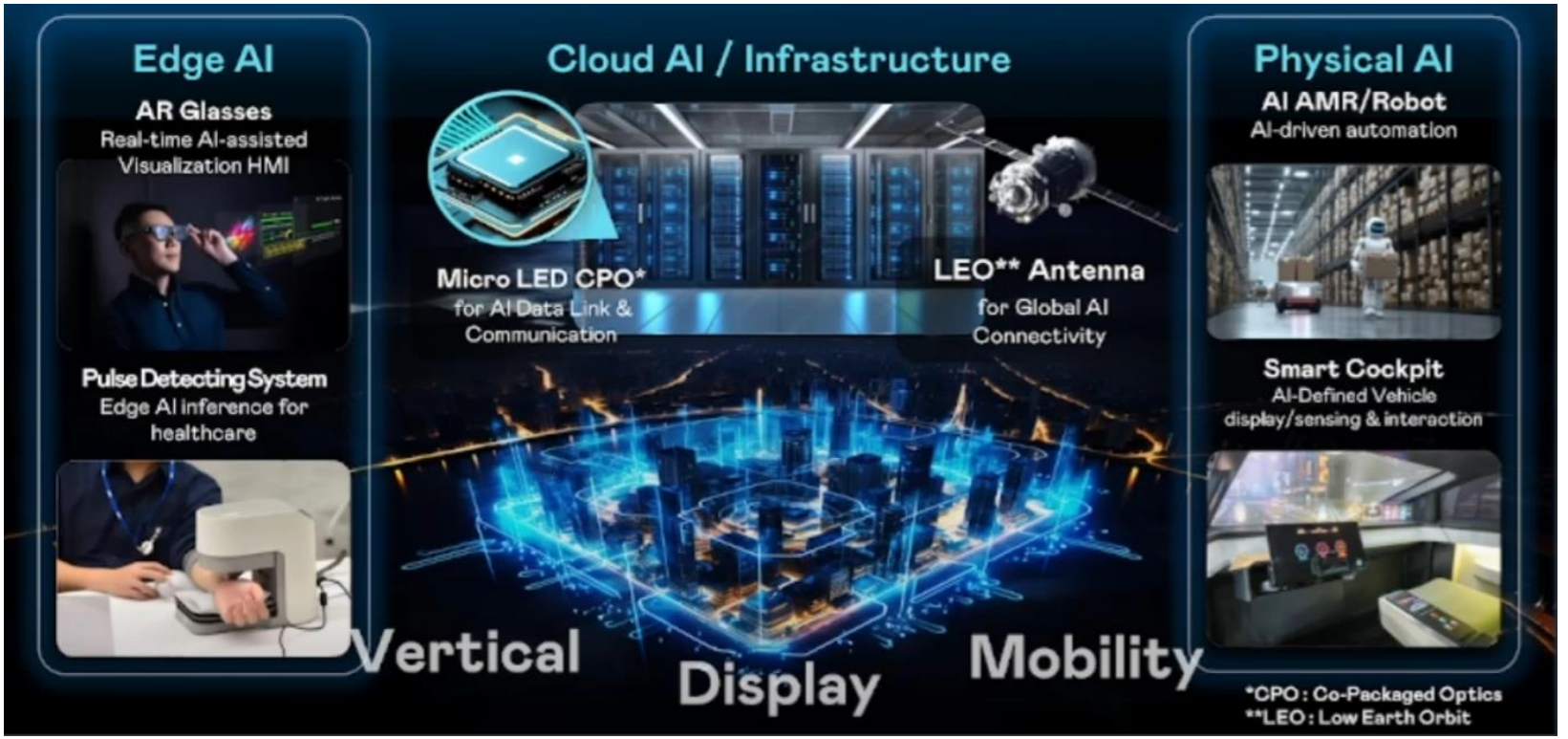


MicroLED technology and production roadmap



Source: Company data

AUO's targets in Cloud and Edge AI applications



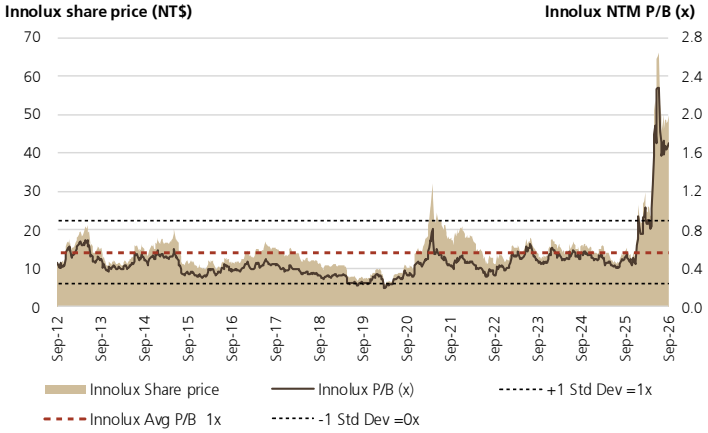
Source: Company data

Innolux financial summary

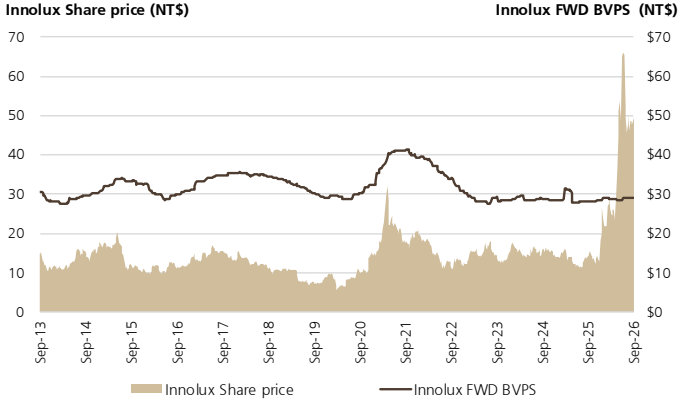
	2Q26	3Q26E		4Q26E	
(NT$m)	Actual	UBSe	Eikon	UBSe	Eikon
Revenue	**63,700**	**61,179**	**60,501**	**64,075**	**62,302**
- QoQ / YoY	-4.4%	-4.0%	-5.0%	4.7%	3.0%
Gross profit	**9,275**	**8,245**	**7,559**	**7,664**	**7,655**
- Gross margin	14.6%	13.5%	12.5%	12.0%	12.3%
Operating profit	**1,633**	**414**	**5,518**	**39**	**5,663**
- OP margin	2.6%	0.7%	9.1%	0.1%	9.1%
Non-Op	**173**	**20,450**	**2,381**	**551**	**-3,440**
Pre-tax profit	**1,806**	**20,864**	**7,900**	**590**	**2,224**
Tax	**2,848**	**-3,547**	**-1,435**	**-100**	**-462**
- Tax rate	-158%	17%	18%	17%	21%
Net profit	**4,532**	**17,195**	**6,465**	**404**	**1,761**
EPS (NT$)	**0.57**	**2.15**	**1.28**	**0.05**	**0.30**

	2025	2026E		2027E	
	Actual	UBSe	Eikon	UBSe	Eikon
Revenue	**226,724**	**255,598**	**253,147**	**264,326**	**267,542**
- QoQ / YoY	4.7%	12.7%	11.7%	3.4%	5.7%
Gross profit	**18,657**	**34,803**	**31,574**	**33,940**	**40,832**
- Gross margin	8.2%	13.6%	12.5%	12.8%	15.3%
Operating profit	**-4,160**	**3,584**	**23,254**	**3,658**	**33,407**
- OP margin	-1.8%	1.4%	9.2%	1.4%	12.5%
Non-Op	**4,457**	**22,083**	**-9,488**	**2,701**	**-23,524**
Pre-tax profit	**296**	**25,667**	**13,766**	**6,360**	**9,882**
Tax	**369**	**-1,415**	**-953**	**-1,081**	**-1,691**
- Tax rate	-124%	6%	7%	17%	17%
Net profit	**250**	**23,760**	**12,813**	**4,819**	**8,192**
EPS (NT$)	**0.03**	**2.98**	**2.35**	**0.60**	**0.81**

Innolux is trading at a new peak P/B



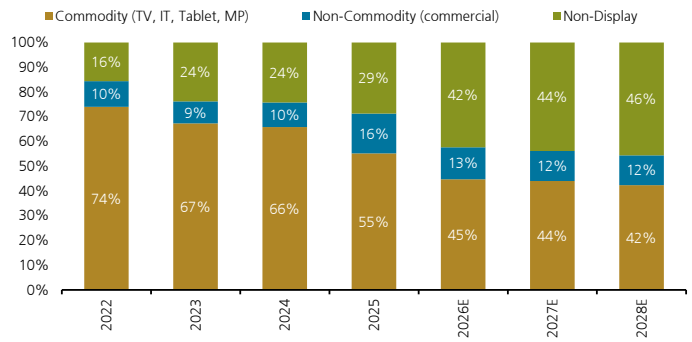
Innolux Share Price vs. FWD BVPS



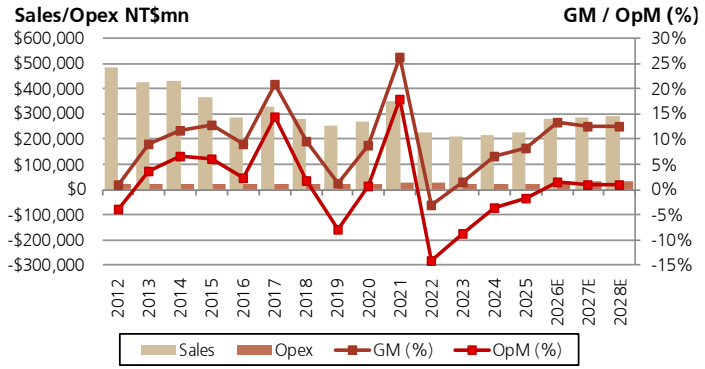
Source: Company data, UBS estimates

Innolux Key Business Metrics

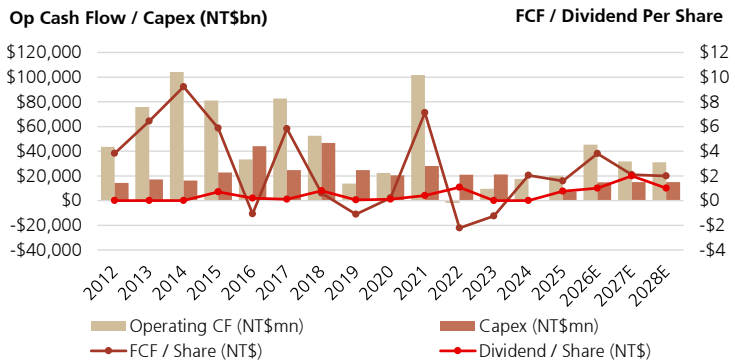
Rev mix by commodity, non-commodity, non-display



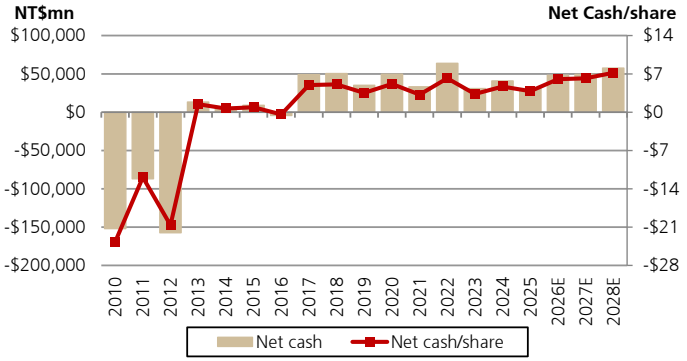
Innolux sales and margins improving



Capex vs FCF



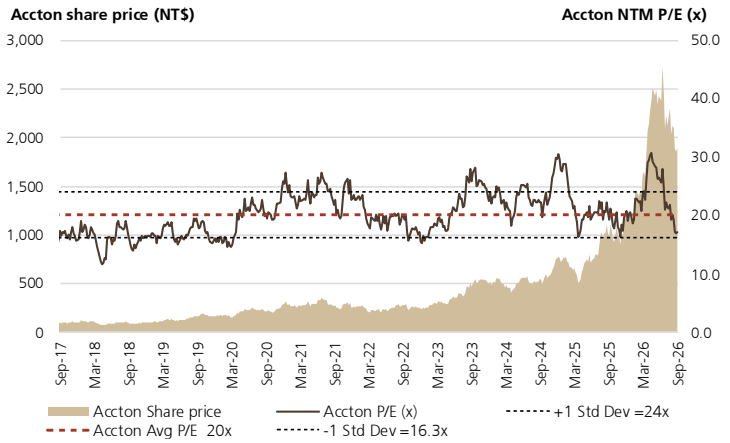
Innolux Net Cash/share improving

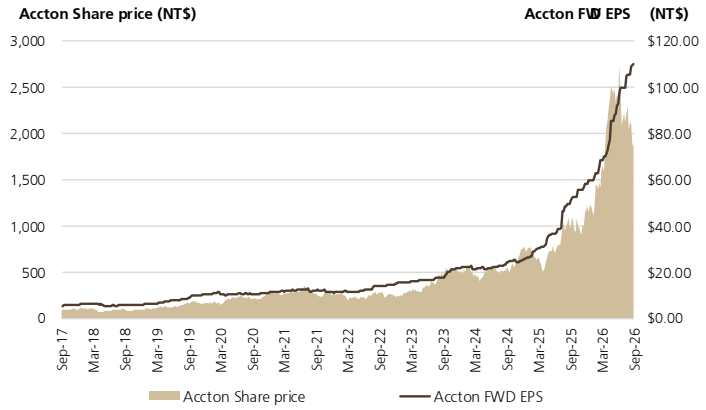


Source: Company data, UBS estimates

Accton financial summary

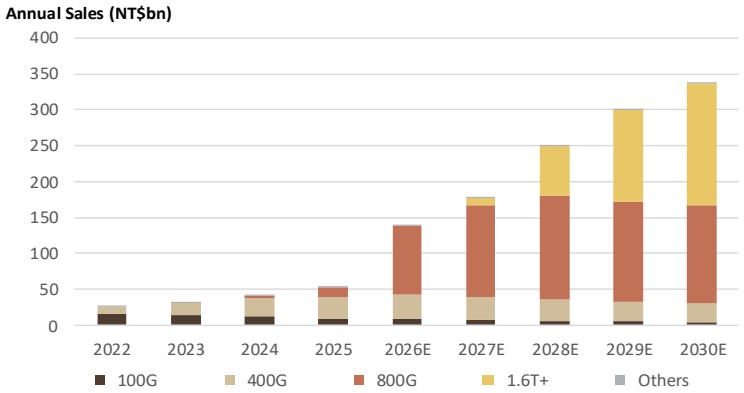
	Q226	Q326E		Q426E		2025	2026E		2027E	
(NT$m)	Actual	UBSe	VA	UBSe	VA	Actual	UBSe	VA	UBSe	VA
Revenue	**95,538**	**122,469**	**121,087**	**126,203**	**130,162**	**248,320**	**414,330**	**416,907**	**569,691**	**560,576**
- QoQ / YoY	36.2%	28.2%	26.7%	3.0%	7.5%	124.9%	66.9%	67.9%	37.5%	34.5%
Gross profit	**18,823**	**22,403**	**22,959**	**23,646**	**24,869**	**44,886**	**78,573**	**80,352**	**107,478**	**109,515**
- Gross margin	19.7%	18.3%	19.0%	18.7%	19.1%	18.1%	19.0%	19.3%	18.9%	19.5%
Operating profit	**14,331**	**17,492**	**17,834**	**18,547**	**19,352**	**32,135**	**60,419**	**61,565**	**84,218**	**86,476**
- OP margin	15.0%	14.3%	14.7%	14.7%	14.9%	12.9%	14.6%	14.8%	14.8%	15.4%
Non-Op	**237**	**94**	**167**	**152**	**182**	**782**	**796**	**899**	**402**	**466**
Pre-tax profit	**14,568**	**17,586**	**18,001**	**18,699**	**19,534**	**32,917**	**61,215**	**62,465**	**84,620**	**86,942**
Tax	**-3,521**	**-3,429**	**-3,659**	**-3,646**	**-3,930**	**-6,611**	**-12,625**	**-13,140**	**-17,380**	**-17,924**
- Tax rate	24%	20%	20%	20%	20%	20%	21%	21%	21%	21%
Net profit	**11,053**	**14,167**	**14,342**	**15,063**	**15,603**	**26,342**	**48,624**	**49,324**	**67,280**	**69,018**
EPS (NT$)	**19.78**	**25.35**	**23.85**	**26.95**	**25.22**	**47.13**	**87.00**	**83.77**	**120.38**	**115.77**

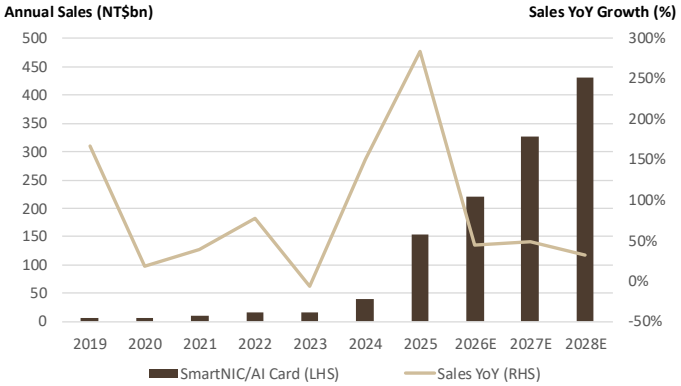


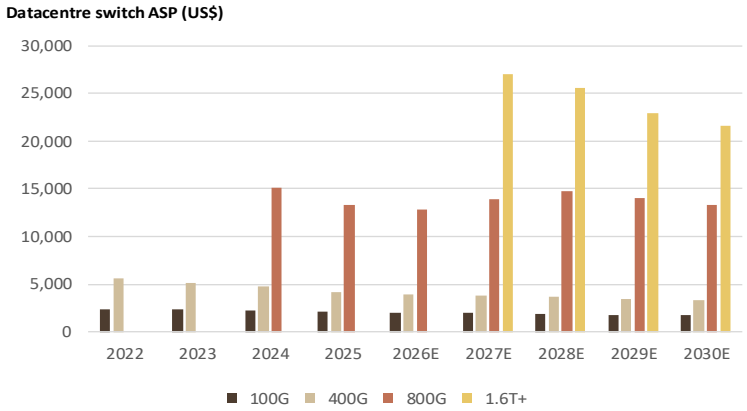


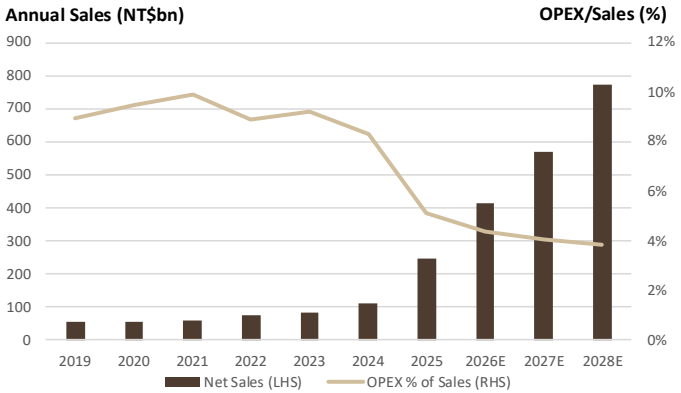
Source: Company data, Visible Alpha, UBS estimates

Well-positioned for Trainium strength and 800G/1.6T upgrade







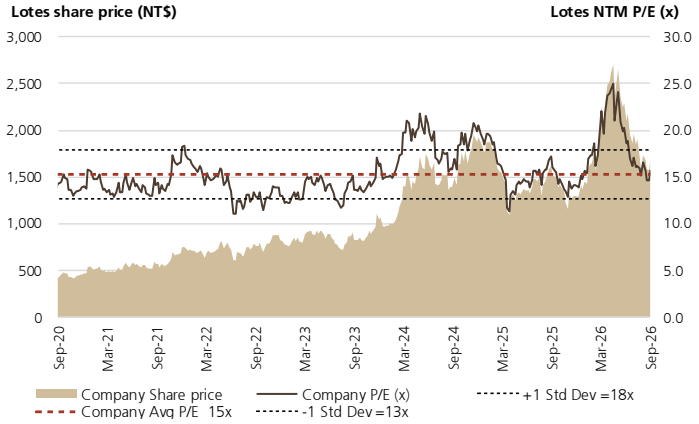


Source: Company data, UBS estimates

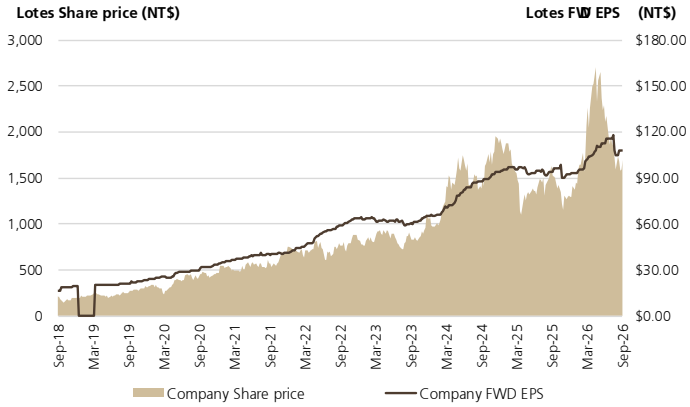
Lotes financial summary

	Q226	Q326E		Q426E		2025	2026E		2027E	
(NT$m)	Actual	UBSe	VA	UBSe	VA	Actual	UBSe	VA	UBSe	VA
Revenue	9,569	10,086	9,985	10,963	10,441	33,783	39,946	39,497	52,918	48,667
- QoQ / YoY	3%	5%	4%	9%	5%	12%	18%	17%	32%	23%
Gross profit	4,351	4,611	4,565	5,194	4,913	17,334	18,777	18,561	25,735	24,356
- Gross margin	45.5%	45.7%	45.7%	47.4%	47.1%	51.3%	47.0%	47.0%	48.6%	50.0%
Operating profit	2,103	2,624	2,604	3,138	2,905	10,344	10,573	10,407	16,457	15,639
- OP margin	22.0%	26.0%	26.1%	28.6%	27.8%	30.6%	26.5%	26.3%	31.1%	32.1%
Non-op profit	495	269	271	165	189	-154	1,225	1,199	632	660
Pre-tax profit	2,598	2,893	2,876	3,304	3,093	10,191	11,798	11,606	17,089	16,298
Net profit	1,984	2,318	2,265	2,640	2,398	7,866	9,340	9,078	13,092	12,647
IFRS EPS (NT$)	17.68	20.66	20.44	23.52	21.90	70.14	83.22	81.09	116.64	112.04

Lotes trading at the upper-half of historical P/E



Lotes trading roughly in line with its FWD earnings expectations

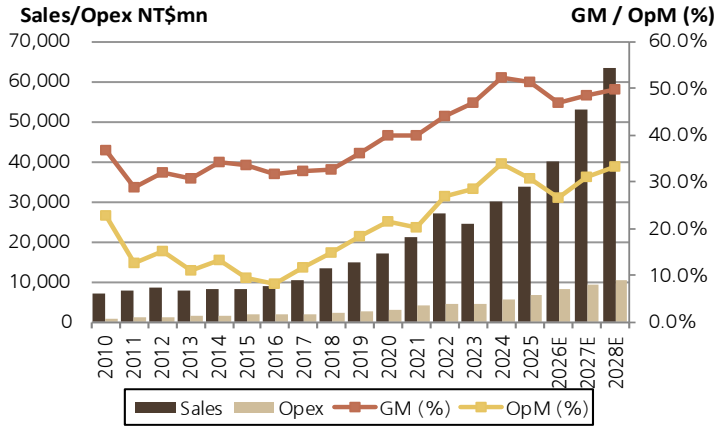


Source: Company data, Visible Alpha, UBS estimates

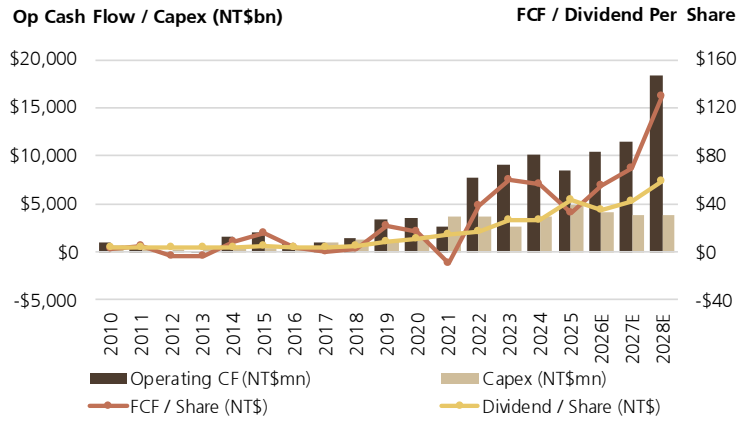
Lotes Key Business Metrics

Segment Totals (NT$mn)	Q125	Q225	Q325	Q425	Q126	Q226	Q326E	Q426E	2024	2025	2026E	2027E	2028E	2029E
Blended Server Products shipment (k units)	27,660	32,700	31,019	31,670	34,700	39,412	39,117	44,912	94,757	123,050	158,141	209,081	243,260	268,353
Blended Server Product ASP (US$)	$3.1	$3.2	$3.6	$4.1	$4.3	$4.3	$4.4	$4.5	$3.3	$3.5	$4.4	$5.0	$5.3	$5.5
Total server revenue (NT$mn)	**$2,867**	**$3,059**	**$3,394**	**$4,044**	**$4,759**	**$5,297**	**$5,528**	**$6,463**	**$10,138**	**$13,364**	**$22,047**	**$33,215**	**$40,946**	**$47,284**
Sequential change (%)	*8%*	*7%*	*11%*	*19%*	*18%*	*11%*	*4%*	*17%*	*60%*	*32%*	*65%*	*51%*	*23%*	*15%*
Blended Laptop Product shipment (k units)	10,479	10,820	10,495	10,599	8,961	8,218	9,712	8,935	47,599	42,394	35,826	38,041	39,475	40,266
Blended Laptop Product ASP (US$)	$2.5	$2.9	$2.9	$2.9	$3.0	$3.0	$3.1	$3.2	$2.4	$2.8	$3.1	$3.3	$3.5	$3.7
Total Laptop revenue (NT$mn)	**$870**	**$909**	**$929**	**$964**	**$839**	**$785**	**$967**	**$916**	**$3,623**	**$3,671**	**$3,507**	**$4,045**	**$4,451**	**$4,820**
Sequential change (%)	*-19%*	*4%*	*2%*	*4%*	*-13%*	*-6%*	*23%*	*-5%*	*6%*	*1%*	*-4%*	*15%*	*10%*	*8%*
Blended DT product shipment (k units)	5,756	6,579	5,585	5,406	5,143	4,656	4,327	4,245	24,405	23,326	18,371	18,004	19,891	20,303
Blended DT product ASP (US$)	$11.5	$12.2	$12.2	$12.4	$9.90	$9.4	$9.9	$10.4	$10.6	$12.1	$9.9	$10.9	$11.8	$12.8
Total DT revenue (NT$mn)	**$2,198**	**$2,343**	**$2,075**	**$2,074**	**$1,608**	**$1,384**	**$1,367**	**$1,408**	**$8,355**	**$8,689**	**$5,767**	**$6,288**	**$7,513**	**$8,299**
Sequential change (%)	*-10%*	*7%*	*-11%*	*0%*	*-22%*	*-14%*	*-1%*	*3%*	*18%*	*4%*	*-34%*	*9%*	*19%*	*10%*
Strategic Customer revenue	**$711**	**$742**	**$828**	**$687**	**$637**	**$735**	**$750**	**$675**	**$2,875**	**$2,967**	**$2,796**	**$2,861**	**$3,024**	**$3,248**
Lintes revenue	**$435**	**$491**	**$307**	**$447**	**$510**	**$411**	**$472**	**$425**	**$2,244**	**$1,680**	**$1,819**	**$1,896**	**$2,038**	**$2,170**
Auto/Industrial/Other revenue	**$686**	**$792**	**$888**	**$1,044**	**$975**	**$957**	**$1,002**	**$1,076**	**$2,855**	**$3,411**	**$4,010**	**$4,613**	**$5,283**	**$6,027**
Total Revenue (NT$mn)	**$7,765**	**$8,336**	**$8,422**	**$9,260**	**$9,328**	**$9,569**	**$10,086**	**$10,963**	**$30,089**	**$33,783**	**$39,946**	**$52,918**	**$63,255**	**$71,847**
Sequential change (%)	*-6%*	*7%*	*1%*	*10%*	*1%*	*3%*	*5%*	*9%*	*23%*	*12%*	*18%*	*32%*	*20%*	*14%*

Lotes' OPM to expand on greater scale

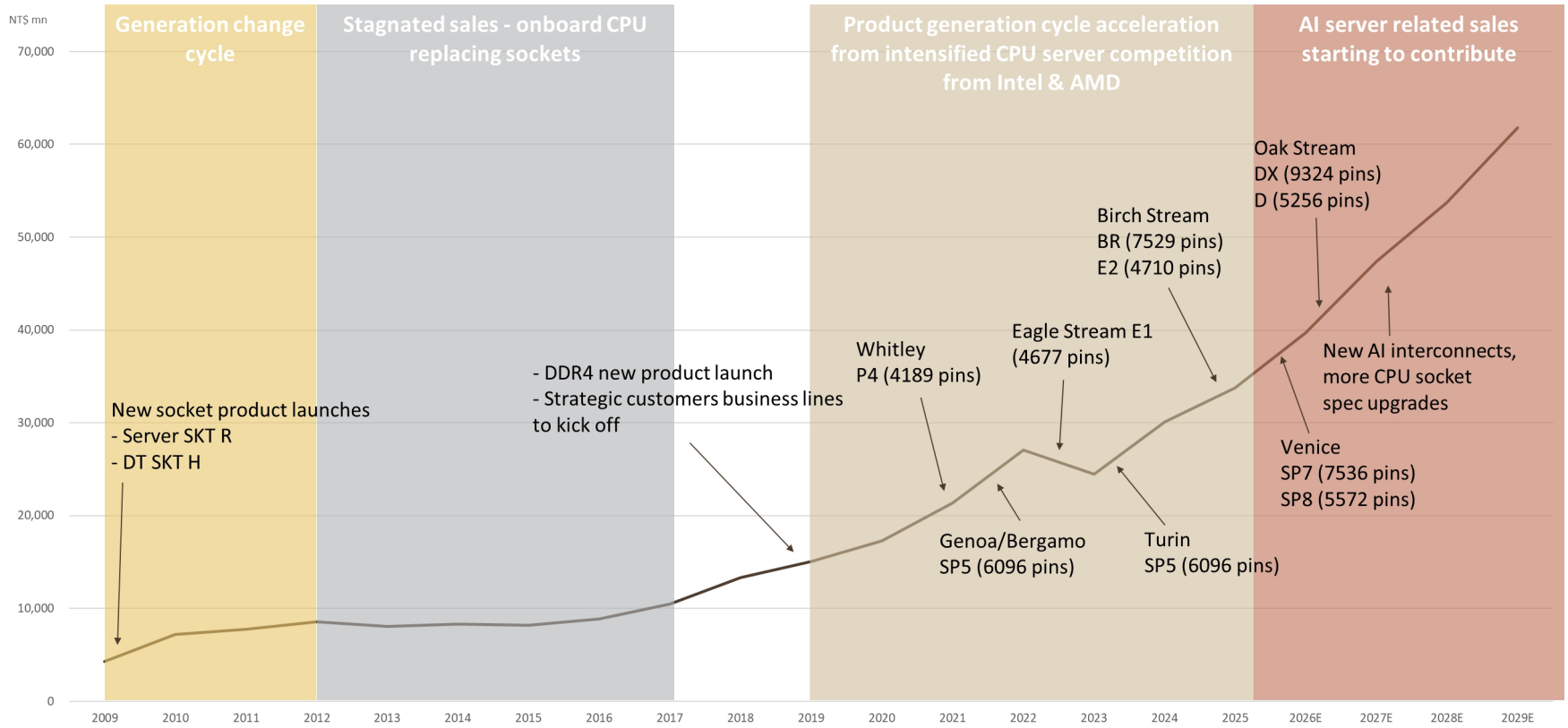


Robust cash flow supporting dividend and future growth



Source: Company data, UBS estimates

Lotes' revenue has trended up with CPU socket spec upgrades



Source: Company data, UBS estimates

Executive Summary

- **Continued AI strength with hyperscale capex revised up:** +85%/45% YoY in 2026-27E; revised up 4% / 26%. Cost effective ASIC/CPU seeing more room to grow. Server shipment to grow 19%/17% YoY in 2026-27E.
- **Higher memory pricing impacting conventional CE supply chain:** Branded companies under pressure with higher BOM costs. UBS PC / Smartphone forecast revised to -11% / -10% YoY in 2026. Component and IC fabless suffering from softer unit shipments and rising foundry costs.
- **IC design service: prefer firmer project pipeline and expanding TAM**
  - **Buy:** GUC, Alchip; **Neutral:** Faraday
- **Fabless IC makers: selective on edge AI exposure and discounted plays**
  - **Buy:** Elan, Asmedia; **Neutral:** Novatek, Parade
- **Specialty semi and back-end foundries: selective on price hike and technology migration beneficiaries**
  - **Buy:** Chroma, Chipbond, ChipMOS; **Neutral:** Powertech
- **Display, compound semi, and hardware: identify beneficiaries from AI-related opportunities**
  - **Buy:** Accton, Lotes, Win Semi; **Neutral:** AUO, **Sell:** Innolux

Valuation Method and Risk Statement

Investing in the technology sector involves a high degree of risk. Rapid technological changes, increasing competition and exposure to macroeconomic cycles are among the many risks faced by investors in technology stocks. Moreover, it is extremely difficult to project the financial results of tech companies since their operating models are highly volatile and unpredictable. Finally, valuing technology stocks can prove challenging, as neither traditional nor non-traditional valuation measures have provided much insight into how these stocks trade. Valuation methodologies in the sector include target price-book-multiples based on the long term average ROE and the cost of equity.

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UBS Global Research: Global Equity Rating Definitions

12-Month Rating	Definition	Coverage[1]	IB Services[2]
Buy	FSR is > 6% above the MRA.	55%	24%
Neutral	FSR is between -6% and 6% of the MRA.	40%	21%
Sell	FSR is > 6% below the MRA.	6%	21%

Source: UBS. Rating allocations are as of 30 June 2026.
1:Percentage of companies under coverage globally within the 12-month rating category.
2:Percentage of companies within the 12-month rating category for which investment banking (IB) services were provided within the past 12 months.

KEY DEFINITIONS:Forecast Stock Return (FSR) is defined as expected percentage price appreciation plus gross dividend yield over the next 12 months. In some cases, this yield may be based on accrued dividends. **Market Return Assumption (MRA)** is defined as the one-year local market interest rate plus 5% (a proxy for, and not a forecast of, the equity risk premium). **Under Review (UR)** Stocks may be flagged as UR by the analyst, indicating that the stock's price target and/or rating are subject to possible change in the near term, usually in response to an event that may affect the investment case or valuation. **Equity Price Targets** have an investment horizon of 12 months.

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UBS Securities Pte. Ltd., Taipei Branch: Annie Chen, Jerry Su.

Company Disclosures

Company Name	Reuters	12-month rating	Price	Price date
ASE Industrial[28,16b]	3711.TW	Buy	NT$699.00	24 Sep 2026
ASMPT Limited[28]	0522.HK	Buy	HK$171.00	23 Sep 2026
ASMedia Technology Inc	5269.TW	Buy	NT$1,480	24 Sep 2026
ASPEED Technology Inc[28]	5274.TWO	Buy	NT$20,280	23 Sep 2026
AUO Corp[18]	2409.TW	Neutral	NT$34.20	24 Sep 2026
Accton Technology Corporation[28]	2345.TW	Buy	NT$1,895	24 Sep 2026
Alchip Technologies[28]	3661.TW	Buy	NT$3,770	24 Sep 2026
All Ring Tech	6187.TWO	Buy	NT$1,205	23 Sep 2026
Amkor Technology[28,16b]	AMKR.O	Buy	US$53.32	23 Sep 2026
Asustek Computer Inc.[28]	2357.TW	Neutral	NT$953.00	24 Sep 2026
Chenbro Micom	8210.TW	Buy	NT$897.00	24 Sep 2026
ChipMOS Technologies[16b]	8150.TW	Buy	NT$112.00	24 Sep 2026
Chipbond Technology	6147.TWO	Buy	NT$214.50	23 Sep 2026
Chroma ATE[28]	2360.TW	Buy	NT$2,295	24 Sep 2026
Compal Electronics[1,5,6]	2324.TW	Neutral	NT$36.50	24 Sep 2026
Delta Electronics[4,6,28]	2308.TW	Buy	NT$1,910	24 Sep 2026
Elan Microelectronics	2458.TW	Buy	NT$137.50	24 Sep 2026

Company Name	Reuters	12-month rating	Price	Price date
Faraday Technology	3035.TW	Neutral	NT$206.50	24 Sep 2026
Giga-Byte Technology[1,2,4,5,6,28]	2376.TW	Neutral	NT$361.50	24 Sep 2026
Global Unichip[28]	3443.TW	Buy	NT$8,525	24 Sep 2026
GlobalWafers	6488.TWO	Buy	NT$950.00	23 Sep 2026
Grand Process Technology[13]	3131.TWO	Buy	NT$2,365	23 Sep 2026
Gudeng Precision Industrial	3680.TWO	Buy	NT$528.00	23 Sep 2026
Hon Hai Precision[4,5,6,28]	2317.TW	Buy	NT$250.50	24 Sep 2026
Hon.Precision, Inc.	7769.TW	Buy	NT$5,670	24 Sep 2026
Hua Hong Grace Semiconductor[16a]	1347.HK	Neutral	HK$114.20	23 Sep 2026
INNOLUX Corporation[1,5,6,28]	3481.TW	Sell	NT$49.55	24 Sep 2026
Inventec[28]	2356.TW	Neutral	NT$59.90	24 Sep 2026
King Slide Works[28]	2059.TW	Buy	NT$12,350	24 Sep 2026
King Yuan Electronics[28]	2449.TW	Buy	NT$311.00	24 Sep 2026
Largan Precision[28]	3008.TW	Sell	NT$6,245	24 Sep 2026
Lenovo Group[2,6,28,16a]	0992.HK	Buy	HK$36.92	23 Sep 2026
Lite-On Technology[28]	2301.TW	Buy	NT$287.00	24 Sep 2026
Lotes[28]	3533.TW	Buy	NT$1,690	24 Sep 2026
MediaTek Inc.[28]	2454.TW	Buy	NT$5,285	24 Sep 2026
Micro-Star International	2377.TW	Neutral	NT$151.50	24 Sep 2026
Nan Ya Printed Circuit Board	8046.TW	Neutral	NT$1,240	24 Sep 2026
Nanya Technology	2408.TW	Buy	NT$503.00	24 Sep 2026
Novatek Microelectronics Corp.[28]	3034.TW	Neutral	NT$543.00	24 Sep 2026
Parade Technologies	4966.TWO	Neutral	NT$564.00	23 Sep 2026
Pegatron[28]	4938.TW	Neutral	NT$91.30	24 Sep 2026
Powerchip Semiconductor Manufacturing[2,4,6]	6770.TW	Buy	NT$72.00	24 Sep 2026
Powertech Technology	6239.TW	Neutral	NT$287.00	24 Sep 2026
Quanta[2,4,5,6,28]	2382.TW	Buy	NT$338.50	24 Sep 2026
Realtek Semiconductor Corp[28]	2379.TW	Neutral	NT$749.00	24 Sep 2026
SMIC[16a]	0981.HK	Buy	HK$63.80	23 Sep 2026

Company Name	Reuters	12-month rating	Price	Price date
Silergy Corporation[13]	6415.TW	Buy	NT$425.50	24 Sep 2026
Taiwan Semiconductor Manufacturing[16b]	2330.TW	Buy	NT$2,475	24 Sep 2026
UMC[28,16b]	2303.TW	Buy	NT$154.00	24 Sep 2026
Unimicron Technology[28]	3037.TW	Buy	NT$1,185	24 Sep 2026
Vanguard[2,4,6]	5347.TWO	Neutral	NT$173.00	23 Sep 2026
WIN Semiconductors	3105.TWO	Buy	NT$497.00	23 Sep 2026
Wistron[2,4,5,6,28]	3231.TW	Buy	NT$184.50	24 Sep 2026
Wiwynn[5,6]	6669.TW	Buy	NT$2,115	24 Sep 2026

Source: UBS Global Research; LSEG Eikon. All prices as of local market close. Ratings in this table are the most current published ratings prior to this report. They may be more recent than the stock pricing date.

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