Not for redistribution without written consent of Morgan Stanley

Morgan Stanley | RESEARCH

IDEA

October 2, 2026 05:32 AM GMT

NVIDIA Corp. | North America

Reinstating Top Pick as NDR supports our positive views

WHAT'S CHANGED		
NVIDIA Corp. (NVDA.O)	From	To
Top Pick Added	-	**NVDA.O**

On our road show this week, NVDA's CEO highlighted that recent developments in land/power/shell, financing, component constraints, and agentic all play to their strengths; we agree and are reinstating the stock as our Top Pick in semis.

Key Takeaways

- Road show highlights the diversity of the company's business beyond hyperscalers and frontier labs
- The focus on more expensive processor per GW seems likely to pay off given land/power/shell constraints
- We see the rise of agentic as positive for CPU - including NVIDIA CPUs - but as a much bigger driver for GPU
- We certainly see NVIDIA as well positioned, with a very undemanding valuation - we are reinstating NVIDIA as our Top Pick

We recently hosted Nvidia CEO Jensen Huang, CFO Colette Kress, and Head of IR Toshiya Hari for investor meetings in NYC and Boston.

What we heard from management was largely reinforcement of recent priorities around shifts in the AI investment climate. Our biggest takeaways include:

1) Diversity of the customer base: The rationale for the resegmentation of the business six months ago was to allow investors to understand the breadth of the business. While 90% of investor conversations are around the biggest hyperscalers and frontier model companies, half of the business - probably the faster growing half - is a broader range of AI model companies, Neoclouds, sovereign entities, ODMs and OEMs, and enterprise customers. That ACIE segment needs the full stack AI factory ecosystem that NVIDIA can provide.

MORGAN STANLEY & CO. LLC

Joseph Moore
Equity Analyst
Joseph.Moore@morganstanley.com +1 212 761-7516

Mason Wayne
Research Associate
Mason.Wayne@morganstanley.com +1 212 761-6012

Ella Tulchinsky
Research Associate
Ella.Tulchinsky@morganstanley.com +1 212 761-2222

Nicole Kozhukhov
Research Associate
Nicole.Kozhukhov@morganstanley.com +1 212 761-1636

Shane Brett
Equity Analyst
Shane.Brett@morganstanley.com +1 212 761-1022

Cate Folan
Research Associate
Cate.M.Folan@morganstanley.com +1 212 296-3520

NVIDIA Corp. (NVDA.O, NVDA US)
Top Pick

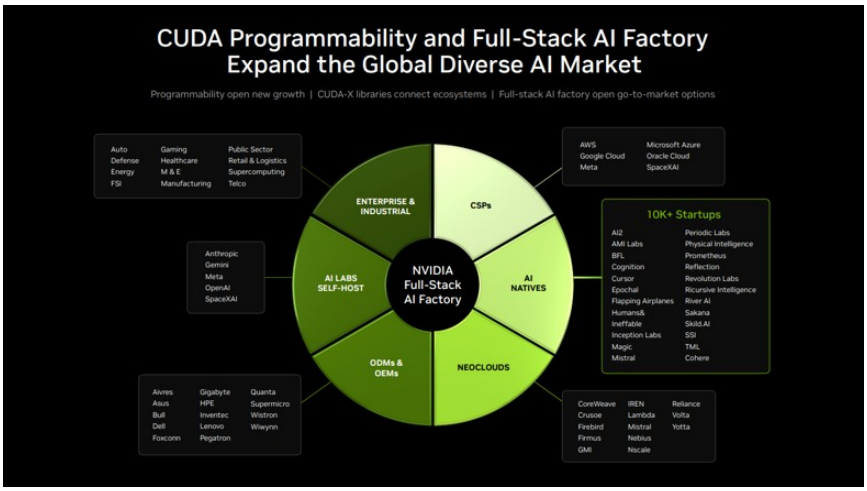
Semiconductors | United States of America

Stock Rating	**Overweight**
Industry View	**Attractive**
Price target	**$300.00**
Shr price, close (Oct 1, 2026)	$230.86
Mkt cap, curr (mm)	$5,628,453
52-Week Range	$236.54-164.27

Morgan Stanley does and seeks to do business with companies covered in Morgan Stanley Research. As a result, investors should be aware that the firm may have a conflict of interest that could affect the objectivity of Morgan Stanley Research. Investors should consider Morgan Stanley Research as only a single factor in making their investment decision.

For analyst certification and other important disclosures, refer to the Disclosure Section, located at the end of this report.

Exhibit 1: Nvidia's diverse end markets and customers



Source: Nvidia [https://s201.q4cdn.com/141608511/files/doc_presentations/2026/09/2026-NDR_.pdf]

The importance of open models is also an important element of the narrative, given NVIDA's strong position across both open weight and closed parameter models.

The breadth of that customer base also helps with land/power/shell, as those constraints are having the most impact on US based hyperscalers, with sovereign business creation as a result of countries that want to use their land/power/shell to create businesses. It also affords NVIDIA significant opportunities to drive revenue sharing agreements and valuable software/services revenue streams. MSR: NVIDIA, neoclouds, and rev sharing: the next big debate (14 Aug 2026).

2) Growth within traditional hyperscale & frontier labs. While some of the sentiment is that the resegmentation was to point away from traditional hyperscale, the company showed that they have gained share of spending from the top 5 cloud service providers steadily and consistently, both because AI is a larger portion of the spending but also because the company in a very short term has become the revenue market share leader in markets such as Ethernet, and will rival the leaders in markets such as microprocessors. Custom silicon plays an important role in those hyperscalers, optimizing for specialized workloads, but general purpose processors from NVIDIA play a primary role and offer the longest asset life.

3) The strategy is to drive up revenue per GW substantially, to ensure that NVIDIA solutions continue to drive the most tokens per GigaWatt. NVIDIA showed slides indicating that Feynman (the 2028 architecture) will drive a significant increase in NVIDIA revenue per GW, from $40 bn to something well north of $50 bn. This is going to prove divisive, as competitors highlight their lower revenue per GW - and slower rate of increase - as a significant positive for costs.

But if the biggest constraint becomes land/power/shell, the highest tokens per Gigawatt win, all else being equal. We are seeing this in real time, where the biggest users of ASICs, which have lower cost per GW, are the companies with the biggest data center land/power/shell issues. Vera Rubin is driving up to 25x token improvement vs. Blackwell, which certainly mitigates concerns that dollars per gigawatt are rising.

NVIDIA proposed the same theory that Morgan Stanley analyst Stephen Byrd has been highlighting: there isn't enough power to do what everyone wants to do, and there are more semiconductors being built than there are places to put them. He was very clear that this is not true for NVIDIA.

We certainly see the constraints, but AI is so strong that we don't see anyone missing numbers any time soon. But we hear from our industry contacts that NVIDIA tokens per gigawatt are much higher than peers, by multiples, so if gigawatts is the constraint, a strategy of "gigawatt densification" - working within a smaller power envelope - is likely to be the dominant strategy.

4) Persistent agents will indeed drive CPU demand higher - but the biggest portion of spending will still be on GPUs. This seems intuitive to us - a single core of a CPU in an agentic workload such as Muse will spend a few minutes a day at most doing a few process steps for the agentic harness, which would mean that a single CPU with hundreds of cores can handle a massive number of users, but the incremental inference tokens generated is also a huge number; NVIDIA postulated that an agentic user may end up driving 10x the daily tokens that a human user might have.

That said, the CPU shortage is intense - though we do not believe that it has intensified over the last month - and NVIDIA remains confident in its ramp of CPUs from $20 bn in 2026 to $40 bn in 2027, of which we think is a little more than 50% driven by the head node CPU in the AI racks - meaning the balance is standalone CPU racks.

5) The company will continue to use the balance sheet to drive advantages, while living up to commitments to return 50% of cash. NVIDIA has mobilized a half trillion of non NVIDIA capital to invest into AI data centers, and has prepurchased a large amount of semiconductor components and power, as well as data center leases that it intends to transfer to customers. While the leverage inherent in AI remains controversial, NVIDIA has completely avoided stock giveaways or other structures that are actually inherently much more circular than financial support. The company is working towards a longer term goal of establishing a criteria for AI factories as a collateral asset, which we aren't sure about. But we do expect NVIDIA's aggressive support of the ecosystem to be an advantage.

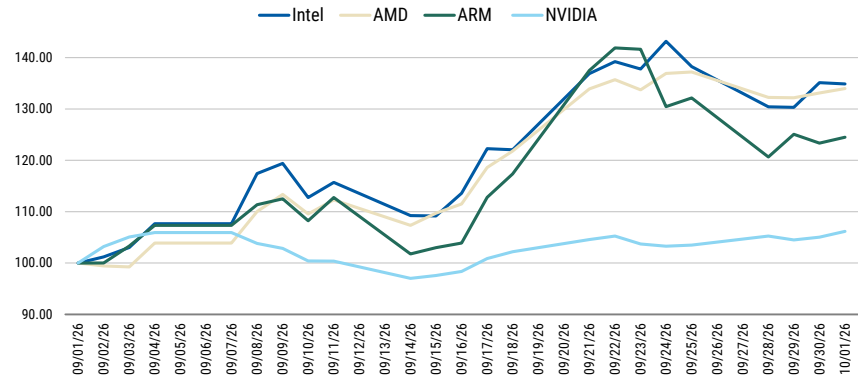
Separately from the NDR, we are reinstating NVIDIA as our Top Pick. We named the stock our Top Pick in March (which was at least three months too early) after an earlier preference for stocks with more leverage in the memory space, but Morgan Stanley process is that the designation is removed after 6 months; we are reinstating it now.

Our Top Pick thesis:

Nvidia remains very early in the ramp of a new product cycle, powered shell constraints play into Nvidia’s strengths, and recent agenetic enthusiasm can accelerate Vera adoption. With the stock still relatively inexpensive at 15x FY28 EPS, there's opportunity for multiple expansion if enthusiasm returns to AI but multiple expansion is also not required for the stock to work as numbers continue to go

higher. Nvidia has also underperformed more CPU stories around the recent Muse enthusiasm (Meta Platforms Inc: 23 Days of Musing...Top Investor Questions and Our Answers (30 Sep 2026)), but we think that outperformance will broaden as consumer agents as a category add to long term AI use cases and token demand.

Exhibit 2: Price performance since 9/1, room for GPUs to catch-up?



Source: Factset, Morgan Stanley

The last 12 months have been about semiconductor production limits. Now the bottleneck is quickly shifting to the speed that new datacenter space can be built and how it will be financed, an advantage for the Nvidia ecosystem. With increasing political backlash, the margin for error to build in the US is narrowing, but Nvidia is leading the way when it comes to international deployments, bringing up sovereign spenders and additional neoclouds clouds around the world. Nvidia lists 80 cloud partners on their website, 55 of which are outside the US (although they may have datacenter in multiple regions). This gives them the highest degree of flexibility to go where the power is - which is increasingly outside the US and not available to traditional hyperscalers.

Capital is another important constraint for AI labs, and decisions about compute are increasingly dependent on financing - for which Nvidia has taken large measures to either line-up or provide directly [NVDA $500bn investment mobilization is a positive; brings focus to rev sharing (11 Aug 2026)]. Nvidia's willingness to provide financing and their resegmentation of the business has been taken negatively by investors, but that sentiment can shift in Nvida's favor. That makes NVIDIA a more resilient AI beneficiary within semis today; if there's an expectations reset on the how quickly AI capacity can be deployed, areas of the semis supply chain where earnings are more dependent on a shortage should see the most negative impacts if lead times come in.

Two reasons why we see upside to Nvidia's revenue FY28 guide: On Nvidia's last earnings call management said they expect revenue next fiscal year to grow 70% y/y (implying ~75% for datacenter); that's a supply constrained forecast with demand closer to 100%. One of the primary gating factors on the supply side seems to be the timing of datacenter land power shell availability and while we can't point to specific sites that enable a more robust forecast, there are other reasons to be optimistic.

We would highlight two factors:



(1) Nvidia customers SpaceX and Amazon have both doubled down on their commitment to Nvidia in the last 90 days, and this creates a low bar for the remaining customers. Conservative forecasts for those customers' contribution to Nvidia's 75% datacenter revenue guide implies about 20% growth for the remaining customers in Nvidia's hyperscale segment; significantly below the 39% y/y growth in their capex per consensus estimates.

For SpaceX management's guidance is to exit 2026 at ~2GW of datacenter capacity, growing to 5-10GW by EOY 2027: assuming the low end (in-line with Adam Jonas' SPCX estimates) could imply up to $120bn of Nvidia spend next year at $40bn of GW. In our analysis we assume 79% of $132bn of SPCX AI capex in 2027, 79% being in-line with 1Q26. Each GW SPCX is able to deploy above 3 would add ~5% to Nvidia revenue in FY28.

Amazon and Nvidia recently announced an expansion of their partnership (here), which includes adding 2mn additional GPUs between 2027-2028, Vera CPUs, and NVlink Fusion. With Tranium 4 not expected to ship until late 2027 and the reinforcement of the relationship between AWS/Nvidia, we think it's reasonable to think Nvidia gains some share of AWS capex in 2027. Our internet team currently estimates ~$40bn of amazon spend at Nvidia in 2026 and $78bn in 2027.

Exhibit 3: 3/4th of the growth we expect for Nvidia's hyperscale segment in FY28 can be explained by just 2 customers, creating a low bar for the remainder

Hyperscaler Capex → Nvidia Share	1Q26	2026	2027	Notes
SPCX Capex	$6,528	$53,726	$132,132	*MS Estimate*
Nvidia %	79.4%	79.4%	79.4%	
Nvidia $ Spend	$5,181	$42,640	$104,868	
Impled SPCX GWs	0.21	1.52	2.62	*SPCX management expects to deploy 3-8GW in 2027*
AWS Capex		$180,000	$270,000	*MS Estimate*
Nvidia %		22.2%	28.9%	
Nvidia $ Spend		$40,000	$78,000	*MS Estimate*
Nvidia Datacenter	$75,246	$361,636	$630,917	*MS Estimate (annuals calendarized)*
y/y growth			74.5%	*Nvidia guidance is 70% total revenue growth in FY28*
Nvidia Hyperscaler Segment	$43,050	$198,900	$337,541	
% of datacenter	57.2%	55.0%	53.5%	*Nvidia expects ACIE segment to outgrow hyperscale*
SPCX %	12.0%	21.4%	31.1%	
AWS %		20.1%	23.1%	
SPCX + AWS %		41.5%	54.2%	
SPCX + AWS % of growth			72%	
Implied Other Hyperscaler Spend	$36,522	$105,174	$127,409	
y/y growth			21.1%	*SPCX, AMZN numbers above imply Nvidia significantly*
Cons Capex for (MSFT, ORCL, META, GOOG)		$569,597	$789,852	*undergrows remaining hyperscaler capex ests...*
y/y growth		94%	39%	*...and that they lose share as a % of capex*
Implied Nvidia %		18%	16%	*...vs Nvidia's expecation that they will gain share of the top 5 CSP capex in 2027*

Source: Company data, Morgan Stanley estimates

(2) Separating out the contribution from stand alone Vera CPUs, and Groq LPUs implies mid-single digit to high-single digit growth for core GPU sales before including additional content gain in areas like spectrum, NVlink fusion, DPUs/ storage etc. Current CoWoS expectations for Nvidia's Blackwell+Rubin from our greater China semis team is closer to flat, but we feel comfortable that with Nvidia's scale relationship with TSMC, they will see a healthy allocation and given lead times for backend capacity, upside next year is still possible if 3nm wafers free up.

We also continue to be excited about the potential contribution from Groq and the growing fast inference category. It's early to tell what the attach rates will looks like but we assume 30% of deployments will be "Groq enabled" with a ratio of 1 Groq rack for every 4 Rubin racks, per Jensen's commentary at GTC. We also assume $35k ASP LPX tray - we don't know with precision what the price will be but each tray has 8 LPUs, 1 CPU, a NIC/DPU as well as additional DRAM. So we don't view an

average of 3.5k per logic chip as particularly aggressive. We admit that the analysis is somewhat circular, as assuming a certain number of racks requires assuming a certain number of chips. To avoid that issue, to the extent possible, we assume VR racks next year are fairly close to what our ODM analyst Howard Kao is assuming for 2026.

Exhibit 4: Back of the envelope groq + stand alone CPU revenue in FY28 creates a low bar for units

Step 1		Notes
Groq FY28 Build		
ASP per LPU Tray ($)	$35,000	MSe
Trays per LPX rack	32	
VR racks per LPX rack	4	
Attach rate (% of Rubin racks w/ LPX)	30.0%	Nvidia Commentary
Rubin NVL72 racks	85,000	MSe
Rubin racks with LPX attached	25,500	
LPX racks required (1 per 4VR)	6,375	Nvidia Commentary
Groq LPU revenue		
LPU revenue ($M)	**$7,140**	
% of total DC revenue	1.1%	
Step 2		
Vera FY28 Build		
Vera CPUs per NVL72 rack	36	
Vera CPU ASP ($)	$5,500	
Implied Vera CPU units	3,060,000	
Vera CPU revenue ($M)	**$16,830**	MSe
Implied stanalone Vera in guide		
FY28 CPU guide ($M)	$40,000	
Vera CPU revenue from racks ($M)	$16,830	
Implied Standalone Vera ($M)	**$23,170**	
% of total DC revenue	3.5%	

Step 3		Notes
Implied growth in 'other' DC revenue		
FY27 DC revenue ($M)	$378,608	
FY28 DC revenue @ 75% growth ($M)	$662,563	
Target DC revenue growth	75.0%	Nvidia Commentary
Less: Groq + Vera ($M)	$23,970	
Implied 'other' FY28 revenue ($M)	**$638,593**	
Implied 'other' y/y growth	**68.7%**	
Step 4		
GPU price per chip: Blackwell vs Rubin		
Blackwell ASP ($)	$35,000	MSe
Rubin ASP ($)	$55,000	MSe
Growth in price per chip	**57.1%**	
Implied unit growth to reach guide		
Implied 'other' revenue growth	68.7%	
Growth in price per chip	57.1%	
Implied unit growth	**7.3%**	

Source: Company Data, Morgan Stanley estimates

Two reasons why we see 72-73% gross margin as a solid floor for FY28: Nvidia's gross margins in-light of rising input costs (primarily DRAM) have been a key overhang for the stock, and after guiding them lower for FY28 the next question on investors' minds is whether there's further downside ahead. We expect margins to hold up in-line with guidance due to two levers Nvidia is pulling to offset rising costs: pricing and de-specing. Looking at a simple framework for GM based just on the Rubin transition, NVIDIA can potentially absorb a 30% percent increase in COGS with a 15% price increase and 44% with an HBM de-spec assuming 75% margin as a baseline. If that entire increase in COGS shows up as HBM, the price increase could be 100-200%. We don't know exactly what the price of HBM was in 2026 but that high end of $43 for future Rubin for HBM pricing in the de-spec case is well above the current $30 per GB spot DDR5, which seems conservative to us.

Exhibit 5: 15% Rubin price increase, and de-spec impact on Nvidia's gross margin

GPU Margin analysis	R200 288GB	R200 192GB (de-spec)
GPU ASP ($)	$55,000	$55,000
Nvidia GPU gross margin (288GB input)	75.0%	77.6%
Implied GPU COGS ($) — from margin	$13,750	$12,310
HBM capacity per GPU (GB)	288	192
HBM ASP ($/GB)	$15.00	$15.00
HBM cost per GPU ($)	$4,320	$2,880
Non-HBM COGS ($)	$9,430	$9,430
Total GPU COGS ($)	**$13,750**	**$12,310**
HBM as % of GPU COGS	**31.4%**	**23.4%**
Path to target GM:		
Price increase	15.0%	15.0%
New GPU ASP ($)	$63,250	$63,250
Target Nvidia GPU gross margin	72.0%	72.0%
Allowed GPU COGS at target GM ($)	$17,710	$17,710
Less: non-HBM COGS ($)	$9,430	$9,430
Allowed HBM cost per GPU ($)	**$8,280**	**$8,280**
Required HBM ASP ($/GB)	$28.75	$43.13
% increase in HBM ASP required	**91.7%**	**187.5%**

Source: Company data, Morgan Stanley estimates

Exhibit 6: ...and rack level impact

	GB200 NVL72	GB300 NVL72	VR200 NVL72	VR200 (Less Mem)
1. Nvidia price increase (100% captured)				
Total rack price (context)	$3,329,523	$3,994,551	$7,803,148	$7,379,788
Nvidia-sold content	$3,061,440	$3,646,065	$6,958,305	$6,534,945
Price increase on Nvidia content	15.0%	15.0%	15.0%	15.0%
New Nvidia revenue per rack	$3,520,656	$4,192,975	$8,002,051	$7,515,187
Incremental revenue = incremental GP	**$459,216**	**$546,910**	**$1,043,746**	**$980,242**
2. Nvidia margin impact				
Nvidia Gross Margin	73.0%	73.0%	73.0%	73.0%
Nvidia GP/Rack	$2,234,851	$2,661,627	$5,079,563	$4,770,510
Nvidia COGS/Rack	$826,589	$984,438	$1,878,742	$1,764,435
New Nvidia GP per rack	$2,694,067	$3,208,537	$6,123,308	$5,750,752
New GM	**76.5%**	**76.5%**	**76.5%**	**76.5%**
3. COGS headroom at constant margin				
New Nvidia COGS/rack (at constant GM)	$950,577	$1,132,103	$2,160,554	$2,029,100
Increase in Nvidia COGS/rack	$123,988	$147,666	$281,811	$264,665
% increase in Nvidia COGS	**15.0%**	**15.0%**	**15.0%**	**15.0%**
4. Implied blended memory price increase				
Main memory content (GB/rack)	17,280	17,280	55,296	27,648
HBM content (GB/rack)	13,824	20,736	20,736	20,736
Total memory content (GB/rack)	**31,104**	**38,016**	**76,032**	**48,384**
Main memory ASP ($/GB)	$3.50	$5.00	$8.50	$8.50
HBM ASP ($/GB)	$10.80	$10.80	$13.50	$13.50
Main memory cost/rack	$60,480	$86,400	$470,016	$235,008
HBM cost/rack	$149,299	$223,949	$279,936	$279,936
Total memory cost/rack	**$209,779**	**$310,349**	**$749,952**	**$514,944**
Blended memory ASP ($/GB)	**$6.74**	**$8.16**	**$9.86**	**$10.64**
New blended ASP to absorb COGS increase	**$10.73**	**$12.05**	**$13.57**	**$16.11**
% increase in blended memory ASP	**59.1%**	**47.6%**	**37.6%**	**51.4%**
Total memory as % of rack price	6.3%	7.8%	9.6%	7.0%

Source: Company data, Morgan Stanley estimates

Risk Reward – NVIDIA Corp. (NVDA.O) Top Pick

OW as large language model enthusiasm is transforming cloud capex

PRICE TARGET $300.00

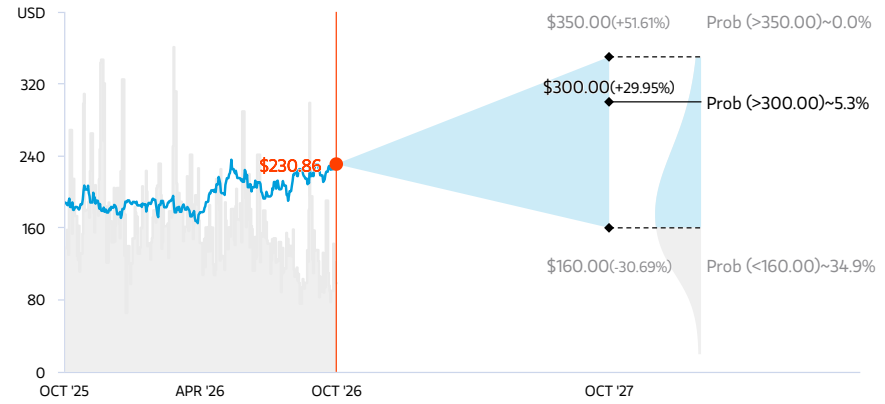
~20 our MW CY27 EPS estimate of $15.01, in-line with the broader market and a discount to compute semis peers (AMD/AVGO/INTC) as high marketshare and gross margins leave limited levers for multiple expansion in the near term.

Consensus Price Target Distribution $180.00 $323.50 MS PT $515.00

Source: Refinitiv, Morgan Stanley Research

◆ Mean ◆ Morgan Stanley Estimates

RISK REWARD CHART AND OPTIONS IMPLIED PROBABILITIES (12M)



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

Source: Refinitiv, Morgan Stanley Research, Morgan Stanley Institutional Equities Division. The probabilities of our Bull, Base, and Bear case scenarios playing out were estimated with implied volatility data from the options market as of 1 Oct 2026. All figures are approximate risk-neutral probabilities of the stock reaching beyond the scenario price in either three-months' or one-years' time. View explanation of Options Probabilities methodology here

OVERWEIGHT THESIS

- Blackwell remains the premiere solution for gen-AI workloads, where compute demand continues to outstrip supply
- We see continued upward pressure to estimates as demand strength continues, with Rubin expected to maintain Nvidia's performance leadership position

Consensus Rating Distribution

97%	Overweight
2%	Equal-weight
2%	Underweight

● MS Rating

Source: Refinitiv, Morgan Stanley Research

Risk Reward Themes

New Data Era:	*Positive*
Pricing Power:	*Positive*
Secular Growth:	*Positive*

View descriptions of Risk Rewards Themes here

BULL CASE $350.00

~22x bull case MW CY27 EPS of $16

Bull case has DC revenues surprising to the upside as supply becomes more available and other products gain steam (CPUs, Groq)

- Higher margin data center and AI-focused software and services growth accelerates

- Revenue sharing agreements add billions in 100% margin revenue

- GPU based AI PC gains traction, widely increasing the client TAM

BASE CASE $300.00

~20x our MW CY27 EPS of $15.01

~20x PE in-line with the broader market and a discount to compute semis peers (AMD/AVGO/INTC) as high marketshare and gross margins leave limited levers for multiple expansion in the near term..

- Revenue grows by 88% in 2026 and 70% in 2027

BEAR CASE $160.00

~13x bear case MW CY27 EPS of $13

Two key debates both go the wrong direction, causing investors to question future prospects for growth

- Growth in DC slows substantially as supply catches up to demand faster than anticipated

- AI development costs come down materially, a strong competitor enters the market to take market share, or customers begin insourcing custom hardware solutions

- Greater than expected impact from tariff headwinds and export controls

Risk Reward – NVIDIA Corp. (NVDA.O)

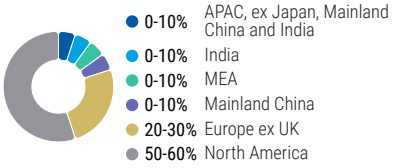
KEY EARNINGS INPUTS

Drivers	Dec 2026	Dec 2027e	Dec 2028e	Dec 2029e
GAAP Revenue ($, mm)	215,938	405,968	690,168	970,222
MW Gross Margin (%)	71.2	73.7	72.5	72.7
MW EPS ($)	4.60	9.18	15.01	22.00
Inventory ($, mm)	21,403	44,841	65,460	79,121
DOI	123.3	151.1	123.9	68.3

INVESTMENT DRIVERS

- Growth in AI capex from customers
- Next gen GPUs continue to outpace the competition
- Systems approach allows for higher monetization over time
- New drivers emerge for Nvidia such as AI PCs, autonomous vehicles, robotics, and software

GLOBAL REVENUE EXPOSURE



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

MS ALPHA MODELS

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

Source: Refinitiv, FactSet, Morgan Stanley Research; 1 is the highest favored Quintile and 5 is the least favored Quintile

RISKS TO PT/RATING

RISKS TO UPSIDE

- Growth in inference and training propel data center revenue
- Gaming sales accelerate as GPU based AI PCs gain traction
- Nvidia can recapture lost revenue in China

RISKS TO DOWNSIDE

- AI end markets don't materialize as expected, customers sharply reduce GPU purchases
- AMD reemerges as a viable GPU competitor
- Cloud customers outside of Google are able to develop competitive custom hardware

OWNERSHIP POSITIONING

Inst. Owners, % Active	51.2%
HF Sector Long/Short Ratio	2.2x
HF Sector Net Exposure	30.6%

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

MS ESTIMATES VS. CONSENSUS

FY Dec 2027e

Sales / Revenue ($, mm)	405,968	695,569	802,617
EBITDA ($, mm)	269,866	460,890	542,215
Net income ($, mm)	223,210	381,211	448,289
EPS ($)	9.21	15.77	18.71

◆ Mean ◆ Morgan Stanley Estimates

Source: Refinitiv, Morgan Stanley Research

Risk Reward Reference links

1. View explanation of Options Probabilities methodology - Options_Probabilities_Exhibit_Link.pdf

2. View descriptions of Risk Rewards Themes - RR_Themes_Exhibit_Link.pdf

3. View explanation of regional hierarchies - GEG_Exhibit_Link.pdf

4. View explanation of Theme/Exposure methodology - ESG_Sustainable_Solutions_External_Link.pdf

5. View explanation of HERS methodology - ESG_HERS_External_Link.pdf

Disclosure Section

The information and opinions in Morgan Stanley Research were prepared by Morgan Stanley & Co. LLC, and/or Morgan Stanley C.T.V.M. S.A., and/or Morgan Stanley Mexico, Casa de Bolsa, S.A. de C.V.. As used in this disclosure section, "Morgan Stanley" includes Morgan Stanley & Co. LLC, Morgan Stanley C.T.V.M. S.A., Morgan Stanley Mexico, Casa de Bolsa, S.A. de C.V. and their affiliates as necessary.

For important disclosures, stock price charts and equity rating histories regarding companies that are the subject of this report, please see the Morgan Stanley Research Disclosure Website at www.morganstanley.com/eqr/disclosures/webapp/generalresearch, or contact your investment representative or Morgan Stanley Research at 1585 Broadway, (Attention: Research Management), New York, NY, 10036 USA.

For valuation methodology and risks associated with any recommendation, rating or price target referenced in this research report, please contact the Client Support Team as follows: US/Canada +1 800 303-2495; Hong Kong +852 2848-5999; Latin America +1 718 754-5444 (U.S.); London +44 (0)20-7425-8169; Singapore +65 6834-6860; Sydney +61 (0)2-9770-1505; Tokyo +81 (0)3-6836-9000. Alternatively you may contact your investment representative or Morgan Stanley Research at 1585 Broadway, (Attention: Research Management), New York, NY 10036 USA.

Analyst Certification

The following analysts hereby certify that their views about the companies and their securities discussed in this report are accurately expressed and that they have not received and will not receive direct or indirect compensation in exchange for expressing specific recommendations or views in this report: Shane Brett; Cate Folan; Nicole Kozhukhov; Joseph Moore; Ella Tulchinsky; Mason Wayne.

.

Global Research Conflict Management Policy

Morgan Stanley Research has been published in accordance with our conflict management policy, which is available at www.morganstanley.com/institutional/research/conflictpolicies. A Portuguese version of the policy can be found at www.morganstanley.com.br

Important Regulatory Disclosures on Subject Companies

As of August 31, 2026, Morgan Stanley beneficially owned 1% or more of a class of common equity securities of the following companies covered in Morgan Stanley Research: Advanced Micro Devices, Aeva Technologies Inc, Ambarella Inc, Amkor Technology Inc, Analog Devices Inc., Arm Holdings plc, Astera Labs Inc, Broadcom Inc., Cadence Design Systems Inc, Cerebras Systems, Intel Corporation, IonQ Inc, Marvell Technology Group Ltd, Microchip Technology Inc., Micron Technology Inc., **NVIDIA Corp.**, NXP Semiconductor NV, ON Semiconductor Corp., PDF Solutions Inc, Qorvo Inc, Qualcomm Inc., SanDisk Corporation., Semtech Corp., Silicon Laboratories Inc., Skyworks Solutions Inc, Synopsys Inc., Texas Instruments, Wolfspeed, INC.

Within the last 12 months, Morgan Stanley managed or co-managed a public offering (or 144A offering) of securities of Advanced Micro Devices, Aeva Technologies Inc, Analog Devices Inc., Broadcom Inc., Cerebras Systems, GlobalFoundries Inc, Intel Corporation, **NVIDIA Corp.**, ON Semiconductor Corp., PDF Solutions Inc, Quantinuum, Semtech Corp., SiTime Corporation.

Within the last 12 months, Morgan Stanley has received compensation for investment banking services from Advanced Micro Devices, Aeva Technologies Inc, Allegro Microsystems Inc, Amkor Technology Inc, Analog Devices Inc., Broadcom Inc., Cerebras Systems, GlobalFoundries Inc, Intel Corporation, IonQ Inc, Micron Technology Inc., Navitas Semiconductor Corp, **NVIDIA Corp.**, NXP Semiconductor NV, ON Semiconductor Corp., PDF Solutions Inc, Quantinuum, SanDisk Corporation., Semtech Corp., SiTime Corporation, Texas Instruments.

In the next 3 months, Morgan Stanley expects to receive or intends to seek compensation for investment banking services from Advanced Micro Devices, Aeva Technologies Inc, Allegro Microsystems Inc, Ambarella Inc, Amkor Technology Inc, Analog Devices Inc., Arm Holdings plc, Astera Labs Inc, Broadcom Inc., Cadence Design Systems Inc, Cerebras Systems, GlobalFoundries Inc, Intel Corporation, IonQ Inc, Marvell Technology Group Ltd, Microchip Technology Inc., Micron Technology Inc., Navitas Semiconductor Corp, **NVIDIA Corp.**, NXP Semiconductor NV, ON Semiconductor Corp., PDF Solutions Inc, Qualcomm Inc., Quantinuum, SanDisk Corporation., Semtech Corp., Silicon Laboratories Inc., SiTime Corporation, Skyworks Solutions Inc, Synopsys Inc., Texas Instruments, Wolfspeed, INC.

Within the last 12 months, Morgan Stanley has received compensation for products and services other than investment banking services from Advanced Micro Devices, Allegro Microsystems Inc, Ambarella Inc, Amkor Technology Inc, Analog Devices Inc., Broadcom Inc., Cadence Design Systems Inc, Cerebras Systems, GlobalFoundries Inc, Intel Corporation, Marvell Technology Group Ltd, Microchip Technology Inc., Micron Technology Inc., **NVIDIA Corp.**, NXP Semiconductor NV, ON Semiconductor Corp., Qorvo Inc, Qualcomm Inc., SanDisk Corporation., Semtech Corp., Silicon Laboratories Inc., SiTime Corporation, Synopsys Inc., Texas Instruments.

Within the last 12 months, Morgan Stanley has provided or is providing investment banking services to, or has an investment banking client relationship with, the following company: Advanced Micro Devices, Aeva Technologies Inc, Allegro Microsystems Inc, Ambarella Inc, Amkor Technology Inc, Analog Devices Inc., Arm Holdings plc, Astera Labs Inc, Broadcom Inc., Cadence Design Systems Inc, Cerebras Systems, GlobalFoundries Inc, Intel Corporation, IonQ Inc, Marvell Technology Group Ltd, Microchip Technology Inc., Micron Technology Inc., Navitas Semiconductor Corp, **NVIDIA Corp.**, NXP Semiconductor NV, ON Semiconductor Corp., PDF Solutions Inc, Qualcomm Inc., Quantinuum, SanDisk Corporation., Semtech Corp., Silicon Laboratories Inc., SiTime Corporation, Skyworks Solutions Inc, Synopsys Inc., Texas Instruments, Wolfspeed, INC.

Within the last 12 months, Morgan Stanley has either provided or is providing non-investment banking, securities-related services to and/or in the past has entered into an agreement to provide services or has a client relationship with the following company: Advanced Micro Devices, Allegro Microsystems Inc, Ambarella Inc, Amkor Technology Inc, Analog Devices Inc., Broadcom Inc., Cadence Design Systems Inc, Cerebras Systems, GlobalFoundries Inc, Intel Corporation, IonQ Inc, Marvell Technology Group Ltd, Microchip Technology Inc., Micron Technology Inc., **NVIDIA Corp.**, NXP Semiconductor NV, ON Semiconductor Corp., Qorvo Inc, Qualcomm Inc., SanDisk Corporation., Semtech Corp., Silicon Laboratories Inc., SiTime Corporation, Synopsys Inc., Texas Instruments, Wolfspeed, INC.

Morgan Stanley & Co. LLC makes a market in the securities of Aeva Technologies Inc, Ambarella Inc.

The equity research analysts or strategists principally responsible for the preparation of Morgan Stanley Research have received compensation based upon various factors, including quality of research, investor client feedback, stock picking, competitive factors, firm revenues and overall investment banking revenues. Equity Research analysts' or strategists' compensation is not linked to investment banking or capital markets transactions performed by Morgan Stanley or the profitability or revenues of particular trading desks.

Morgan Stanley and its affiliates do business that relates to companies/instruments covered in Morgan Stanley Research, including market making, providing liquidity, fund management, commercial banking, extension of credit, investment services and investment banking. Morgan Stanley sells to and buys from customers the securities/instruments of companies covered in Morgan Stanley Research on a principal basis. Morgan Stanley may have a position in the debt of the Company or instruments discussed in this report. Morgan Stanley trades or may trade as principal in the debt securities (or in related derivatives) that are the subject of the debt research report.

Certain disclosures listed above are also for compliance with applicable regulations in non-US jurisdictions.

STOCK RATINGS

Morgan Stanley uses a relative rating system using terms such as Overweight, Equal-weight, Not-Rated or Underweight (see definitions below). Morgan Stanley does not assign ratings of Buy,

Hold or Sell to the stocks we cover. Overweight, Equal-weight, Not-Rated and Underweight are not the equivalent of buy, hold and sell. Investors should carefully read the definitions of all ratings used in Morgan Stanley Research. In addition, since Morgan Stanley Research contains more complete information concerning the analyst's views, investors should carefully read Morgan Stanley Research, in its entirety, and not infer the contents from the rating alone. In any case, ratings (or research) should not be used or relied upon as investment advice. An investor's decision to buy or sell a stock should depend on individual circumstances (such as the investor's existing holdings) and other considerations.

Global Stock Ratings Distribution

(as of September 30, 2026)

The Stock Ratings described below apply to Morgan Stanley's Fundamental Equity Research and do not apply to Debt Research produced by the Firm.

For disclosure purposes only (in accordance with FINRA requirements), we include the category headings of Buy, Hold, and Sell alongside our ratings of Overweight, Equal-weight, Not-Rated and Underweight. Morgan Stanley does not assign ratings of Buy, Hold or Sell to the stocks we cover. Overweight, Equal-weight, Not-Rated and Underweight are not the equivalent of buy, hold, and sell but represent recommended relative weightings (see definitions below). To satisfy regulatory requirements, we correspond Overweight, our most positive stock rating, with a buy recommendation; we correspond Equal-weight and Not-Rated to hold and Underweight to sell recommendations, respectively.

	Coverage Universe		Investment Banking Clients (IBC)			Other Material Investment Services Clients (MISC)	
Stock Rating Category	Count	% of Total	Count	% of Total IBC	% of Rating Category	Count	% of Total Other MISC
Overweight/Buy	1599	43%	455	48%	28%	783	44%
Equal-weight/Hold	1563	42%	394	42%	25%	763	43%
Not-Rated/Hold	2	0%	1	0%	50%	1	0%
Underweight/Sell	570	15%	96	10%	17%	227	13%
Total	3,734		946			1774	

Data include common stock and ADRs currently assigned ratings. Investment Banking Clients are companies from whom Morgan Stanley received investment banking compensation in the last 12 months. Due to rounding off of decimals, the percentages provided in the "% of total" column may not add up to exactly 100 percent.

Analyst Stock Ratings

Overweight (O). The stock's total return is expected to exceed the average total return of the analyst's industry (or industry team's) coverage universe, on a risk-adjusted basis, over the next 12-18 months.

Equal-weight (E). The stock's total return is expected to be in line with the average total return of the analyst's industry (or industry team's) coverage universe, on a risk-adjusted basis, over the next 12-18 months.

Not-Rated (NR). Currently the analyst does not have adequate conviction about the stock's total return relative to the average total return of the analyst's industry (or industry team's) coverage universe, on a risk-adjusted basis, over the next 12-18 months.

Underweight (U). The stock's total return is expected to be below the average total return of the analyst's industry (or industry team's) coverage universe, on a risk-adjusted basis, over the next 12-18 months.

Unless otherwise specified, the time frame for price targets included in Morgan Stanley Research is 12 to 18 months.

Analyst Industry Views

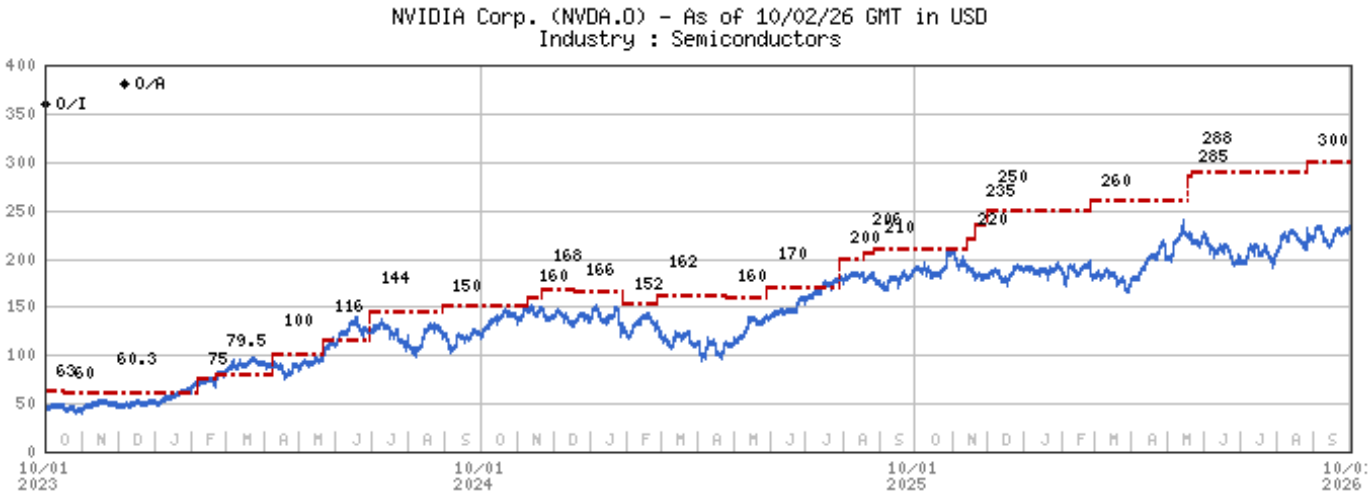
Attractive (A): The analyst expects the performance of his or her industry coverage universe over the next 12-18 months to be attractive vs. the relevant broad market benchmark, as indicated below.

In-Line (I): The analyst expects the performance of his or her industry coverage universe over the next 12-18 months to be in line with the relevant broad market benchmark, as indicated below.

Cautious (C): The analyst views the performance of his or her industry coverage universe over the next 12-18 months with caution vs. the relevant broad market benchmark, as indicated below.

Benchmarks for each region are as follows: North America - S&P 500; Latin America - relevant MSCI country index or MSCI Latin America Index; Europe - MSCI Europe; Japan - TOPIX; Asia - relevant MSCI country index or MSCI sub-regional index or MSCI AC Asia Pacific ex Japan Index.

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



Stock Rating History: 10/1/21 : NA/I; 5/3/22 : E/I; 3/16/23 : O/I; 12/7/23 : O/A

Price Target History: 9/13/20 : NA; 5/3/22 : 21.7; 5/25/22 : 18.2; 11/17/22 : 17.5; 2/21/23 : 24.6; 2/22/23 : 25.5; 3/16/23 : 30.4; 5/24/23 : 45; 6/15/23 : 50; 8/24/23 : 63; 10/17/23 : 60; 11/21/23 : 60.3; 2/6/24 : 75; 2/21/24 : 79.5; 4/9/24 : 100; 5/22/24 : 116; 6/30/24 : 144; 8/29/24 : 150; 11/10/24 : 160; 11/21/24 : 168; 12/19/24 : 166; 1/29/25 : 152; 2/26/25 : 162; 4/25/25 : 160; 5/29/25 : 170; 7/29/25 : 200; 8/18/25 : 206; 8/28/25 : 210; 11/14/25 : 220; 11/20/25 : 235; 12/1/25 : 250; 2/26/26 : 260; 5/18/26 : 285; 5/21/26 : 288; 8/27/26 : 300

Source: Morgan Stanley Research Date Format : MM/DD/YY Price Target No Price Target Assigned (NA)
Stock Price (Not Covered by Current Analyst) Stock Price (Covered by Current Analyst)
Stock and Industry Ratings (abbreviations below) appear as ◆ Stock Rating/Industry View
Stock Ratings: Overweight (O) Equal-weight (E) Underweight (U) Not-Rated (NR) No Rating Available (NA)
Industry View: Attractive (A) In-line (I) Cautious (C) No Rating (NR)

Effective January 13, 2014, the stocks covered by Morgan Stanley Asia Pacific will be rated relative to the analyst's industry (or industry team's) coverage.

Effective January 13, 2014, the industry view benchmarks for Morgan Stanley Asia Pacific are as follows: relevant MSCI country index or MSCI sub-regional index or MSCI AC Asia Pacific ex Japan Index.

Important Disclosures for Morgan Stanley Smith Barney LLC Customers

Important disclosures regarding any material conflict of interest that can reasonably be expected to have influenced Morgan Stanley Smith Barney LLC's choice of a third-party research provider or the subject company of a third-party research report, are available on the Morgan Stanley Wealth Management disclosure website at www.morganstanley.com/online/researchdisclosures. For Morgan Stanley specific disclosures, you may refer to https://www.morganstanley.com/eqr/disclosures/webapp/generalresearch.

Each Morgan Stanley research report is reviewed and approved on behalf of Morgan Stanley Smith Barney LLC. This review and approval is conducted by the same person who reviews the research report on behalf of Morgan Stanley. This could create a conflict of interest.

Other Important Disclosures

A member of Research who had or could have had access to the research prior to completion owns securities (or related derivatives) in the Analog Devices Inc., Broadcom Inc., Microchip Technology Inc., NVIDIA Corp., Qualcomm Inc.. This person is not a research analyst or a member of research analyst's household.

Morgan Stanley Research policy is to update research reports as and when the Research Analyst and Research Management deem appropriate, based on developments with the issuer, the sector, or the market that may have a material impact on the research views or opinions stated therein. In addition, certain Research publications are intended to be updated on a regular periodic basis (weekly/monthly/quarterly/annual) and will ordinarily be updated with that frequency, unless the Research Analyst and Research Management determine that a different publication schedule is appropriate based on current conditions.

Morgan Stanley is not acting as a municipal advisor and the opinions or views contained herein are not intended to be, and do not constitute, advice within the meaning of Section 975 of the Dodd-Frank Wall Street Reform and Consumer Protection Act.

Morgan Stanley produces an equity research product called a "Tactical Idea." Views contained in a "Tactical Idea" on a particular stock may be contrary to the recommendations or views expressed in research on the same stock. This may be the result of differing time horizons, methodologies, market events, or other factors. For all research available on a particular stock, please contact your sales representative or go to Matrix at http://www.morganstanley.com/matrix.

Morgan Stanley Research is provided to our clients through our proprietary research portal on Matrix and also distributed electronically by Morgan Stanley to clients. Certain, but not all, Morgan Stanley Research products are also made available to clients through third-party vendors or redistributed to clients through alternate electronic means as a convenience. For access to all available Morgan Stanley Research, please contact your sales representative or go to Matrix at http://www.morganstanley.com/matrix.

Any access and/or use of Morgan Stanley Research is subject to Morgan Stanley's Terms of Use (http://www.morganstanley.com/terms.html). By accessing and/or using Morgan Stanley Research, you are indicating that you have read and agree to be bound by our Terms of Use (http://www.morganstanley.com/terms.html). In addition you consent to Morgan Stanley processing your personal data and using cookies in accordance with our Privacy Policy and our Global Cookies Policy (http://www.morganstanley.com/privacy_pledge.html), including for the purposes of setting your preferences and to collect readership data so that we can deliver better and more personalized service and products to you. To find out more information about how Morgan Stanley processes personal data, how we use cookies and how to reject cookies see our Privacy Policy and our Global Cookies Policy (http://www.morganstanley.com/privacy_pledge.html). Please use the provided link to review the Terms and Conditions and Most Important Terms and Conditions for Morgan Stanley India Company Private Limited (https://www.morganstanley.com/assets/pdfs/about-us-global-offices/india/Terms_and_conditions.pdf) and the following link to review the audit report (https://ny.matrix.ms.com/eqr/research/webapp/researchdocs/

MSICPL_Morgan_Stanley_Research_Audit_Report.pdf).

If you do not agree to our Terms of Use and/or if you do not wish to provide your consent to Morgan Stanley processing your personal data or using cookies please do not access our research.

Morgan Stanley Research does not provide individually tailored investment advice. Morgan Stanley Research has been prepared without regard to the circumstances and objectives of those who receive it. Morgan Stanley recommends that investors independently evaluate particular investments and strategies, and encourages investors to seek the advice of a financial adviser. The appropriateness of an investment or strategy will depend on an investor's circumstances and objectives. The securities, instruments, or strategies discussed in Morgan Stanley Research may not be suitable for all investors, and certain investors may not be eligible to purchase or participate in some or all of them. Morgan Stanley Research is not an offer to buy or sell or the solicitation of an offer to buy or sell any security/instrument or to participate in any particular trading strategy. The value of and income from your investments may vary because of changes in interest rates, foreign exchange rates, default rates, prepayment rates, securities/instruments prices, market indexes, operational or financial conditions of companies or other factors. There may be time limitations on the exercise of options or other rights in securities/instruments transactions. Past performance is not necessarily a guide to future performance. Estimates of future performance are based on assumptions that may not be realized. If provided, and unless otherwise stated, the closing price on the cover page is that of the primary exchange for the subject company's securities/instruments.

The fixed income research analysts, strategists or economists principally responsible for the preparation of Morgan Stanley Research have received compensation based upon various factors, including quality, accuracy and value of research, firm profitability or revenues (which include fixed income trading and capital markets profitability or revenues), client feedback and competitive factors. Fixed Income Research analysts', strategists' or economists' compensation is not linked to investment banking or capital markets transactions performed by Morgan Stanley or the profitability or revenues of particular trading desks.

The "Important Regulatory Disclosures on Subject Companies" section in Morgan Stanley Research lists all companies mentioned where Morgan Stanley owns 1% or more of a class of common equity securities of the companies. For all other companies mentioned in Morgan Stanley Research, Morgan Stanley may have an investment of less than 1% in securities/instruments or derivatives of securities/instruments of companies and may trade them in ways different from those discussed in Morgan Stanley Research. Employees of Morgan Stanley not involved in the preparation of Morgan Stanley Research may have investments in securities/instruments or derivatives of securities/instruments of companies mentioned and may trade them in ways different from those discussed in Morgan Stanley Research. Derivatives may be issued by Morgan Stanley or associated persons.

With the exception of information regarding Morgan Stanley, Morgan Stanley Research is based on public information. Morgan Stanley makes every effort to use reliable, comprehensive information, but we make no representation that it is accurate or complete. We have no obligation to tell you when opinions or information in Morgan Stanley Research change apart from when we intend to discontinue equity research coverage of a subject company. Facts and views presented in Morgan Stanley Research have not been reviewed by, and may not reflect information known to, professionals in other Morgan Stanley business areas, including investment banking personnel.

Morgan Stanley Research personnel may participate in company events such as site visits and are generally prohibited from accepting payment by the company of associated expenses unless pre-approved by authorized members of Research management.

Morgan Stanley may make investment decisions that are inconsistent with the recommendations or views in this report.

To our readers based in Taiwan or trading in Taiwan securities/instruments: Information on securities/instruments that trade in Taiwan is distributed by Morgan Stanley Taiwan Limited ("MSTL"). Such information is for your reference only. The reader should independently evaluate the investment risks and is solely responsible for their investment decisions. Morgan Stanley Research may not be distributed to the public media or quoted or used by the public media without the express written consent of Morgan Stanley. Any non-customer reader within the scope of Article 7-1 of the Taiwan Stock Exchange Recommendation Regulations accessing and/or receiving Morgan Stanley Research is not permitted to provide Morgan Stanley Research to any third party (including but not limited to related parties, affiliated companies and any other third parties) or engage in any activities regarding Morgan Stanley Research which may create or give the appearance of creating a conflict of interest. Information on securities/instruments that do not trade in Taiwan is for informational purposes only and is not to be construed as a recommendation or a solicitation to trade in such securities/instruments. MSTL may not execute transactions for clients in these securities/instruments.

Morgan Stanley is not incorporated under PRC law and the research in relation to this report is conducted outside the PRC. Morgan Stanley Research does not constitute an offer to sell or the solicitation of an offer to buy any securities in the PRC. PRC investors shall have the relevant qualifications to invest in such securities and shall be responsible for obtaining all relevant approvals, licenses, verifications and/or registrations from the relevant governmental authorities themselves. Neither this report nor any part of it is intended as, or shall constitute, provision of any consultancy or advisory service of securities investment as defined under PRC law. Such information is provided for your reference only.

Morgan Stanley Research is disseminated in Brazil by Morgan Stanley C.T.V.M. S.A. located at Av. Brigadeiro Faria Lima, 3600, 6th floor, São Paulo - SP, Brazil; and is regulated by the Comissão de Valores Mobiliários; in Mexico by Morgan Stanley México, Casa de Bolsa, S.A. de C.V which is regulated by Comision Nacional Bancaria y de Valores. Paseo de los Tamarindos 90, Torre 1, Col. Bosques de las Lomas Floor 29, 05120 Mexico City; in Japan by Morgan Stanley MUFG Securities Co., Ltd. and, for Commodities related research reports only, Morgan Stanley Capital Group Japan Co., Ltd; in Hong Kong by Morgan Stanley Asia Limited (which accepts responsibility for its contents) and by Morgan Stanley Bank Asia Limited; in Singapore by Morgan Stanley Asia (Singapore) Pte. (Registration number 199206298Z) and/or Morgan Stanley Asia (Singapore) Securities Pte Ltd (Registration number 200008434H), regulated by the Monetary Authority of Singapore (which accepts legal responsibility for its contents and should be contacted with respect to any matters arising from, or in connection with, Morgan Stanley Research) and by Morgan Stanley Bank Asia Limited, Singapore Branch (Registration number T14FC0118J); in Australia to "wholesale clients" within the meaning of the Australian Corporations Act by Morgan Stanley Australia Limited A.B.N. 67 003 734 576, holder of Australian financial services license No. 233742, which accepts responsibility for its contents; in Australia to "wholesale clients" and "retail clients" within the meaning of the Australian Corporations Act by Morgan Stanley Wealth Management Australia Pty Ltd (A.B.N. 19 009 145 555, holder of Australian financial services license No. 240813, which accepts responsibility for its contents; in Korea by Morgan Stanley & Co International plc, Seoul Branch; in India by Morgan Stanley India Company Private Limited having Corporate Identification No (CIN) U22990MH1998PTC115305, regulated by the Securities and Exchange Board of India ("SEBI") and holder of licenses as a Research Analyst (SEBI Registration No. INH000001105); Stock Broker (SEBI Stock Broker Registration No. INZ000244438), Merchant Banker (SEBI Registration No. INM000011203), and depository participant with National Securities Depository Limited (SEBI Registration No. IN-DP-NSDL-567-2021) having registered office at Altimus, Level 39 & 40, Pandurang Budhkar Marg, Worli, Mumbai 400018, India; Telephone no. +91-22-61181000; Compliance Officer Details: Mr. Tejarshi Hardas, Tel. No.: +91-22-61181000 or Email: tejarshi.hardas@morganstanley.com; Grievance officer details: Mr. Tejarshi Hardas, Tel. No.: +91-22-61181000 or Email: msic-compliance@morganstanley.com. Morgan Stanley India Company Private Limited (MSICPL) may use AI tools in providing research services. All recommendations contained herein are made by the duly qualified research analysts; in Germany and the European Economic Area where required by Morgan Stanley Europe S.E., authorised and regulated by Bundesanstalt fuer Finanzdienstleistungsaufsicht (BaFin) under the reference number 149169; in the US by Morgan Stanley & Co. LLC, which accepts responsibility for its contents. Morgan Stanley & Co. International plc, authorized by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority, disseminates in the UK research that it has prepared, and research which has been prepared by any of its affiliates, only to persons who (i) are investment professionals falling within Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (as amended, the "Order"); (ii) are persons who are high net worth entities falling within Article 49(2)(a) to (d) of the Order; or (iii) are persons to whom an invitation or inducement to engage in investment activity (within the meaning of section 21 of the Financial Services and Markets Act 2000, as amended) may otherwise lawfully be communicated or caused to be communicated. RMB Morgan Stanley Proprietary Limited is a member of the JSE Limited and A2X (Pty) Ltd. RMB Morgan Stanley Proprietary Limited is a joint venture owned equally by Morgan Stanley International Holdings Inc. and RMB Investment Advisory (Proprietary) Limited, which is wholly owned by

FirstRand Limited. Morgan Stanley Research is disseminated in Canada by Morgan Stanley Canada Limited and Morgan Stanley Wealth Management Canada Inc., members of the Canadian Investment Regulatory Organization (CIRO). The information in Morgan Stanley Research is being disseminated by Morgan Stanley Saudi Arabia, regulated by the Capital Market Authority in the Kingdom of Saudi Arabia, and is directed at Sophisticated investors only.

The information in Morgan Stanley Research is being communicated by Morgan Stanley & Co. International plc (DIFC Branch), regulated by the Dubai Financial Services Authority (the DFSA) or by Morgan Stanley & Co. International plc (ADGM Branch), regulated by the Financial Services Regulatory Authority Abu Dhabi (the FSRA), and is directed at Professional Clients only, as defined by the DFSA or the FSRA, respectively. The financial products or financial services to which this research relates will only be made available to a customer who we are satisfied meets the regulatory criteria of a Professional Client. A distribution of the different MS Research ratings or recommendations, in percentage terms for Investments in each sector covered, is available upon request from your sales representative.

The information in Morgan Stanley Research is being communicated by Morgan Stanley & Co. International plc (QFC Branch), regulated by the Qatar Financial Centre Regulatory Authority (the QFCRA), and is directed at business customers and market counterparties only and is not intended for Retail Customers as defined by the QFCRA.

As required by the Capital Markets Board of Turkey, investment information, comments and recommendations stated here, are not within the scope of investment advisory activity. Investment advisory service is provided exclusively to persons based on their risk and income preferences by the authorized firms. Comments and recommendations stated here are general in nature. These opinions may not fit to your financial status, risk and return preferences. For this reason, to make an investment decision by relying solely to this information stated here may not bring about outcomes that fit your expectations.

The trademarks and service marks contained in Morgan Stanley Research are the property of their respective owners. Third-party data providers make no warranties or representations relating to the accuracy, completeness, or timeliness of the data they provide and shall not have liability for any damages relating to such data. The Global Industry Classification Standard (GICS) was developed by and is the exclusive property of MSCI and S&P.

Morgan Stanley Research, or any portion thereof may not be reprinted, sold or redistributed without the written consent of Morgan Stanley.

Indicators and trackers referenced in Morgan Stanley Research may not be used as, or treated as, a benchmark under Regulation EU 2016/1011, or any other similar framework.

The issuers and/or fixed income products recommended or discussed in certain fixed income research reports may not be continuously followed. Accordingly, investors should regard those fixed income research reports as providing stand-alone analysis and should not expect continuing analysis or additional reports relating to such issuers and/or individual fixed income products.

Morgan Stanley may hold, from time to time, material financial and commercial interests regarding the company subject to the Research report.

Registration granted by SEBI and certification from the National Institute of Securities Markets (NISM) in no way guarantee performance of the intermediary or provide any assurance of returns to investors. Investment in securities market are subject to market risks. Read all the related documents carefully before investing.

References to any prediction market or event contract do not constitute an offer, solicitation, recommendation, or endorsement to participate in any such market or contract. Morgan Stanley Research may not be distributed or made available in any jurisdiction where such distribution would be unlawful or otherwise prohibited by applicable law.

INDUSTRY COVERAGE: Semiconductors

COMPANY (TICKER)	RATING (AS OF)	PRICE* (10/01/2026)
Joseph Moore		
Advanced Micro Devices (AMD.O)	E (06/09/2024)	$615.73
Aeva Technologies Inc (AEVA.O)	E (07/19/2021)	$14.29
Allegro Microsystems Inc (ALGM.O)	O (02/13/2026)	$36.38
Ambarella Inc (AMBA.O)	O (03/29/2016)	$70.30
Amkor Technology Inc (AMKR.O)	E (11/08/2023)	$52.90
Analog Devices Inc. (ADI.O)	O (11/16/2023)	$404.60
Astera Labs Inc (ALAB.O)	O (05/11/2025)	$356.42
Broadcom Inc. (AVGO.O)	O (06/09/2024)	$343.64
Cerebras Systems (CBRS.O)	O (06/08/2026)	$169.52
GlobalFoundries Inc (GFS.O)	E (10/28/2024)	$48.68
Intel Corporation (INTC.O)	E (02/22/2023)	$120.00
IonQ Inc (IONQ.N)	E (04/25/2023)	$43.99
Marvell Technology Group Ltd (MRVL.O)	E (09/14/2015)	$268.08
Microchip Technology Inc. (MCHP.O)	E (07/10/2024)	$78.50
Micron Technology Inc. (MU.O)	O (10/06/2025)	$1,097.39
Navitas Semiconductor Corp (NVTS.O)	U (04/06/2025)	$12.12
NVIDIA Corp. (NVDA.O)	O (03/16/2023)	$230.86
NXP Semiconductor NV (NXPI.O)	O (02/11/2025)	$239.19
ON Semiconductor Corp. (ON.O)	++	$80.08
Qorvo Inc (QRVO.O)	E (10/28/2025)	$112.21
Qualcomm Inc. (QCOM.O)	E (06/24/2026)	$182.09
Quantinuum (QNT.O)	E (06/29/2026)	$46.68
SanDisk Corporation. (SNDK.O)	O (03/03/2025)	$1,787.69
Semtech Corp. (SMTC.O)	E (04/06/2025)	$186.59
Silicon Laboratories Inc. (SLAB.O)	E (01/19/2021)	$222.51

SiTime Corporation (SITM.O)	O (09/16/2026)	$678.87
Skyworks Solutions Inc (SWKS.O)	E (11/28/2018)	$83.16
Texas Instruments (TXN.O)	U (04/13/2020)	$281.31
Wolfspeed, INC (WOLF.N)	NR (04/06/2025)	$31.17
Lee Simpson		
Arm Holdings plc (ARM.O)	E (04/07/2026)	$292.34
Cadence Design Systems Inc (CDNS.O)	O (02/14/2024)	$350.73
PDF Solutions Inc (PDFS.O)	O (09/08/2026)	$53.39
Synopsys Inc. (SNPS.O)	O (09/08/2026)	$490.54

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

© 2026 Morgan Stanley