China CCL Sector

Cycle update: raise FR4 ASP; PTFE pulled forward

Equities

China

Communications Technology

Edward Liu
Analyst
edward.liu@ubs.com
+852-3712 3981

Diana Chang
Analyst
diana.chang@ubs.com
+886-2-8722 7335

Chaojun Zheng
Analyst
S1460526080002
chaojun.zheng@ubs.com
+86-213-866 8367

Randy Abrams
Analyst
randy.abrams@ubs.com
+886-2-8722 7338

Jimmy Yu
Analyst
S1460517080002
jimmy.yu@ubs.com
+86-21-3866 8880

David Chow
Associate Analyst
david.chow@ubs.com
+852-3712 3512

Tao Wang
Analyst
S1460523110002
tao-za.wang@ubs.com
+86-21-3866 8341

Returned from the field: raise FR4 CCL price forecasts

We conducted several field trips/meetings across APAC PCB/CCL supply chain (here, here) in Sep. After KBL raised FR4 CCL prices again by 10-20% at end-Aug and SYT started another round of hikes in Sep, we believe FR4 CCL prices (pre-tax) are now likely >Rmb340 now. Supply-side, we expect limited new capacity from either E-glass or CCL to come online in 2027; we forecast E-glass fabric prices to increase another 10-15% in Oct (after +10-15% in Sep with industry inventory at near-zero) to Rmb15+ by YE26. We see even tier-1 vendors like ITEQ operating below full UTR due to upstream shortages despite robust demand. Demand-side, our talks with PCB companies reaffirm supply security is prioritized over cost and end-customers have accepted price hikes since July, favouring CCL upcycle sustainability. PCB/CCL players across mainland China and Taiwan are expecting DD% QoQ CCL ASP hikes in Q3/Q426F that are likely to last through 1H27F. We now forecast FR4 ASP to reach Rmb383/443 by YE26/1H27E.

PTFE adds a further wallet share lever for Shengyi from Rubin Ultra

We expect the switch-tray PCB in a potential VR300 NVL576 NPO/CPO form factor to adopt a 32L PTFE-hybrid design with PTFE on 8-10 signal layers and M8/M9 on core layers. We believe SYT's VR200 switch CCL wallet share to be on par with EMC, even though EMC led allocation for the 44L compute-tray midplane. We think SYT's proprietary PTFE solution, which has passed end-customer qualification and is currently undergoing testing with PCB vendors, positions it for further share gains from VR300 onward. Although the team-up of EMC & Taiflex could become a second source PTFE supplier, we expect SYT to win the lion's share in 2027/28E, as it already has sufficient flexible CCL capacity (partly fungible for PTFE) in place to cover NVL576 demand, per our estimates. We expect the Kyber backplane to also adopt a similar PTFE-hybrid solution with volumes more in 2028/29E; our NVL576 and Kyber backplane PTFE scenario analysis points to Rmb137mn/Rmb2,635mn incremental earnings potential in 2027/28E for SYT, or 1%/16% upside to our conservative base case.

CPO/NPO: de-spec concerns overdone, CCL content value upside remains

We believe near-term risk of potential CCL de-spec in a full scale-up CPO solution is limited. We expect NPO as the mainstream solution in the next 2-3 years while inter-rack NPO scale-up in a potential NVL576 form factor would drive incremental CCL content and spec upgrades through: 1) more switch trays for inter-rack connectivity (18x per NVL576 Oberon NVL72 vs. 9x per NVL72 in VR200); 2) larger board area to accommodate NPO/CPO engines, while signals routing from NPO engine to switch ASIC still go through PCB; and 3) larger/higher-spec NPO module PCB vs. pluggables and with tighter warpage/thermal requirements. Even with CPO, despite the ASIC-to-engine traces shortening, connectors/vias and other high-speed links would still require M6-M8 CCL. Ultimately, we reiterate our view that multiple scale-up architectures (cable cartridge/Kyber backplane/NPO/CPO) will coexist in the longer term.

Valuation: reiterate KBL/SYT as top picks, raise PTs to HK$75/Rmb209

We raise KBL and SYT '27/'28E earnings by 31%/11% and 9%/2% respectively and keep '26E largely unchanged; we lift our KBL/SYT PTs to HK$75/Rmb209 from HK$66/Rmb192 mainly to reflect earnings upside from higher FR4 CCL price forecasts, with PTFE contribution not yet in our base case. We continue to believe SYT has the "best of both worlds", with FR4 driving near-term earnings while AI CCL at Nvidia keeps ramping and ASIC breakthrough as an upside. For KBL, we model CCL GPM >45% in 2H26E and 44% in '27E despite some new capacity ramping. Our EPS forecasts of KBL/SYT imply 8.4x/23.7x '27E P/E, which looks attractive given high visibility on near-term growth, while AI CCL materials (glass fabric/copper foil for KBL, PTFE for SYT) expand TAM.

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UBS Research THESIS MAP MOST FAVORED LEAST FAVORED

Shengyi Tech (SYT), Kingboard Laminates (KBL)

PIVOTAL QUESTIONS

Q: Is the market underappreciating the current conventional CCL upcycle?

Yes. We believe the market is overlooking the sustainability of this upcycle and pricing in an approaching peak. We think this cycle could be more extended than past cycles due to structural S/D drivers as well as upstream material tightness, with AI crowding out conventional supply and adding incremental demand while near-term supply responses remain limited. We forecast an industry electronic fabric S/D gap of over 10% through 2027E as effective capacity is bottlenecked by Toyota's loom equipment while peers reallocate capacity towards AI/speciality fabric. A conventional CCL upcycle is likely to benefit KBL and SYT, as it remains the primary earnings driver for both.

Q: How does the potential NVL576 and Kyber backplane adoption shift the AI CCL outlook?

We continue to see AI CCL content value increases in the near term as networking/interconnect demands surges from increasing compute domain sizes: 1) inter-rack optical NPO/CPO scale-up architectures NVL576 from VR300 and; 2) Kyber backplane in NVL144/288 from Feynman. We expect both form factors could likely adopt a PTFE-hybrid CCL solution with SYT as the main supplier; given 1) accumulated flexible/PTFE CCL know-how; 2) ample flexible/PTFE CCL capacity; 3) only CCL maker with both PTFE manufacturing capability and proven track record in rigid M8+ AI CCL.

Q: What is the earnings impact and what is mispriced?

For our top picks, we raise 2027/28E earnings by 31%/11% for KBL and 9%/2% for SYT. We believe the market is not fully pricing in: 1) SYT's leverage to the conventional CCL upcycle, with segment revenue rising 69%/75% in 2026/27E alongside GPM expansion, also helped by a greater AI CCL mix as PTFE know-how supports wallet share gains; 2) KBL's leverage to a stronger-than-expected conventional CCL upcycle while margins expand from cost advantages vs. peers; and 3) the adoption of PTFE in VR300 NVL576 switch boards and Kyber backplane, which we expect could lift SYT earnings by 1%/16% in 2027/28E compared to our current base case earnings estimates.

WHAT´S PRICED IN?

Wind CCL sector index has fallen as much as 46% in July from its June all-time peak but recovered 30% from the trough as of Oct 1st. We see market pessimism specifically among AI CCL names given potential later Kyber backplane timeline alongside concerns on CCL despec from CPO/NPO optical scale-up alternatives in the longer term.

UBS VIEW

We continue to favour CCL/upstream names. Our top picks are KBL (Buy) and SYT (Buy), we believe valuations are undemanding and investor concerns are overdone as inter-rack scale-up solutions such as NVL576 NPO/CPO architectures could drive incremental CCL/PCB content value while suppliers with specialty materials know-how such as PTFE for SYT are well positioned to capture wallet share gains and earnings upside, which we see as not fully priced in. We expect KBL and SYT to benefit from a more sustainable conventional CCL upcycle through 2027, while emerging AI exposure (specialty fabric for KBL; AI CCL & PTFE for SYT) delivers the next leg of growth.

EVIDENCE

1) UBS forecasts top 12 hyperscalers' capex to increase 97%/45% YoY in 2026/27E; 2) KBL has hiked FR-4 CCL prices multiple times YTD, with monthly hikes since March; 3) E-glass fabric has seen monthly price hikes YTD, with prices now at historical highs >Rmb13/meter; 4) UBS forecasts the number of ex-Nvidia accelerator units to increase 49%/98% YoY in 2026/27E versus Nvidia GPU (SIP) units of 17%/36%.

Figure 1: Our China CCL coverage by preference– ratings, earnings and price target changes

Company	Ticker	Market cap (US$m)	Price 09-Oct (LC$)	Old price target (LC$)	New price target (LC$)	Old Rating	New Rating	EPS Revision 2026E	EPS Revision 2027E	EPS Revision 2028E	Old target PE multiple	New target PE multiple	P/E (x) 2026E	P/E (x) 2027E	P/E (x) 2028E	NP CAGR 26-29E	PEG 27PE/26-29E	ROE 2026E	ROE 2027E	ROE 2028E
UBS China CCL Sector Coverage																				
Shengyi Technology	600183.SS	45,060	124	192	209	Buy	Buy	-1%	9%	2%	40x (on 27E)	40x (on 27E)	38.8	23.7	18.0	40%	0.6	41%	51%	52%
Kingboard Laminates	1888.HK	19,589	49	66	75	Buy	Buy	0%	31%	11%	17x (on 27E)	13x (on 27E)	16.6	8.4	8.0	32%	0.3	36%	46%	40%
Sector average													**27.7**	**16.1**	**13.0**	**36%**	**4.5**	**39%**	**49%**	**46%**

Source: LSEG, UBS estimates

FR4 CCL: RAISING PRICE FORECAST; NO RELIEF BEFORE 2H27

Pricing and margin have further room to grow

From our talks with supply chain players, we highlight both CCL/PCB suppliers expect FR4 to continue rising month over month into YE26 and mostly likely sustain into at least 1H27. **KBL** issued another price hike notice on 28 Aug (FR4 +10%, thin-cloth prepreg +20%) and expects ASP of >Rmb340/sheet pre-tax in Sep. **SYT** followed closely although at a slightly slower pace given its concentration of large customers and pointed out current FR4 CCL GPM is >30% and would likely surpass certain M4/M6 CCL products if hikes persist.

According to management, **ITEQ** raised ASP by c.10%/c.30% in Q126/Q226, and expects c.20-30% hikes in each of Q326/Q426F with hikes continuing into 1H27F, supporting our view that industry pricing could remain firm into 2027. ITEQ management expects c.2-3ppt of GM gain per 10% ASP increase, in-line with our expectation that GPM of KBL/SYT will further improve in FY27.

Tier-2/3 vendors like **Nanya New Material (NNM)**, **Goldenmax** and **Wazam New Material** have been enjoying UTR uplifts thanks to order spill-over from tier-1 players. On pricing, we see ASP hikes trailing leaders at slightly smaller magnitudes (e.g. if KBL +10%, Nanya +5-8%); their profitability also improved dramatically: **NNM**'s overall CCL GPM rose to 15% in 1H26 vs. 7% in 1H25 and indicated FR4 GPM at 35-40% in Sep. **Wazam** achieved NPM of 21% in Jul/Aug from only 8% in Q226, generating Rmb356mn net profit in 2 months vs. Rmb173mn in 6 months of 1H26.

Therefore, we raise our FR4 CCL price forecasts to Rmb383/sheet by Dec-26E and Rmb443/sheet by Jun-27E. Per our industry studies, M2/M4 CCL now sell at Rmb300-400/sheet, close to FR4, while M6 is c.60% more expensive at c.Rmb500-600. We see this level marking the ceiling for FR4 pricing before downstream demand weakens meaningfully.

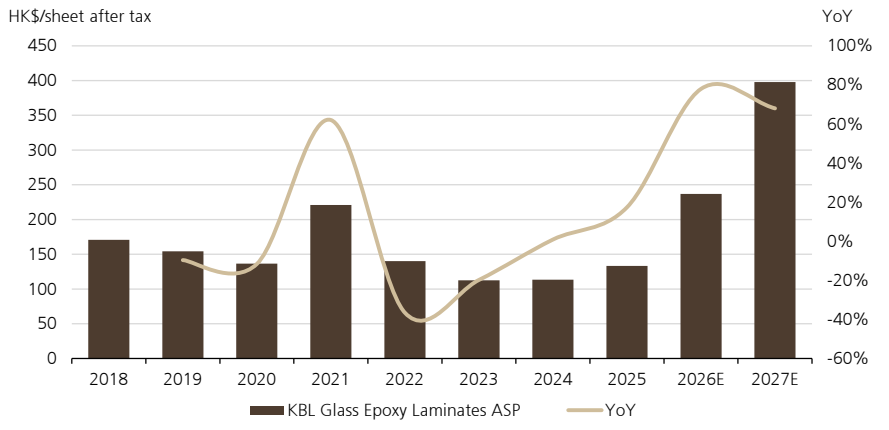
We estimate a c.2ppt GPM expansion from every c.10% CCL ASP increase, all else equal, which factors in inflating raw material costs in 2027E. KBL notes new pricing usually reflects on P&L at a 1-2 months lag given order shipping and lead times.

Figure 2: Our industry FR4 CCL spot price (pre-tax) estimates

Conventional	2026 Jan	2026 Feb	2026 Mar	2026 Apr	2026 May	2026 Jun	2026 Jul	2026 Aug	2026 Sep	2026 Oct	2026 Nov	2026 Dec	2027 Jan	2027 Feb	2027 Mar	2027 Apr	2027 May	2027 Jun	2027 Jul	2027 Aug	2027 Sep	2027 Oct	2027 Nov	2027 Dec
ASP HK$/sheet (incl. VAT)	140	140	154	186	205	236	271	312	343	377	407	440	440	462	462	485	485	509	509	494	479	465	451	437
YoY	*0%*	*0%*	*10%*	*21%*	*10%*	*15%*	*15%*	*15%*	*10%*	*10%*	*8%*	*8%*	*0%*	*5%*	*0%*	*5%*	*0%*	*5%*	*0%*	*-3%*	*-3%*	*-3%*	*-3%*	*-3%*
Rmb/sheet	122	122	134	162	178	205	236	271	298	328	354	383	383	402	402	422	422	443	443	430	417	404	392	380
Annual avg ASP (HK$)		268											**Annual avg ASP (HK$)**		473									
Rmb		233											Rmb		412									
YoY%		101%											YoY%		77%									

Source: UBS estimates

Figure 3: KBL FR4 ASP (after-tax) estimates



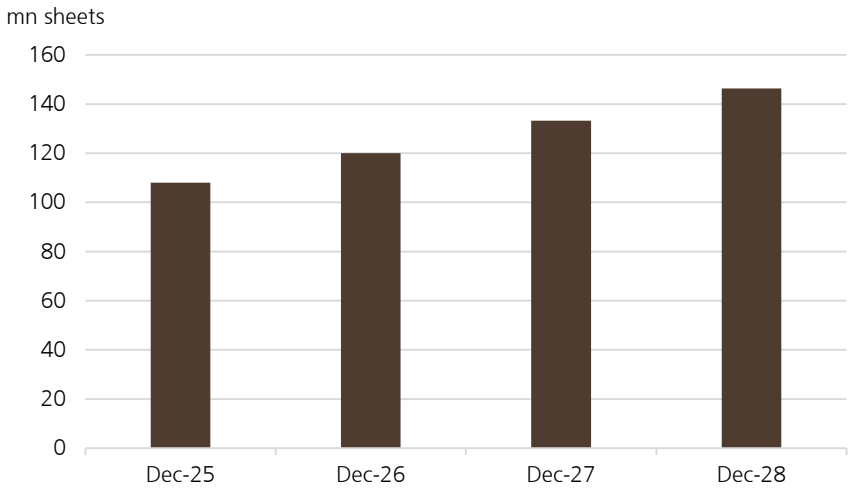
Source: UBS estimates

Supply: raw material tightness caps greenfield CCL capacity

Per our CCL capacity expansion tracker, only KBL plans to add FR4 CCL capacity in 2027E albeit very marginally (+4% YoY); vendors continue to shift newly ordered equipment such as treaters and press machines to AI grades (M6+) as new capacity comes online. Lead times: standard presses 8-10 months, treaters 1.5-2 years (from 6-9 months), and some Japanese/Taiwanese vendors equipments beyond 2 years.

We expect KBL to add 1.1mn sheets/month of CCL capacity by YE27, of which 0.7mn is M6 & above and 0.4mn is FR4, a c.11% increase on its current CCL capacity. We think CCL makers are hesitant to expand conventional supply given scarcity of upstream materials, particularly E-glass fabric; with even leading peers e.g. **ITEQ** has noted that material shortages continue to constrain its utilization at only 70-75% in 9M26, with management expecting utilisation to improve to 80% in Q426F and 80-90% by YE27F as raw-material shortage eases; dependent on raw material availability) and **NNM** at 85-90% UTR due to shortage of E-glass.

Figure 4: KBL's CCL capacity at year end



Source: Company data, UBS estimates

Even vertically integrated players like **KBL** estimates current industry glass fabric supply/ demand gap at 100mn meters per month. We believe KBL's own E-glass output still falls 10% short of its own production demand and it has to procure some externally until its new 70kt yarn furnace ramps up from 4Q26E which should reach full volume by Mar-Apr 2027F.

Figure 5: Supply chain comments on FR4

Datapoint	SYT	KBL	Nanya New Material	ITEQ
FR4 ASP	>Rmb310/sheet, monthly steps	>Rmb310/sheet pre-tax	>Rmb310, approaching M4	+10%/+30%/DD/DD in Q1-Q4 26
FR4 / blended GPM	>30%, rising IN 2H26	>30% H126, higher in 2H26	FR4 35-40%	M4/M6 c.30%
Lead time / order visibility	3 months	1-2 months; inventory near 0	c.2 months, order book > capacity	n.a.
Utilisation	Full on 10mn sheets/mo	Near full	85-90% (input-limited)	70-75%, 80% in Q4
Timing of ASP relief	1H27 or later	Hikes continue	Mid-2027 at the earliest	Into 1H27; remain tight in 2-3 yrs
FR4 capacity additions	None, expansions all high-speed	None for FR4; M6/7 +350k sheets/mo FY27	None industry-wide	None

Source: Company data, UBS

Glass fabric: looms still the choke point; thin E-glass ASP to catch up; specialty fabric requires more looms

The loom bottleneck shows no sign of easing, KBL mentioned it has booked c.50% of Toyota's new production capacity in the next 2 years; Chinese suppliers' looms is yet to be qualified for electronic-grade fabric at leading customers.

KBL's installed loom base risen from 3,333 looms at the start of 2026 to 3,733 at YE26F and +1,100 in 2027F. KBL mentioned it will not use non-Toyota looms for even thin E-glass. **ITEQ** noted that glass fabric makers are reluctant to expand given low returns, heavy capex, long equipment lead time and environmental permit, with a 2-3 year capex cycle, meaning any expansion announced today will only come online in 2028-29, when this upcycle likely passes. We stand by our earlier view of "he who has looms shall be king" and believe KBL is the biggest beneficiary of the loom shortage.

Figure 6: Our analysis on KBL's loom sufficiency

KBL looms		Capacity (100mn meter)	2025	2026E	2027E	2028E
		7628	5.2	4.9	5.2	4.8
7628	25.0 k/m/mo	Thin-E	1.3	2.1	3.4	4.8
Thin-E	12.0 k/m/mo	Specialty	0.12	0.20	0.59	0.98
Specialty	7.0 k/m/mo		**6.6**	**7.2**	**9.2**	**10.5**
		Looms required				
		7628	1733	1633	1720	1583
		Thin-E	903	1458	2389	3142
		Specialty	143	238	702	1111
			2779	**3330**	**4811**	**5836**
		Looms installed	**3333**	**3733**	**4833**	**5833**

Source: UBS estimates

Adjusted for loom throughput, we estimate thick 7628 E-glass now earns about the same gross profit per loom as Low-Dk1, while thin E-glass (1080) earns c.10% less than 7628, which means suppliers are reluctant to allocate scarce loom capacity to 1080 (as confirmed by **SYT**). We therefore think thin E-glass price hike could pick-up against 7628, which is already visible from **KBL**'s Aug price hike, as downstream demand remains strong.

Some customers are shifting designs from thick to thin fabric as fewer layers of fabric are required, lowering total cost versus 7628, alongside demand from CPU PCB and packaging substrates, as we flagged previously (link).

Figure 7: Gross profit per loom per month

Product	ASP/m (Rmb)	GPM	GP (Rmb)	GP/mo/Loom
7628 (E-glass)	11	35%	4	98,175
1080 (Thin E-gls)	15	50%	8	91,080
Low Dk1	26	55%	14	100,100
Low Dk2	95	65%	62	432,250
T-glass (Low-CTE)	130	70%	91	637,000
Q-Glass	300	>70%	>200	>1,000,000

Source: UBS estimates

SYT mentioned glass fabric remains in shortage despite ASP rising 10–15% per month with thick fabric at Rmb15/m and thin fabric at c.Rmb20/m, and new capacity keeps being delayed. **KBL** reports 7628 fabric ASP rising Rmb2–3 every month, and **NNM** notes E-glass is tighter than low-Dk1 and 2 that began to tighten after Aug as orders rose. **Shennan** also sees substrate CCL becoming tighter from Low-CTE/T-glass shortages and striving to stock up on inventory.

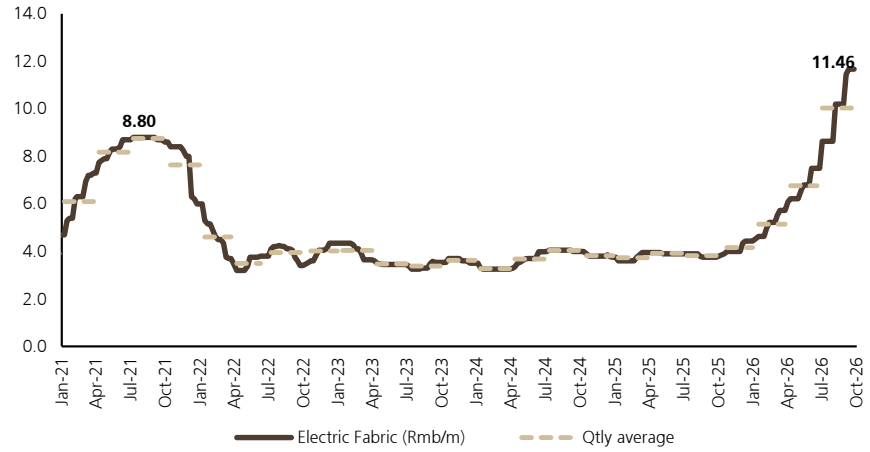
We often get questions from investors on **LTA**. We want to flag that LTA is not typical for the CCL industry historically, but as product iteration cycle shortens from 3-5 years to 1-2 years driven by AI demand, suppliers increasingly prefer to diversify their customer exposure across multiple customers. Second, we see the more common practice now as a "rough" LTA with only certain supply volume pledged to each customer as a quota at market price. The quota comes with a ±10% flexibility and is agreed upon beforehand, reviewed quarterly. Any customer demand beyond agreed quota will go through

through a bidding process against buyers which could result in prices materially above market. Prepayments are then made in cash to secure those orders. This mechanism is the same across glass fabric and CCL vendors against end customers who are now approaching upstream suppliers directly to secure adequate supply allocation for its PCB suppliers. We believe this is consistent with a seller's market where smaller buyers are pushed out deliberately to balance the S/D situation.

In our view, E-glass is now as tight as Low-Dk1, although Low-Dk1 is also getting tighter with the Rubin ramp, supporting further price hikes, and Low-Dk2 demand should step up from 2027E. Low-Dk2 and T-glass still earn c.4-6x the gross profit per loom vs 7628.

We think the E-glass shortage will likely last c.2 years as competitors add capacity, while specialty demand should keep rising and looms get reallocated, squeezing conventional supply. We forecast 7628 E-glass fabric prices to increase another 10-15% in Oct (after 10-15% in Sep with near-zero inventory) to Rmb15+ by YE26 whereas 1080 should see faster hikes to reach Rmb23 by YE26.

Figure 8: 7628 glass fabric historical ASP trend



Source: SCI99, UBS

Figure 9: Our industry glass fabric spot price (pre-tax) estimates

7628	2026 Jan	2026 Feb	2026 Mar	2026 Apr	2026 May	2026 Jun	2026 Jul	2026 Aug	2026 Sep	2026 Oct	2026 Nov	2026 Dec	2027 Jan	2027 Feb	2027 Mar	2027 Apr	2027 May	2027 Jun	2027 Jul	2027 Aug	2027 Sep	2027 Oct	2027 Nov	2027 Dec
ASP Rmb/meter (incl. VAT)	4.8	5.3	5.8	6.3	6.8	7.5	8.7	10.2	11.7	12.9	14.2	15.6	16.4	17.2	18.1	19.0	19.9	20.9	20.9	20.3	19.7	19.1	18.5	18.0
YoY		10%	9%	9%	8%	10%	16%	17%	15%	10%	10%	10%	5%	5%	5%	5%	5%	5%	0%	-3%	-3%	-3%	-3%	-3%
Annual avg ASP (Rmb)		9.2													19.0									
HK$		10.5													21.8									
YoY%		124%													108%									

1080	2026 Jan	2026 Feb	2026 Mar	2026 Apr	2026 May	2026 Jun	2026 Jul	2026 Aug	2026 Sep	2026 Oct	2026 Nov	2026 Dec	2027 Jan	2027 Feb	2027 Mar	2027 Apr	2027 May	2027 Jun	2027 Jul	2027 Aug	2027 Sep	2027 Oct	2027 Nov	2027 Dec
ASP Rmb/meter (incl. VAT)	5.7	6.4	7.1	7.9	8.6	9.5	11.2	13.2	15.2	18.2	20.9	23.0	24.2	25.4	26.7	28.0	29.4	30.9	30.9	30.0	29.1	28.2	27.3	26.5
YoY		12%	11%	11%	10%	10%	18%	18%	15%	20%	15%	10%	5%	5%	5%	5%	5%	5%	0%	-3%	-3%	-3%	-3%	-3%
Annual avg ASP (Rmb)		12.2													28.0									
HK$		14.1													32.2									
YoY%		181%													129%									

Source: UBS estimates

Per our industry studies, KBL plans to at least double its AI fabric capacity to 4-5mn m/month in 2027E from c.2mn now, and to double it again to c.8mn in 2028E, with the mix mostly Low-Dk2 and low-CTE with potentially some Q-glass, in our view. KBL is also already working on Low-Dk3 and second-generation low-CTE.

We estimate AI fabric demand will double to c.200mn meters in 2027 from c.100mn meters in 2026, and the overall electronic fabric supply-demand gap to remain above 10% through 2027E. KBL estimates industry glass fabric supply gap at 100mn meters per month now.

Copper foil: AI-grade supply still limited while conventional also tightening

We believe copper foil is the next in the line for potential shortage after fabric, with conventional thick copper foil (70/105/140μm) now tightening due to rising demand from server power, NEV, drones, charging poles, renewable energy etc and lower output productivity, according to **KBL**. KBL currently has near zero copper foil inventory and has raised foil processing fees 2-3 times YTD (Mar +10%, Jul +Rmb5-8/kg), with its HTE foil

processing fee now at c.Rmb30k/t, double c.Rmb15k/t a year ago per our industry discussions, with copper prices at a decade high of c.Rmb110k/t.

We expect HVLP3 and above will become increasingly tighter as new generation of AI servers start shipment; HVLP4 supply is still concentrated in Japanese vendors while domestic players' yield and stability need improvement. Per our Materials analyst Tao Wang, domestic HVLP copper foil shipments reached c540t/month at **Defu** (73t HVLP4) in August and over 600t/month at **Tongguan**, majority of which are still HVLP1/2 (link).

KBL, China's largest electronic-grade copper foil producer by capacity, is seeing copper foil getting tighter and should add 21k tonnes per year of high-end capacity in 2027F at Fogang; its HVLP1-3 has passed qualification and in small-volume production with HVLP4 in qualification at the same customers for its AI glass fabric.

Demand: overall not rosy but auto/high-end CE still hold

We believe current FR4 CCL undersupply is not a result of booming traditional end demand as broad home appliance and smartphone consumption remains weak. However, there could be some structural drivers for certain applications:

- Automobile: despite overall shipment growth of NEVs decelerating off a high base of last year, the electrification and smartification of vehicles continue to drive up PCB content per car. **SYT** noted 4-6L automotive PCB in severe shortage to the point that some local governments have issued directives to secure supply for SOEs; KBL also mentioned auto OEM end customers in Europe and Korea are now approaching them directly for plant audit and to secure supply—a scenario that hasn't been seen in the last 30 years.
- Overseas home appliance demand this summer was also helped by air-conditioning sales in Europe driven by the heatwaves.
- Mobile phones: although we expect overall shipment volume of mobile phones to decline 7.5%/2.9% YoY in FY26/27E in the midst of the memory upcycle, the premium segment should fare better with Apple, Samsung and Huawei all growing shares. We expect mobile phone ASP hike to offset volume weakness, resulting in overall industry revenue to grow 8%/4% in FY26/27E.

For the above applications, we believe the customers' priority has shifted to supply security from cost savings for PCB/CCL, which still accounts for a very small % of BoM but indispensable for device manufacturing. **FR4 CCL order visibility** across various CCL players is now at least 2-3 months. From our conversations, some low-end applications like lighting and toys even have to revert to paper-based laminates due to CCL tightness. Therefore, we've seen PCB suppliers have been implementing price hikes gradually on these non-AI products since July, with good customer acceptance, which bodes well for FR4 CCL upcycle sustainability.

AI CCL: S/D REMAINS TIGHT WITH UPGRADE ROADMAP INTACT

M2-M7: demand supported by general server; ASP starts to catch up

Although cutting-edge AI servers are migrating beyond M7/M8 towards higher-spec CCL, the demand for lower-grade CCL such as M2-M6 remains strong and may find further support from a general server upgrade cycle and potentially LEO satellite in the next 3 years, in our view. We think **ITEQ** and **NNM** are good proxies to monitor as M6 & below contribute majority of their sales:

- **ITEQ**: Currently sales mix from M4 & below is at c.70% while M6 & above at c.30%; the company expects M7 to reach c.10–15% due to general-server upgrades as general server CCL are upgrading from M2/M4/M6 towards M7. According to ITEQ management, M4+M6 (c.50% of its sales) demand remains resilient in 2H26, despite some timing shifts in server platform upgrades. This supports our view that demand for mainstream high-speed CCL remains healthy. Management mentioned that its general server customers are mostly on the AMD platform with Intel becoming a potential upside as peers lack sufficient general-server capacity. We think M6 & below CCL still relies on E-glass fabric and

becoming a bottleneck to pace of general server upgrades. ITEQ cited LEO satellite (likely for ground terminals) as another growth opportunity in 2027F from SpaceX; we believe the CCL spec is mainly M4/M6.

- **NNM**: We think the company is a leading vendor for domestic customers, who currently account for >90% of its sales. Within its 4mn sheets/mo designed capacity in 2026 (c.3.6mn effective capacity due to material constraint), management indicated that high-speed (M7 & below) mix is at c.20% (0.5/0.8mn sheets in June/Sep) and that and expect it to reach 1mn sheets/mo at YE26, which we view as evidence of healthy demand across the high-speed CCL market.

- **KBL**: We expect the company to add 0.35mn sheets/mo M6/M7capacity at Kaiping plant in Q127 and another 0.35mn sheets/mo in Jiangxi in Q2/Q327 for server and high-end CE, with more phases coming afterwards. We fine-tune our model to include high-end CCL estimates as below:

Figure 10: KBL CCL mix breakdown in our model

Laminates	2024	2025	2026E	2027E	2028E	2029E	2030E
Glass Epoxy/CEM laminates							
Monthly Total Capacity (mn sheets)	**9.0**	**9.0**	**10.0**	**11.1**	**12.2**	**13.3**	**13.7**
YoY	*0%*	*0%*	*11%*	*11%*	*10%*	*9%*	*3%*
AI CCL (M6&above) Capacity (mn sheets)			**0.0**	**0.7**	**1.8**	**3.0**	**3.3**
YoY					*151%*	*63%*	*12%*
Utilization			*0%*	*90%*	*100%*	*100%*	*100%*
FR4 CCL Capacity (mn sheets)	**9.0**	**9.0**	**10.0**	**10.4**	**10.4**	**10.4**	**10.4**
YoY	*0%*	*0%*	*11%*	*4%*	*0%*	*0%*	*0%*
Utilization	90%	90%	95%	95%	85%	85%	85%
Monthly Total Shipment (mn sheets)	**8.1**	**8.1**	**9.0**	**10.3**	**10.1**	**11.2**	**12.0**
YoY	*7%*	*0%*	*11%*	*14%*	*-2%*	*11%*	*7%*
AI CCL (mn sheets)				**0.7**	**1.3**	**2.4**	**3.1**
YoY					*95%*	*88%*	*32%*
FR4 CCL (mn sheets)	**8.1**	**8.1**	**9.0**	**9.7**	**8.8**	**8.8**	**8.8**
YoY	*7%*	*0%*	*11%*	*7%*	*-9%*	*0%*	*0%*
ASP (HKD per sheet excl. VAT)	113	133	237	402	369	333	314
YoY	*1%*	*17%*	*78%*	*68%*	*-10%*	*-20%*	*-20%*
AI CCL				460	449	506	552
YoY					*-3%*	*13%*	*9%*
FR4 CCL	113	133	237	398	358	286	229
YoY	*1%*	*17%*	*78%*	*68%*	*-10%*	*-20%*	*-20%*
Glass Epoxy Revenue	**11,023**	**12,936**	**25,648**	**49,810**	**44,734**	**44,812**	**45,063**
YoY	*8%*	*17%*	*98%*	*94%*	*-10%*	*0%*	*1%*
AI CCL			**0.0**	**3,602**	**6,840**	**14,497**	**20,810**
YoY					*90%*	*112%*	*44%*
Mix%			*0%*	*7%*	*15%*	*32%*	*46%*

Source: Company data, UBS estimates

- **Pricing and GPM**: We estimate YTD ASP hikes of M2-M6 is not as significant as FR4, with both **SYT** and **KBL** commenting certain FR4 products' ASP/GPM are exceeding those of M2/M4 and close to M6 level (>30%); **NNM** even sees FR4 GPM at 35-40%. But with the demand being supportive and continuous E-glass shortage, we expect M4/M6 ASP to start catching up; **ITEQ** expects to raise >20% M4/M6 ASP in Q426F.

M9: small volume now and ramping in FY27

We believe there are only two qualified suppliers currently for M9 CCL at Nvidia—EMC and SYT:

Figure 11: High-speed CCL roadmap and status updates

Grade	Materials	Applications	Status (Sep 2026)
M8 / M8.5	Low-Dk2, HVLP3/4	GB200/300, VR200, ASIC next-gen	Mainstream, in MP; SYT 300k sheets/mo
M9	Low-Dk2 (mayber Q-glass later), hydrocarbon, HVLP4	Rubin compute/HGX/LPU, 1.6T switch	Small volume; EMC >50% M/S at NV; SYT qualified at NV ITEQ qualified at Google
M10	Q-glass, HVLP5, pure hydrocarbon	Rubin Ultra, Kyber backplane, Feynman	Sampled in May-26; qualification in end-26/early-27
PTFE/M9Q hybrid	Fabric-less PTFE + M9Q PP	NVL576 switch tray, Kyber backplane, maybe midplane/LPU/compute tray later	SYT qualified; EMC+Taiflex sampling; MP likely in 2027

Source: Company data, UBS estimates

- **EMC**: During our Taiwan Summit, we learnt EMC held c.40% high-speed CCL market share in 2025 and was the first to qualify for M9 in Vera Rubin, which is

now in production. We believe current M9 + Low-Dk2 is being utilized... and EMC indicated it holds overall >50% CCL wallet share at Nvidia. We view this as further evidence that upgrade cycle of high-speed CCL is intact. M9 adoption at ASICs may start from 2027E, in our view, which is typical for CSPs that lags ~1 year behind NVDIA on CCL specs. According to management guidance, EMC expected M9 revenue mix at single-digit% in 2026F and double-digit% in 2027F, driven by adoption in ASIC and switch. EMC sees its M9 yield at over 80-90% currently. Both EMC and SYT expects M9 ASP to be at least 30% higher vs. last-gen, and EMC believes 15-20% ASP hike across industry in H226F as reasonable and raised its own Q326F GPM guidance to 33.5-36.5%. EMC also guided monthly capacity (all CCL) to reach 11.1mn sheets (1.2mn for substrates) in 2028F from current c.6mn with all new capacity booked by customers. EMC also noted equipment shortage constrains capacity expansion by at least 1mn/mo and is trying to migrating M6 & below capacity toward higher-end.

Figure 12: Year end overall capacity of key CCL vendors

YE Capacity (mn sheets/month)	2026	2027	2028
SYT	10.7	11.8	14.0
KBL	10.0	11.1	12.2
EMC	5.6	8.1	9.9
Nanya Plastic	6.3	7.0	7.0
ITEQ	5.7	6.3	8.3
Nanya New Material	4.0	4.9	5.8

Source: Company data, UBS estimates for SYT and KBL only

- **SYT**: believes the core demand driver for M9 CCL (requires Df below 0.0004) is for supporting 448GB/s data transmission speeds, which could be achieved by optimization of a combination of material formula and processing know-how (incl. resin mix, copper foil surface roughness, other additive materials). According to SYT, its M9 product qualification has completed, with MP volume and timing pending on end customer. It expects M9 penetration could reach up to 20% in 2027F. Both EMC and SYT think M9 + Low-Dk2 as a viable option for stable production at lower cost while also preparing for Q-glass solutions. On capacity, SYT is now running at c.11mn sheets/mo, of which >20% is for high-speed; it is adding another 4mn sheets/mo in the next 2 years (all AI-grade capable). Despite some investor concerns over SYT's less aggressive capacity expansion, we note that SYT has the potential to repurpose capacity such that >50% of capacity can produce high-speed CCL, implying a comparable AI CCL capacity with EMC. But this could in turn further tighten conventional FR4 supply, as SYT is one of the largest FR4 CCL makers globally.
- **ITEQ**: The company indicated it has passed M9 qualification at Google but hasn't entered MP as Google's M9 demand is expected to ramp in 2027/28F. It is qualifying at another ASIC customer who guides demand could reach 5mn sheets/mo from 2028F, per ITEQ.

M10: still in sampling stage; debate with PTFE ongoing

We believe a few leading CCL players submitted M10 samples in 1H26 (**NNM** probably the earliest) and now PCB vendors are sampling at end customer but so far none is qualified. **EMC** expects end-2026 or early-2027 to be the key window to monitor.

We believe current M10 design uses Q-glass, pure hydrocarbon resin and HVLP5 copper foil. Per EMC, lab tests of M10 show comparable electrical performance vs. PTFE solutions and EMC believes its M9 yield (80-90%) is better than PTFE. However, we think M10's Df of 0.00043-45 level would be behind Nvidia's target of ≤0.0004 for the NVL576 switch tray and Kyber backplane, which a PTFE solution could suffice. We think the "M10 vs. PTFE" debate would continue into 2027 but we lean toward being slightly more optimistic on PTFE.

M11 remains in R&D with potential qualification beginning in 2027E.

PTFE: PULLED FORWARD, SYT POISED FOR SHARE GAIN

As detailed in our previous report (link), we believe PTFE could be an inflection point for SYT in further gaining wallet share at Nvidia and potentially become its largest CCL supplier starting from VR300 (Rubin Ultra), alongside rising content value. We believe yields on the CCL side (>70% for SYT) and PCB side are improving to acceptable levels (c.50%) as we believe PCB leaders—**Shennan** and **WUS** could have solved the manufacturing bottlenecks while **Victory Giant** and **Kinwong** are catching up.

We thus expect the timeline for PTFE CCL contribution to be pulled forward into 2H27/28E for VR300 NVL576 Oberon rack switch boards (from 2029E previously expected from Kyber backplane adoption). We believe SYT is the only supplier with Nvidia-qualified PTFE formulation currently and holds ample capacity. SYT looks best positioned to be the major supplier on switch board from VR300, likely overtaking EMC (vs. 50/50 in GB300 switch board).

We also see a longer runway as PTFE extends to other HLC boards (midplane, orthogonal backplane, LPU), and similar share gains at ASICs which still use mostly HLC for now. PTFE adoption on HDI boards is still further away, in our view.

We believe SYT's share of Nvidia-related CCL programs could increase meaningfully from VR300 onward, supported by progress in both M9 and PTFE. Our industry discussions suggest some incumbent suppliers may face greater qualification and material-sourcing challenges. Our industry studies suggest Doosan has yet to qualify on M9, which we attribute to headwinds in M9-related material procurement. Hence, SYT could enter VR300 compute board CCL given compute board has lower spec requirements than switch. Taken together, SYT could become the largest CCL supplier at Nvidia beyond VR300.

Our conservative scenario analysis suggests PTFE could add Rmb137mn/Rmb2,635mn of net profit for SYT in 2027/28E on potential adoption in NVL576 Oberon switch trays and Kyber backplane, equivalent to c.1%/16% upside to our base-case forecasts, which currently assume no PTFE contribution, as we acknowledge some investors' concerns on uncertainties (detailed analysis in Figure 13).

Figure 13: Our estimated PTFE TAM and earnings upside to SYT

VR300 Switch tray	2027E	2028E
VR300/RF200 (NVL72 equiv. racks)	17,413	90,881
PTFE adoption (NVL576)	*30%*	*40%*
Switch trays per rack	18	18
Switch tray PCB layers	32	32
Signal PTFE layers	8	10
Core M8/M9 layers	24	22
Switch tray PCB size (sqm)	0.3	0.3
Switch tray CCL sheets per tray	**3.7**	**3.7**
Signal PTFE content per tray (sheets)	0.9	1.2
Core M8/M9 content per tray (sheets)	2.8	2.5
PTFE yield	*50%*	*70%*
M8/M9 yield	*70%*	*80%*
PTFE CCL procurement (sheets)	1.8	1.6
- ASP (Rmb per sheet)	2,200	2,000
M8/M9 CCL procurement (sheets)	4.0	3.2
- ASP (Rmb per sheet)	1,500	1,300
Total CCL content value per tray (Rmb)	**9,996**	**7,422**
PTFE CCL value	4,062	3,297
M8/M9 CCL value	5,934	4,125
PTFE-hybrid PCB ASP per tray (Rmb)	**28,500**	**27,000**
CCL %BOM	*35%*	*27%*
PTFE CCL revenue TAM (Rmb mn)	382	2,157
M8/M9 CCL revenue TAM (Rmb mn)	558	2,699
SYT allocation%		
PTFE	80%	70%
M8/M9	40%	40%
SYT VR300/RF200 PTFE revenue (Rmb mn)	306	1,510
SYT VR300/RF200 M8/M9 revenue (Rmb mn)	223	1,080
SYT VR300/RF200 PTFE NPM	45%	45%
SYT VR300/RF200 M8/M9 NPM	40%	40%
SYT PTFE NP (Rmb mn)	137	680
SYT M8/M9 NP (Rmb mn)	89	432

	2027E	2028E
SYT PTFE NP upside (switch+Kyber)	137	1,865
SYT M8/M9 NP upside (Kyber)	-	770
Total NP upside	**137**	**2,635**
% of base case NP	*1.1%*	*15.8%*

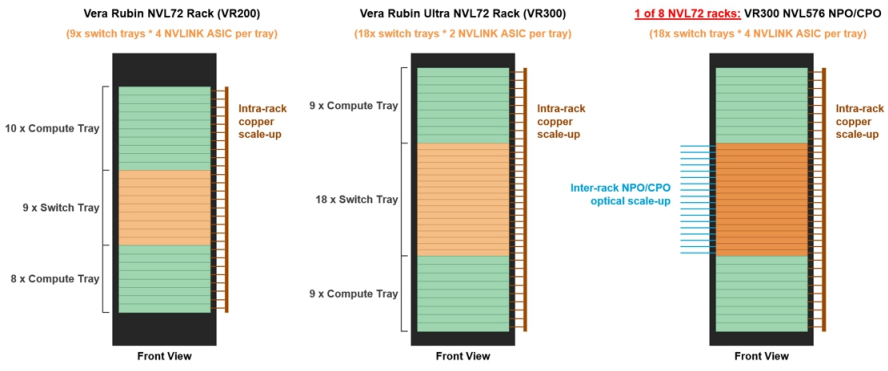
Kyber backplane	2027E	2028E	2029E	2030E
RF200 (NVL72 equiv. racks)	-	6,687	10,938	7,109
PTFE adoption (NVL144/288)	*5%*	*60%*	*50%*	*50%*
Backplanes per rack	4	4	4	4
Backplane PCB layers	78	104	104	130
Signal PTFE layers	24	32	64	130
Core M8/M9 layers	54	72	40	-
Backplane PCB size (sqm)	1.0	1.0	1.0	1.0
Backplane CCL sheets per rack	**120.0**	**160.0**	**160.0**	**200.0**
Signal PTFE content per rack (sheets)	36.9	49.2	98.5	200.0
Core M8/M9 content per rack (sheets)	83.1	110.8	61.5	-
PTFE yield	*50%*	*70%*	*80%*	*85%*
M8/M9 yield	*70%*	*80%*	*88%*	*90%*
PTFE CCL procurement (sheets)	73.8	70.3	123.1	235.3
- ASP (Rmb per sheet)	2,200	2,000	1,500	1,200
M8/M9 CCL procurement (sheets)	118.7	138.5	69.9	-
- ASP (Rmb per sheet)	1,500	1,300	1,000	800
Total CCL content value per rack (Rmb)	**340,484**	**320,659**	**254,545**	**282,353**
PTFE CCL value	162,462	140,659	184,615	282,353
M8/M9 CCL value	178,022	180,000	69,930	-
PTFE-hybrid PCB ASP per rack (Rmb)	**1,200,000**	**1,000,000**	**800,000**	**800,000**
CCL %BOM	*28%*	*32%*	*32%*	*35%*
PTFE CCL revenue TAM (Rmb mn)	-	3,762	8,077	8,029
M8/M9 CCL revenue TAM (Rmb mn)	-	4,814	3,059	-
SYT allocation%				
PTFE	80%	70%	60%	50%
M8/M9	40%	40%	40%	30%
SYT Kyber PTFE revenue (Rmb mn)	-	2,634	4,846	4,015
SYT Kyber M8/M9 revenue (Rmb mn)	-	1,926	1,224	-
SYT Kyber PTFE NPM	45%	45%	45%	45%
SYT Kyber M8/M9 NPM	40%	40%	40%	40%
SYT Kyber NP (Rmb mn)	-	1,185	2,181	1,807
SYT Kyber NP (Rmb mn)	-	770	490	-

Source: UBS estimates

PTFE enters via the switch tray; tray count doubles in VR300 NVL576 Oberon

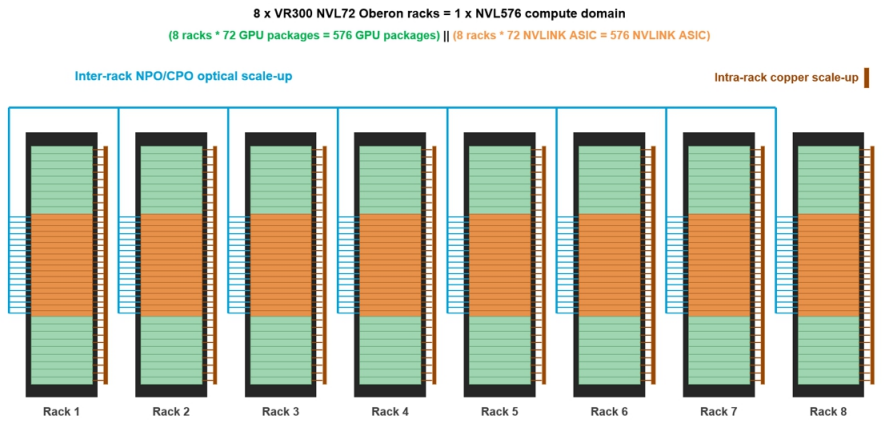
We expect PTFE to MP first on the NVL576 configuration VR300 switch tray (NPO/CPO inter-rack scale-up connecting 8x NVL72 Oberon racks). Switch trays per NVL72 Oberon rack within the NVL576 configuration would double to 18x from 9x in GB300/VR200.

Figure 14: VR200 vs. VR300 (non-NVL576/NVL576) rack comparison



Source: UBS estimates

Figure 15: VR300 CPO/NPO NVL576 illustration



Source: UBS estimates

Our industry studies suggest the likely design for **Rubin Ultra NVL576 switch board** could be a hybrid solution: a 32L HLC with two 16L sub-boards joined by copper paste via filling and sintering; each sub-board has 4-6 layers of PTFE (adding c.60% silica filler) at the top and bottom (c.25% of layers, 8-12 PTFE layers total of the 32L HLC PCB) and M8/M9 CCL as core layers. While the **Kyber backplane** 1st-gen design could run a 78L (26L sub-board x3) configuration with the top and bottom 4 layers of each sub-board as PTFE (24 of 78 layers, or 30%).

We do not rule out potential downgrades of materials at MP stage, especially on glass fabric: Q-glass could be replaced by Low-Dk2 instead, due to capacity readiness and yield. With Nvidia expected to lock the VR300 CCL spec in 1H27E ahead of MP in 2H27E, we think **YE26 or Q127** might be the window to monitor for PTFE switch tray adoption and **mid-2027** for Kyber backplane progress.

Competitive landscape: SYT leads with customer preference on one-stop solution provider

We expect SYT to take the majority of industry PTFE CCL allocation in 2027-28E. It is the only CCL maker currently who has passed customer qualification on both M9 and PTFE—able to supply the whole hybrid stack (PTFE signal layers & M9 core layers), and its dedicated PTFE line is already installed at >200k sheets/mo, which would suffice near-term demand, per our estimates.

We note that **EMC** is partnering with **Taiflex** as well to win PTFE allocation but we believe xPU end-customers would prefer a one-stop-shop solution CCL supplier since trouble-shooting/fault attribution under dual-vendor scenario could pose many difficulties. **SYT** is capable of all designs currently in consideration: M8, M9+Q-glass, M9+LowDk-2, M10, PTFE with/without fabric, and thus is more preferred by end customer in our view. Therefore, we believe EMC/Taiflex could emerge as an additional source of PTFE supply over time, although our base case continues to assume SYT remains a major beneficiary of PTFE adoption.

We also flag that Rogers and other legacy PTFE players may also be on customer's vendor list but unlikely to receive meaningful order allocation, which we attribute to insufficient capacity and a product mismatch, as RF PTFE is only a low-layer product while high-speed PTFE is adopted within HLC PCB.

High-temp press equipment as the new bottleneck on PTFE; SYT holds first-mover advantage

Rigid AI CCL capacity is not fungible for PTFE, which we think is underappreciated; hence the team up between **EMC** and Taiflex—for PTFE coating and high-temperature lamination as it lacks flexible CCL capacity. Conventional laminate runs impregnation, drying and a press at c.180-200°C, and PTFE can use none of it, as the polymer does not dissolve and cannot be impregnated. It is instead compounded with c.60% SiO2 filler to make up for the rigidity of glass cloth, spray coated into an unsintered film on lines that

overlap with flexible board rather than rigid CCL, then sintered onto surface-treated copper foil. Incremental PTFE volume therefore does not displace M8/M9 output, and the capability sits with makers that already run flexible laminates. **SYT** is the largest CCL supplier globally with both flexible CCL capacity (40mn sqm/year) and rigid CCL capacity.

PTFE must be fired above its 327°C melting point, typically at 340-380°C, while ordinary laminate presses top out near 235°C in practice, so the step needs a separate class of machine rated to 400°C. Lead times for this hot-press equipment have extended to 20-24 months from 9-10 months, with some now beyond 30 months, and even standard presses have moved to 8-10 months as certain Japanese and Taiwanese vendors beyond two years.

Processing difficulty also sits on the PCB side, as we flagged previously on the Kyber backplane (link). PTFE drills soft and frays, producing burrs, while low surface polarity makes copper plating harder to secure, both of which lower yields. Hence the finished PTFE board still costs more than the M9+Q-glass equivalent at Rmb90-100k/sqm, despite the laminate itself being the cheaper of the two, and we expect that premium to narrow only as yields mature.

CPO: DE-SPEC CONCERNS OVERDONE, CCL CONTENT STILL UP

We noticed recent stock price volatility caused by market commentary on potential CCL de-spec to M4 from current M8/M9 due to CPO adoption. While the logic seems intuitive, as optical engine is moved closer to ASIC (thus shorter electrical/copper traces on PCB required) and pluggable optical transceivers are removed (thus loss of PCB in the module), we do not expect risk to material CCL content loss within AI servers in the near term, for the following reasons:

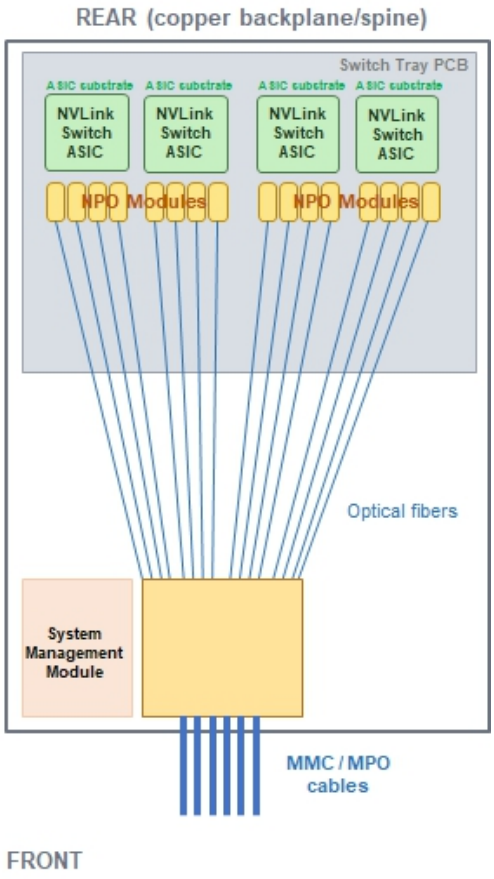
CPO: adoption is long-term, gradual with scale-out earlier than scale-up

The industry is progressing toward mass production for scale-out from now through 2027, hybrid scale-up in 2028-29 (e.g. inter-rack NVL576 scale-up), and full CPO scale-up in 2029-30, in our view. Meanwhile, we see NPO as the likely mainstream solution in next 2-3 years as supply chain is actively embracing it and it will coexist with CPO and pluggables in the long-term.

Even in a full CPO scale-up solution in 2029-30E, with optical fibers replacing electrical/copper traces on PCB (between xPU/ASIC to the front of the tray), higher packaging density of the co-packaged substrates, likely increasing number of ASICs and higher bandwidth of the entire system would still call for a larger, HLC PCB to support other high-speed interface, power supply and heat dissipation etc., which suggests CCL materials should not de-spec meaningfully to M4 (we expect M6-M8 more likely).

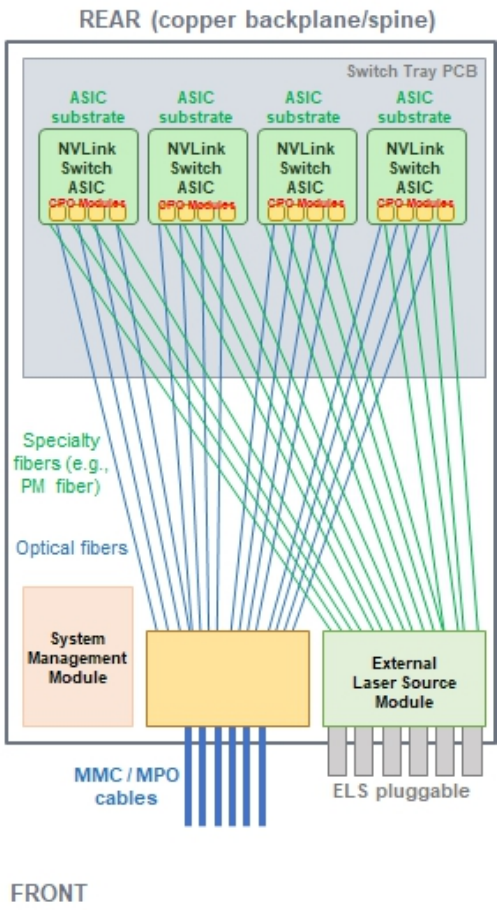
For potential CPO/NPO hybrid scale-up solutions - i.e. inter-rack NVL576 CPO coming earlier from 2028E, we see it driving incremental CCL/PCB content value given the number of intra-rack switch trays doubling from 9x to 18x per Oberon rack (discussed further in below section). Even if the per-tray CCL content potentially shrinking, we see the total content per rack may not.

Figure 16: Top view of NPO switch tray (illustration only)



Source: UBS estimates. Note: Component size scale and positions are illustrative.

Figure 17: Top view of CPO switch tray (illustration only)



Source: UBS estimates. Note: Component size scale and positions are illustrative.

Ultimately, we expect multiple scale-up architectures (copper cable, orthogonal backplane and optical) to coexist, and Nvidia remains committed to pushing for higher-end CCL/PCB materials from our talks with supply chain players who are doing R&D for Nvidia's future products.

Longer term, **CoWoP** (chip on wafer on PCB) is another possible solution that could see the PCB replace the ABF substrate, so even the CPO adoption won't defer PCB/CCL content upgrade. Multiple leading PCB suppliers are in R&D for this technology.

NPO: bigger boards, more trays and higher-spec module PCB lifts CCL content

We expect NVL576 to link 8x NVL72 Oberon racks into one 576-GPU system, using a two-layer topology with copper inside each rack and optical links between racks. Only the switch trays get optics for inter-rack scale-up; GPU/compute tray scale-up stays on copper. Our industry studies suggest each NVL576 switch-tray carries four NVSwitch ASICs and the total number of switch-trays per NVL72 Oberon rack doubles to 18x, vs. 9x for GB300/VR200. NPO places each optical engine within c.50mm of the ASIC, shortening the copper traces in PCB.

However, we expect system-level PCB/CCL content using the NPO solution to increase as the four multipliers within the equation [CCL content = area x layers x boards per rack x ASP (specs)] all move up:

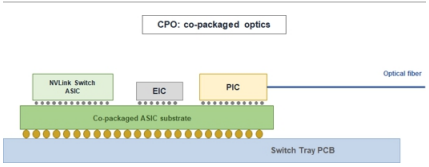
1. **Area**: to accommodate extra ASICs, optical engines, external laser sources, fibre and thermal solutions, the mainboard area may roughly double
2. **Layers**: switch boards move from 24L (Blackwell) to 32L (Rubin) with orthogonal

backplanes at 78-100+ layers

3. **Boards**: NVLink switch trays double from 9x to 18x per NVL72 Oberon rack within the NVL576 form-factor
4. **Specs**: higher spec of NPO module PCB, as each NPO engine sits on an 18-24L board with 8-9 grade HDI using mSAP, compared with 14-18L in 1.6T pluggable transceivers; NPO also has stricter warpage/thermal requirements (given larger size) around the optical engine (CTE <2ppm/°C, modulus >35GPa), which means higher usage of low-CTE glass fabric and higher-modulus resin.

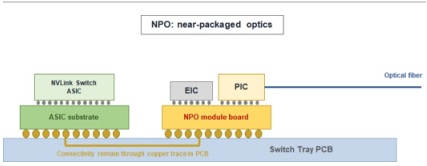
As NPO/CPO designs have not been finalized, we currently can't give a quantitative estimate on CCL content change but we believe the risk of material value loss is very limited and in reality, multiple solutions will coexist in the long term.

Figure 18: CPO switch tray illustration



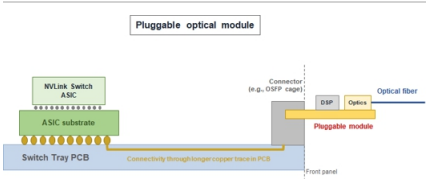
Source: UBS

Figure 19: NPO switch tray illustration



Source: UBS

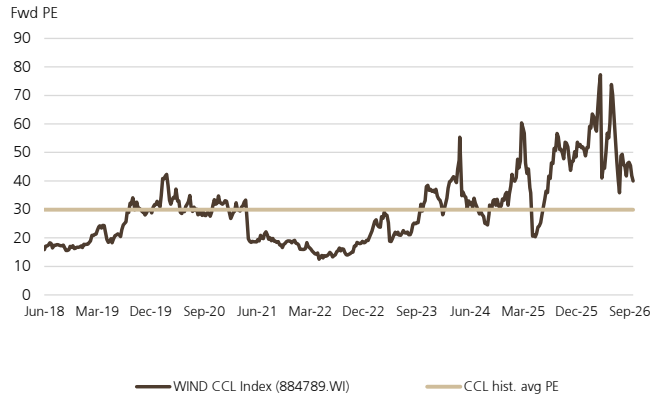
Figure 20: Pluggable module switch tray illustration



Source: UBS

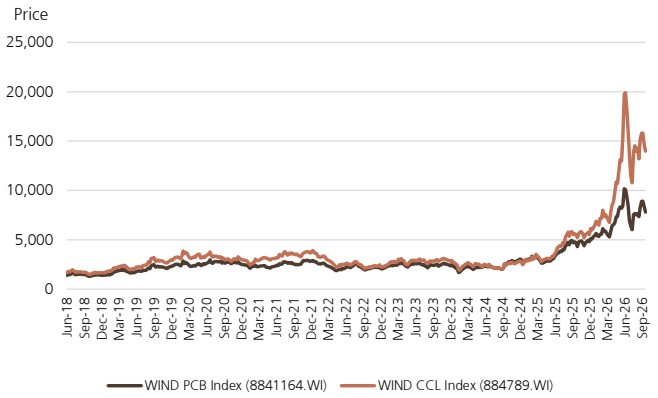
WHAT'S PRICED IN?

Figure 21: WIND China CCL fwd PE



Source: Wind

Figure 22: Wind China PCB/CCL index performance



Source: Wind

Wind CCL sector index has fallen as much as 46% in July from its June all-time peak but recovered 30% from the trough. We see market pessimism specifically among AI CCL names given potential later Kyber backplane timeline alongside concerns on CCL despec from CPO/NPO optical scale-up alternatives in the longer term. Near-term, we believe investor concerns are overdone as inter-rack scale-up solutions such as NVL576 NPO/ CPO architectures could drive incremental CCL/PCB content value while suppliers with specialty materials know-how such as PTFE for SYT are well positioned to capture wallet share gains and earnings upside, which we see as not fully priced in.

We gauge where we are in the AI cycle by benchmarking against the China CCL sector's previous upcycle (30-50x NTM PE in 2019-21). We note that the previous upcycle was driven by 5G-led content growth alongside temporary input tightness, with sector valuations beginning to derate ahead of the earnings peak as NTM earnings growth decelerated. We think the AI cycle shares similar growth drivers in terms of content value from spec upgrades and unit shipments but with a longer runway. We forecast a 82% earnings CAGR for our coverage in 2025-28E compared with 57% in 2019-21, and do not expect 2026/2027 earnings to represent the peak.

We expect AI to drive server PCB demand expansion of 5-10x, significantly higher than the 2-3x seen during the 4G-to-5G network upgrade. We think the AI-driven upcycle could be higher for longer and have a wider group of beneficiaries, suggesting further re-rating upside potential for the sector as orders continue to materialise, especially as upstream material tightness has become more severe. In our view, the market is pricing the sector on its historical cyclical earnings profile and likely overlooking the structural shifts in earnings durability from AI especially for KBL.

Figure 23: APAC PCB/CCL sector comps

Company	Ticker	Market cap (US$m)	Price 09-Oct (LC$)	Rating	P/E (x) 2026E	P/E (x) 2027E	P/E (x) 2028E	P/B (x) 2026E	P/B (x) 2027E	P/B (x) 2028E	ROE (%) 2026E	ROE (%) 2027E	ROE (%) 2028E
PCB and substrates													
Shengyi Technology	600183.SS	45,060	124.1	Buy	38.8	23.7	18.0	14.1	10.7	8.5	40.6	50.9	52.4
Shennan Circuits	002916.SZ	35,345	347.3	Buy	46.7	29.7	22.6	11.3	7.5	6.2	26.3	30.7	30.4
Kingboard Laminates	1888.HK	19,590	49.0	Buy	16.6	8.4	8.0	4.5	3.4	3.0	36.4	46.1	39.5
Avary	002938.SZ	25,858	74.7	Buy	34.5	22.9	15.9	4.0	3.5	3.0	13.1	16.2	20.1
Shenzhen FastPrint	002436.SZ	9,781	38.5	Neutral	128.1	54.1	36.8	7.2	6.4	5.6	7.0	12.5	16.3
Victory Giant	300476.SZ	28,928	202.7	Not Rated	22.8	13.4	8.9	3.9	3.6	3.3	14.9	23.4	31.9
WUS Printed Circuit Kunshan	002463.SZ	32,185	112.3	Not Rated	33.1	20.8	14.6	12.2	8.6	6.0	32.3	36.6	36.5
Zhen Ding	4958.TW	17,560	592.0	Not Rated	35.7	18.9	13.5	2.9	2.6	n.a	9.7	16.0	n.a
Kinsus	3189.TW	15,757	1,075.0	Buy	91.1	49.1	28.9	13.1	10.9	8.6	15.3	24.3	33.5
Unimicron	3037.TW	61,137	1,270.0	Buy	53.3	32.5	21.3	14.4	10.8	7.9	30.9	37.9	42.8
Nan Ya PCB	8046.TW	29,852	1,475.0	Neutral	91.8	40.8	31.8	17.3	13.0	10.4	20.5	36.4	36.3
Tripod	3044.TW	9,581	582.0	Not Rated	18.1	13.9	11.5	4.2	3.7	n.a	26.6	30.5	n.a
Ibiden	4062.T	40,892	11,515.0	Buy	30.3	81.9	55.1	2.5	10.4	8.9	13.4	17.4	20.5
Samsung Electro-Mechanics	009150.KS	86,063	1,546,000.0	Buy	72.2	27.6	17.4	10.2	7.6	5.4	15.4	31.7	36.4
Sector					**50.9**	**31.3**	**21.7**	**8.7**	**7.3**	**6.4**	**21.6**	**29.3**	**33.0**

Source: Company data, LSEG, Wind, UBS estimates. Note: Not rated are consensus estimates; others are UBS estimates.

Figure 24: Summary of rating and estimate changes

Company	Ticker	Market cap (US$m)	Price 09-Oct (LC$)	Old price target (LC$)	New price target (LC$)	Old Rating	New Rating	EPS Revision 2026E	EPS Revision 2027E	EPS Revision 2028E	Old target PE multiple	New target PE multiple	P/E (x) 2026E	P/E (x) 2027E	P/E (x) 2028E	NP CAGR 26-29E	PEG 27PE/26-29E	ROE 2026E	ROE 2027E	ROE 2028E
UBS China CCL Sector Coverage																				
Shengyi Technology	600183.SS	45,060	124	192	209	Buy	Buy	-1%	9%	2%	40x (on 27E)	40x (on 27E)	38.8	23.7	18.0	40%	0.6	41%	51%	52%
Kingboard Laminates	1888.HK	19,589	49	66	75	Buy	Buy	0%	31%	11%	17x (on 27E)	13x (on 27E)	16.6	8.4	8.0	32%	0.3	36%	46%	40%
Sector average													**27.7**	**16.1**	**13.0**	**36%**	**4.5**	**39%**	**49%**	**46%**

Source: Company data, LSEG, Wind, UBS estimates

Rating and Estimate changes

Shengyi Technology (reiterate Buy, PT Rmb209.00): We maintain our Buy rating and raise our PE-based price target from Rmb192.00 to Rmb209.00 based on 40x 2027E PE (unchanged) on the back of a 40% EPS CAGR in 2026-29E. We fine-tune our 2026/2027/2028 NP estimates by -1%/9%/2%, bringing us 2-10% above consensus estimates, as we factor in mainly higher FR4 CCL pricing assumptions.

Figure 25: Shengyi Tech's 2026-28 earnings - our estimates vs. consensus

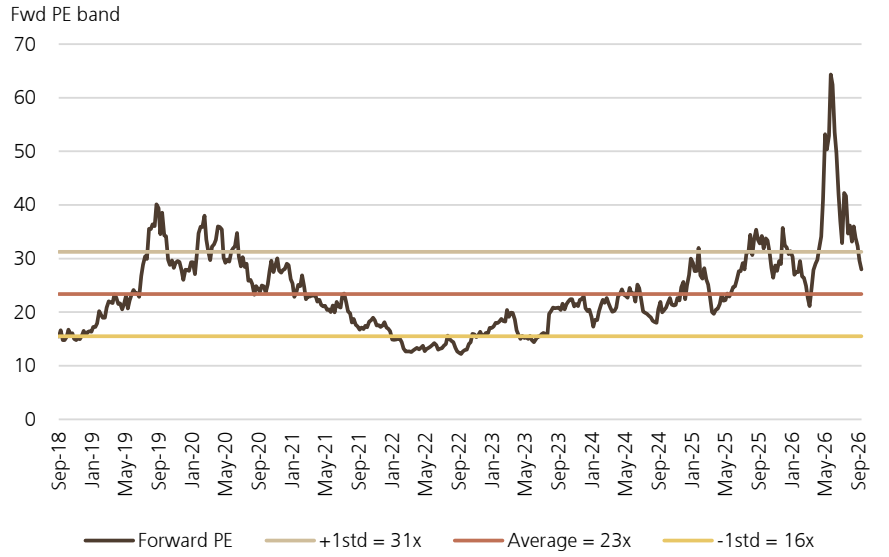
Rmb mn	2026E UBS new	2026E UBS old	2026E Diff%	2026E Reuters	2026E Diff%	2026E WIND	2027E UBS new	2027E UBS old	2027E Diff%	2027E Reuters	2027E Diff%	2027E WIND	2028E UBS new	2028E UBS old	2028E Diff%	2028E Reuters	2028E Diff%	2028E WIND
Revenue	**45,316**	**52,407**	**-14%**	**45,551**	**-1%**	**44,743**	**74,310**	**75,876**	**-2%**	**65,753**	**13%**	**63,434**	**97,319**	**98,085**	**-1%**	**88,386**	**10%**	**80,587**
YoY	*59%*	*84%*		*60%*		*60%*	*64%*	*45%*		*44%*		*42%*	*31%*	*29%*		*34%*		*27%*
Gross profit	**14,539**	**15,329**	-5%	**14,378**	1%	**n.a.**	**24,565**	**22,433**	10%	**22,155**	11%	**n.a.**	**32,465**	**30,114**	8%	**29,523**	10%	**n.a.**
GPM	*32.1%*	*29.3%*		*31.6%*		*n.a.*	*33.1%*	*29.6%*		*33.7%*		*n.a.*	*33.4%*	*30.7%*		*33.4%*		*n.a.*
Net Profit	**7,739**	**7,815**	-1%	**7,477**	4%	**6,991**	**12,628**	**11,596**	9%	**11,460**	10%	**10,736**	**16,653**	**16,282**	2%	**16,275**	2%	**14,422**
NPM	*17.1%*	*14.9%*		*16.4%*		*15.6%*	*17.0%*	*15.3%*		*17.4%*		*16.9%*	*17.1%*	*16.6%*		*18.4%*		*17.9%*
EPS	**3.20**	**3.23**	-1%	**3.09**	4%	**2.89**	**5.23**	**4.80**	9%	**4.74**	10%	**4.44**	**6.89**	**6.74**	2%	**6.74**	2%	**5.97**
YoY	*130%*	*133%*		*123%*		*108%*	*63%*	*48%*		*53%*		*54%*	*32%*	*40%*		*42%*		*34%*

Source: LSEG, WIND, UBS estimates

As a result, we expect overall CCL/Prepreg segment revenue rising 69%/75% in 2026/27E alongside GPM expansion, also helped by a greater AI CCL mix. We estimate SYT's overall blended GPM to expand to 32%/33% in 2026/27E from 26% in 2025.

Additionally, we believe Shengyi is likely to become a key CCL supplier if a PTFE solution is adopted for the Kyber backplane and NVL576 Oberon rack switch trays. Our NVL576 and Kyber backplane PTFE scenario analysis points to Rmb137mn/Rmb2,635mn earnings potential in 2027/28E for SYT, or 1%/16% upside to our relative conservative base case, which hasn't baked in PTFE contribution.

Figure 26: SYT historical PE range



Source: LSEG

Shengyi trades at 28x consensus PE after the stock rebounded after correcting 49% from its all-time peak in June to its August trough, 0.6 SD above its historical average.

Kingboard Laminates (reiterate Buy, PT HK$75.00): We maintain our Buy rating and raise our PE-based price target from HK$66.00 to HK$75.00 based on 13x 2027E PE from 17x previously to reflect lingering investors' cautiousness on its cyclicality and debate on valuation framework (PE vs PB). We forecast a 32% EPS CAGR in 2026-29E. We raise our 2026/2027/2028 NP estimates 0%/31%/11%, bringing us 5-39% above consensus, as we factor in higher FR4 CCL pricing and greater earnings contribution from AI/specialty glass fabric. Although shifting AI sentiment could create fluctuation of the stock price, we see the current valuations as attractive.

Figure 27: Kingboard Laminates' 2026-28 earnings - our estimates vs. consensus

	2026E						2027E						2028E					
HKD mn	UBSe	Old	Diff%	LSEG	Diff%	WIND	UBSe	Old	Diff%	LSEG	Diff%	WIND	UBSe	Old	Diff%	LSEG	Diff%	WIND
Revenue	**37,109**	**41,474**	**-11%**	**37,839**	**-1.9%**	**35,449**	**67,730**	**65,953**	**3%**	**54,772**	**23.7%**	**45,230**	**68,983**	**73,700**	**-6%**	**65,108**	**6.0%**	**52,300**
YoY	*82%*	*103%*		*85%*	*-3.6ppt*	*74%*	*82.5%*	*59.0%*		*44.8%*	*37.8ppt*	*28%*	*1.9%*	*11.7%*		*18.9%*	######	*16%*
Gross profit	**13,530**	**13,760**	-2%	**12,003**	**12.7%**	**n.a.**	**27,759**	**22,279**	25%	**16,671**	**66.5%**	**n.a.**	**28,098**	**26,139**	7%	**18,480**	**n.a.**	**n.a.**
GPM	*36.5%*	*33.2%*		*31.7%*	*4.7ppt*	*n.a.*	*41.0%*	*33.8%*		*30.4%*	*10.5ppt*	*n.a.*	*40.7%*	*35.5%*		*28.4%*	*n.a.*	*n.a.*
Opex	**1,773**	**2,041**	-13%	**n.a**	**n.a**	**n.a**	**4,402**	**4,287**	3%	**n.a**	**n.a**	**n.a**	**4,047**	**4,358**	-7%	**n.a**	**n.a**	**n.a**
Opex ratio	*4.8%*	*4.9%*		*n.a*	*n.a*	*n.a*	*6.5%*	*6.5%*		*n.a*	*n.a*	*n.a*	*5.9%*	*5.9%*		*n.a*	*n.a*	*n.a*
Net Profit	**9,233**	**9,193**	0%	**8,812**	**4.8%**	**8,109**	**18,358**	**14,014**	31%	**13,249**	**38.6%**	**11,095**	**19,162**	**17,260**	11%	**14,582**	**31.4%**	**13,045**
NPM	*24.9%*	*22.2%*		*23.3%*	*1.6ppt*	*22.9%*	*27.1%*	*21.2%*		*24.2%*	*2.9ppt*	*24.5%*	*27.8%*	*23.4%*		*22.4%*	*5.4ppt*	*24.9%*
EPS (HK$)	**2.91**	**2.89**	0%	**2.77**	**4.8%**	**2.55**	**5.78**	**4.41**	31%	**4.17**	**38.6%**	**3.49**	**6.03**	**5.43**	11%	**4.59**	**31.4%**	**4.11**
YoY	*273%*	*271%*	*2ppt*	*255.6%*	*17ppt*	*227%*	*99%*	*52%*	*46ppt*	*50.3%*	*48ppt*	*37%*	*4%*	*23%*	*-19ppt*	*10.1%*	*-6ppt*	*18%*

Source: LSEG, WIND, UBS estimates

We also perform a earnings sensitivity analysis relative to FR4 CCL ASP hike and GPM, which we believe are the two major earnings drivers. In our base case, we assume FR4 enjoys a 68% YoY ASP hike in FY27 with a GPM of 44%. In the downside case, we assume FR4 ASP stays flat vs. 2026E level and GPM flat vs 1H26E level, which gives us an 2027E EPS of HK$3.02 and an implied price of HK$39.3 (based on 13x PE, same as base case). In the upside case, we modestly assume ASP hike/GPM at 82%/48%, 2027E EPS of HK$6.78; an implied price of HK$88.2 (based on 13x PE).

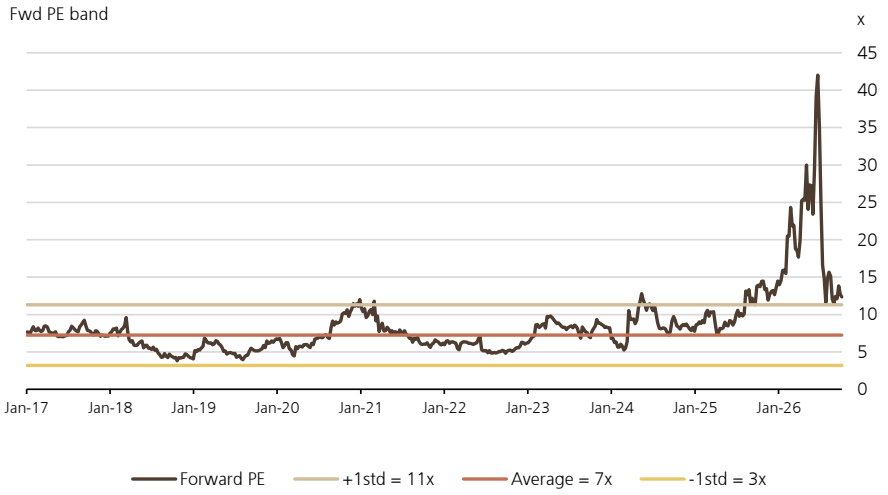
We believe our up/downside assumptions are relatively conservative as the downside case (no ASP hike and no GPM improvement) seems unlikely to happen, per our industry studies. Even under these scenarios, the upside/downside relative to current share price is 3.5x skewed to the upside; we see the risk/reward as attractive.

Figure 28: KBL's EPS sensitivity to FR4 ASP and GPM assumptions

		FY27 FR4 ASP hike %							
		0%	14%	28%	42%	56%	68%	82%	96%
	30%	2.67	2.96	3.25	3.54	3.83	4.08	4.36	4.65
	35%	3.02	3.35	3.69	4.02	4.35	4.64	4.97	5.30
	39%	3.37	3.75	4.12	4.50	4.88	5.20	5.57	5.95
FY27 CCL GPM	44%	3.74	4.16	4.58	5.00	5.42	5.79	6.21	6.63
	48%	4.07	4.54	5.00	5.46	5.92	6.32	6.78	7.25
	53%	4.42	4.93	5.44	5.94	6.45	6.88	7.39	7.89
	57%	4.77	5.32	5.87	6.42	6.97	7.44	7.99	8.54

Source: UBS estimates

Figure 29: KBL historical NTM PE range



Source: LSEG

KBL trades at 12.4x consensus NTM PE after the stock rebounded after correcting 75% from its all-time peak in June to its August trough, 1.3 SD above its historical average.

Shengyi Technology (600183.SS)

Income Statement (Rmbm)	12/23	12/24	12/25	12/26E	%ch	12/27E	%ch	12/28E	12/29E	12/30E
Revenues	**16,586**	**20,388**	**28,431**	**45,316**	*59.4*	**74,310**	*64.0*	**97,319**	**115,433**	**132,160**
Gross profit	3,191	4,493	7,526	14,539	*93.2*	24,565	*69.0*	32,465	39,454	46,440
EBITDA (UBS)	**2,115**	**2,861**	**5,213**	**10,717**	*105.6*	**17,246**	*60.9*	**22,692**	**28,199**	**33,949**
Depreciation & amortisation	(824)	(863)	(913)	(1,080)	*-18.3*	(1,276)	*-18.2*	(1,564)	(1,852)	(2,120)
EBIT (UBS)	**1,291**	**1,998**	**4,300**	**9,638**	*124.1*	**15,970**	*65.7*	**21,129**	**26,347**	**31,830**
Associates & investment income	37	55	143	88	*-38.2*	96	*8.0*	109	98	101
Other non-operating income	57	103	75	388	*NM*	166	*-57.2*	220	269	225
Net interest	(114)	(89)	(102)	(212)	*-107.5*	(158)	*25.7*	(162)	(161)	(138)
Exceptionals (incl goodwill)	0	0	0	0	-	0	-	0	0	0
Pre-tax profit	**1,271**	**2,068**	**4,416**	**9,902**	*124.2*	**16,074**	*62.3*	**21,295**	**26,553**	**32,017**
Tax	(123)	(200)	(524)	(1,148)	*-118.9*	(1,929)	*-68.0*	(2,555)	(3,186)	(3,842)
Profit after tax	**1,149**	**1,868**	**3,892**	**8,754**	*124.9*	**14,145**	*61.6*	**18,740**	**23,367**	**28,175**
Preference dividends	0	0	0	0	-	0	-	0	0	0
Minorities	15	(129)	(558)	(1,015)	*-81.9*	(1,517)	*-49.5*	(2,086)	(2,295)	(2,524)
Extraordinary items	0	0	0	0	-	0	-	0	0	0
Net earnings (local GAAP)	**1,164**	**1,739**	**3,334**	**7,739**	*132.1*	**12,628**	*63.2*	**16,653**	**21,072**	**25,651**
Net earnings (UBS)	**1,164**	**1,739**	**3,334**	**7,739**	*132.1*	**12,628**	*63.2*	**16,653**	**21,072**	**25,651**
Tax rate (%)	9.6	9.7	11.9	11.6	*-2.4*	12.0	*3.5*	12.0	12.0	12.0

Per Share (Rmb)	12/23	12/24	12/25	12/26E	%ch	12/27E	%ch	12/28E	12/29E	12/30E
EPS (UBS, diluted)	0.50	0.74	1.39	3.20	*130.5*	5.23	*63.2*	6.89	8.72	10.62
EPS (local GAAP, diluted)	0.50	0.74	1.39	3.20	*130.5*	5.23	*63.2*	6.89	8.72	10.62
EPS (UBS, basic)	0.50	0.74	1.39	3.20	*130.5*	5.23	*63.2*	6.89	8.72	10.62
DPS (net) (Rmb)	0.45	0.60	1.20	2.39	*99.1*	3.90	*63.2*	5.48	6.94	8.45
Cash EPS (UBS, diluted) [1]	0.85	1.11	1.77	3.65	*106.2*	5.76	*57.7*	7.54	9.49	11.49
Book value per share	5.95	6.34	6.88	8.80	*27.8*	11.61	*31.9*	14.57	17.76	21.38
Average shares (diluted)	2,328	2,350	2,399	2,416	*0.7*	2,416	*0.0*	2,416	2,416	2,416

Balance Sheet (Rmbm)	12/23	12/24	12/25	12/26E	%ch	12/27E	%ch	12/28E	12/29E	12/30E
Cash and equivalents	2,775	2,016	1,744	3,633	*108.3*	3,526	*-3.0*	4,154	4,830	6,198
Other current assets	11,224	14,597	17,645	28,869	*63.6*	46,936	*62.6*	58,734	68,345	79,682
Total current assets	**13,999**	**16,613**	**19,389**	**32,502**	*67.6*	**50,461**	*55.3*	**62,888**	**73,175**	**85,879**
Net tangible fixed assets	9,064	8,635	9,729	11,914	*22.5*	14,354	*20.5*	16,683	19,448	21,293
Net intangible fixed assets	383	626	620	635	*2.5*	635	*0.0*	635	635	635
Investments / other assets	1,511	1,769	3,031	4,471	*47.5*	4,471	*0.0*	4,471	4,471	4,471
Total assets	**24,957**	**27,643**	**32,770**	**49,523**	*51.1*	**69,922**	*41.2*	**84,678**	**97,730**	**112,279**
Trade payables & other ST liabilities	4,765	6,855	9,337	17,553	*88.0*	30,910	*76.1*	38,395	43,602	49,245
Short term debt	2,532	2,994	2,743	4,346	*58.4*	4,346	*0.0*	4,346	4,346	4,346
Total current liabilities	**7,297**	**9,849**	**12,080**	**21,898**	*81.3*	**35,256**	*61.0*	**42,741**	**47,948**	**53,591**
Long term debt	1,306	558	903	2,760	*205.6*	2,760	*0.0*	2,760	2,760	2,760
Other long term liabilities	653	731	877	928	*5.8*	1,145	*23.5*	1,234	1,330	1,443
Preferred shares	0	0	0	0	-	0	-	0	0	0
Total liabilities (incl pref shares)	**9,256**	**11,138**	**13,859**	**25,586**	*84.6*	**39,161**	*53.1*	**46,734**	**52,037**	**57,793**
Common s/h equity	**13,983**	**14,905**	**16,724**	**21,379**	*27.8*	**28,203**	*31.9*	**35,385**	**43,135**	**51,928**
Minority interests	1,717	1,600	2,187	2,558	*17.0*	2,558	*0.0*	2,558	2,558	2,558
Total liabilities & equity	**24,957**	**27,643**	**32,770**	**49,523**	*51.1*	**69,922**	*41.2*	**84,678**	**97,730**	**112,279**

Cash Flow (Rmbm)	12/23	12/24	12/25	12/26E	%ch	12/27E	%ch	12/28E	12/29E	12/30E
Net income (before pref divs)	1,164	1,739	3,334	7,739	*132.1*	12,628	*63.2*	16,653	21,072	25,651
Depreciation & amortisation	824	863	913	1,080	*18.3*	1,276	*18.2*	1,564	1,852	2,120
Net change in working capital	147	(1,407)	(1,072)	(3,215)	*-200.0*	(4,710)	*-46.5*	(4,313)	(4,404)	(5,694)
Other operating	608	261	2,099	1,781	*-15.1*	0	-	0	0	0
Operating cash flow	**2,743**	**1,456**	**5,274**	**7,385**	*40.0*	**9,194**	*24.5*	**13,904**	**18,521**	**22,077**
Tangible capital expenditure	(1,067)	(915)	(2,371)	(3,870)	*-63.2*	(3,715)	*4.0*	(3,893)	(4,617)	(3,965)
Intangible capital expenditure	0	0	0	0	-	0	-	0	0	0
Net (acquisitions) & disposals	3	10	20	0	-	218	-	88	96	113
Other investing	(98)	(29)	(582)	(1,443)	*-148.2*	0	-	0	0	0
Investing cash flow	**(1,162)**	**(934)**	**(2,933)**	**(5,314)**	*-81.2*	**(3,498)**	*34.2*	**(3,804)**	**(4,521)**	**(3,852)**
Equity dividends paid	(1,287)	(1,279)	(1,408)	(2,915)	*-107.0*	(5,804)	*-99.1*	(9,471)	(13,323)	(16,858)
Share issues / (buybacks)	318	773	35	56	*62.5*	0	-	0	0	0
Other financing	(15)	(490)	(1,378)	(913)	*33.7*	0	-	0	0	0
Change in debt & pref shares	(935)	(281)	136	3,599	*NM*	0	-	0	0	0
Financing cash flow	**(1,919)**	**(1,276)**	**(2,616)**	**(173)**	*93.4*	**(5,804)**	*NM*	**(9,471)**	**(13,323)**	**(16,858)**
Cash flow inc/(dec) in cash	**(338)**	**(754)**	**(275)**	**1,899**	-	**(108)**	-	**628**	**677**	**1,368**
FX / non cash items	7	(5)	3	(9)	-	0	-	0	0	0
Balance sheet inc/(dec) in cash	**(331)**	**(759)**	**(272)**	**1,889**	-	**(108)**	-	**628**	**677**	**1,368**

Source: Company accounts, UBS estimates. (UBS) metrics use reported figures which have been adjusted by UBS analysts.[1] Cash EPS (UBS, diluted) is calculated using UBS net income adding back depreciation and amortization.



Valuation (x)	12/23	12/24	12/25	12/26E	12/27E	12/28E	12/29E	12/30E
P/E (local GAAP, diluted)	32.8	25.9	28.9	38.8	23.7	18.0	14.2	11.7
P/E (UBS, diluted)	32.8	25.9	28.9	38.8	23.7	18.0	14.2	11.7
P/CEPS	19.2	17.3	22.7	34.0	21.6	16.5	13.1	10.8
Equity FCF (UBS) yield %	4.4	1.2	3.0	1.2	1.8	3.3	4.6	6.0
Dividend yield (net) %	2.7	3.1	3.0	1.9	3.1	4.4	5.6	6.8
P/BV	2.8	3.0	5.8	14.1	10.7	8.5	7.0	5.8
EV/revenues (core)	2.5	2.4	3.5	6.8	4.1	3.2	2.7	2.3
EV/EBITDA (UBS core)	19.6	16.8	19.3	28.6	17.8	13.5	10.9	9.0
EV/EBIT (core)	32.1	24.0	23.4	31.8	19.3	14.5	11.6	9.6
EV/OpFCF (core)	31.7	25.8	24.0	32.9	19.8	14.9	11.8	9.8
EV/op. invested capital	2.5	2.9	5.4	13.2	10.2	8.4	7.0	6.0

Enterprise value (Rmbm)	12/23	12/24	12/25	12/26E	12/27E	12/28E	12/29E	12/30E
Market cap.	38,298	45,072	96,756	301,551	301,551	301,551	301,551	301,551
Net debt (cash)	1,363	1,299	1,719	2,687	3,526	3,266	2,614	2,614
Buy out of minorities	2,347	2,289	2,998	3,392	3,392	3,392	3,392	3,392
Pension provisions/other	0	0	0	0	0	0	0	0
Total enterprise value	**42,008**	**48,661**	**101,473**	**307,630**	**308,469**	**308,209**	**307,556**	**307,556**
Non core assets	(630)	(689)	(812)	(834)	(834)	(834)	(834)	(834)
Core enterprise value	**41,378**	**47,972**	**100,661**	**306,796**	**307,635**	**307,375**	**306,722**	**306,722**

Growth (%)	12/23	12/24	12/25	12/26E	12/27E	12/28E	12/29E	12/30E
Revenue	(7.9)	22.9	39.4	59.4	64.0	31.0	18.6	14.5
EBITDA (UBS)	(18.6)	35.2	82.2	105.6	60.9	31.6	24.3	20.4
EBIT (UBS)	(31.6)	54.8	115.2	124.1	65.7	32.3	24.7	20.8
EPS (UBS, diluted)	(24.2)	48.0	87.8	130.5	63.2	31.9	26.5	21.7
Net DPS	0.0	33.3	100.0	99.1	63.2	40.7	26.5	21.7

Margins & Profitability (%)	12/23	12/24	12/25	12/26E	12/27E	12/28E	12/29E	12/30E
Gross profit margin	19.2	22.0	26.5	32.1	33.1	33.4	34.2	35.1
EBITDA margin	12.8	14.0	18.3	23.7	23.2	23.3	24.4	25.7
EBIT (UBS) margin	7.8	9.8	15.1	21.3	21.5	21.7	22.8	24.1
Net earnings (UBS) margin	7.0	8.5	11.7	17.1	17.0	17.1	18.3	19.4
ROIC (EBIT)	7.9	11.9	23.0	41.4	53.2	57.4	60.4	62.6
ROIC post tax	7.2	10.8	20.3	36.6	46.8	50.5	53.2	55.1
ROE (UBS)	8.5	12.0	21.1	40.6	50.9	52.4	53.7	54.0

Capital structure & Coverage (x)	12/23	12/24	12/25	12/26E	12/27E	12/28E	12/29E	12/30E
Net debt / EBITDA	0.5	0.5	0.4	0.3	0.2	0.1	0.1	0.0
Net debt / total equity %	6.8	9.3	10.1	14.5	11.6	7.8	5.0	1.7
Net debt / (net debt + total equity) %	6.3	8.5	9.1	12.7	10.4	7.2	4.7	1.6
Net debt/EV %	3.2	2.7	1.7	0.9	1.1	1.1	0.8	0.5
Capex / depreciation %	129.5	106.1	NM	NM	NM	NM	NM	187.1
Capex / revenue %	6.4	4.5	8.3	8.5	5.0	4.0	4.0	3.0
EBIT / net interest	11.7	23.1	43.5	45.8	NM	NM	NM	NM
Dividend cover (UBS)	1.1	1.2	1.2	1.3	1.3	1.3	1.3	1.3
Div. payout ratio (UBS) %	90.0	81.1	86.3	74.6	74.6	79.6	79.6	79.6

Revenues by division (Rmbm)	12/23	12/24	12/25	12/26E	12/27E	12/28E	12/29E	12/30E
CCL and Prepeg	12,632	14,791	17,774	29,986	52,587	69,093	82,911	96,314
PCB	3,135	4,484	9,144	13,389	19,441	25,662	29,639	32,603
Others	819	1,113	1,513	1,941	2,282	2,564	2,883	3,243
Total	**16,586**	**20,388**	**28,431**	**45,316**	**74,310**	**97,319**	**115,433**	**132,160**

EBIT (UBS) by division (Rmbm)	12/23	12/24	12/25	12/26E	12/27E	12/28E	12/29E	12/30E
Others	1,291	1,998	4,300	9,638	15,970	21,129	26,347	31,830
Total	**1,291**	**1,998**	**4,300**	**9,638**	**15,970**	**21,129**	**26,347**	**31,830**

Source: Company accounts, UBS estimates. (UBS) metrics use reported figures which have been adjusted by UBS analysts.

KBL (1888.HK)

Income Statement (HK$m)	12/23	12/24	12/25	12/26E	%ch	12/27E	%ch	12/28E	12/29E	12/30E
Revenues	**16,750**	**18,541**	**20,400**	**37,109**	*81.9*	**67,730**	*82.5*	**68,983**	**72,695**	**75,504**
Gross profit	2,677	3,278	3,991	13,530	*239.0*	27,759	*105.2*	28,098	30,560	32,086
EBITDA (UBS)	**2,317**	**2,901**	**4,122**	**12,621**	*206.2*	**24,552**	*94.5*	**25,462**	**28,049**	**29,447**
Depreciation & amortisation	(886)	(933)	(915)	(1,024)	*-11.9*	(1,183)	*-15.5*	(1,413)	(1,614)	(1,868)
EBIT (UBS)	**1,431**	**1,968**	**3,207**	**11,597**	*261.6*	**23,369**	*101.5*	**24,049**	**26,434**	**27,579**
Associates & investment income	0	0	0	0	-	0	-	0	0	0
Other non-operating income	0	0	0	0	-	0	-	0	0	0
Net interest	(238)	(232)	(147)	(353)	*-140.0*	(285)	*19.2*	(242)	(229)	(153)
Exceptionals (incl goodwill)	0	0	0	0	-	0	-	0	0	0
Pre-tax profit	**1,193**	**1,735**	**3,060**	**11,244**	*267.5*	**23,084**	*105.3*	**23,807**	**26,206**	**27,426**
Tax	(284)	(405)	(618)	(2,010)	*-225.5*	(4,726)	*-135.1*	(4,645)	(5,054)	(5,418)
Profit after tax	**909**	**1,330**	**2,442**	**9,233**	*278.1*	**18,358**	*98.8*	**19,162**	**21,151**	**22,008**
Preference dividends	0	0	0	0	-	0	-	0	0	0
Minorities	(1)	(4)	0	0	-	0	*0.0*	0	0	0
Extraordinary items	0	0	0	0	-	0	-	0	0	0
Net earnings (local GAAP)	**907**	**1,326**	**2,442**	**9,233**	*278.1*	**18,358**	*98.8*	**19,162**	**21,151**	**22,008**
Net earnings (UBS)	**907**	**1,326**	**2,442**	**9,233**	*278.1*	**18,358**	*98.8*	**19,162**	**21,151**	**22,008**
Tax rate (%)	23.8	23.4	20.2	17.9	*-11.4*	20.5	*14.5*	19.5	19.3	19.8

Per Share (HK$)	12/23	12/24	12/25	12/26E	%ch	12/27E	%ch	12/28E	12/29E	12/30E
EPS (UBS, diluted)	0.29	0.43	0.78	2.91	*272.2*	5.78	*98.8*	6.03	6.66	6.93
EPS (local GAAP, diluted)	0.29	0.43	0.78	2.91	*272.2*	5.78	*98.8*	6.03	6.66	6.93
EPS (UBS, basic)	0.29	0.43	0.78	2.94	*277.0*	5.85	*98.8*	6.11	6.74	7.01
DPS (net) (HK$)	0.16	0.62	0.68	2.35	*246.3*	4.10	*74.0*	3.97	4.05	4.21
Cash EPS (UBS, diluted) [1]	0.57	0.72	1.07	3.23	*200.8*	6.15	*90.5*	6.48	7.17	7.52
Book value per share	4.79	4.92	5.21	10.94	*110.0*	14.44	*32.0*	16.45	19.22	22.19
Average shares (diluted)	3,120	3,120	3,128	3,177	*1.6*	3,177	*0.0*	3,177	3,177	3,177

Balance Sheet (HK$m)	12/23	12/24	12/25	12/26E	%ch	12/27E	%ch	12/28E	12/29E	12/30E
Cash and equivalents	2,027	1,924	1,628	15,423	*NM*	17,213	*11.6*	20,713	26,422	31,254
Other current assets	11,790	11,875	13,915	21,929	*57.6*	33,373	*52.2*	34,338	35,253	37,701
Total current assets	**13,817**	**13,800**	**15,543**	**37,351**	*140.3*	**50,586**	*35.4*	**55,051**	**61,675**	**68,955**
Net tangible fixed assets	7,333	6,921	7,122	8,823	*23.9*	10,349	*17.3*	11,696	13,716	15,623
Net intangible fixed assets	0	0	0	0	-	0	-	0	0	0
Investments / other assets	2,413	2,390	2,811	3,856	*37.2*	4,918	*27.6*	5,283	5,472	5,498
Total assets	**23,563**	**23,110**	**25,475**	**50,030**	*96.4*	**65,854**	*31.6*	**72,030**	**80,863**	**90,076**
Trade payables & other ST liabilities	3,836	4,101	4,561	7,523	*65.0*	12,875	*71.1*	13,240	13,877	14,274
Short term debt	1,759	1,663	3,552	6,486	*82.6*	5,986	*-7.7*	5,486	4,986	4,486
Total current liabilities	**5,595**	**5,763**	**8,113**	**14,009**	*72.7*	**18,861**	*34.6*	**18,726**	**18,863**	**18,760**
Long term debt	2,692	1,615	637	1,228	*92.6*	1,228	*0.0*	1,228	1,228	1,228
Other long term liabilities	300	361	358	435	*21.6*	435	*0.0*	435	435	435
Preferred shares	0	0	0	0	-	0	-	0	0	0
Total liabilities (incl pref shares)	**8,588**	**7,740**	**9,108**	**15,672**	*72.1*	**20,524**	*31.0*	**20,389**	**20,526**	**20,423**
Common s/h equity	**14,951**	**15,342**	**16,342**	**34,332**	*110.1*	**45,303**	*32.0*	**51,614**	**60,310**	**69,627**
Minority interests	24	27	25	26	*4.0*	26	*0.0*	26	26	26
Total liabilities & equity	**23,563**	**23,110**	**25,475**	**50,030**	*96.4*	**65,854**	*31.6*	**72,030**	**80,863**	**90,076**

Cash Flow (HK$m)	12/23	12/24	12/25	12/26E	%ch	12/27E	%ch	12/28E	12/29E	12/30E
Net income (before pref divs)	907	1,326	2,442	9,233	*278.1*	18,358	*98.8*	19,162	21,151	22,008
Depreciation & amortisation	886	933	915	1,024	*11.9*	1,183	*15.5*	1,413	1,614	1,868
Net change in working capital	(910)	37	(1,868)	(4,904)	*-162.6*	(6,092)	*-24.2*	(600)	(278)	(2,051)
Other operating	(60)	412	670	623	*-7.1*	0	-	0	0	0
Operating cash flow	**824**	**2,708**	**2,160**	**5,976**	*176.7*	**13,449**	*125.0*	**19,974**	**22,488**	**21,825**
Tangible capital expenditure	(601)	(774)	(1,277)	(2,468)	*-93.3*	(2,709)	*-9.8*	(2,759)	(3,635)	(3,775)
Intangible capital expenditure	0	0	0	0	-	0	-	0	0	0
Net (acquisitions) & disposals	0	0	0	0	-	0	-	0	0	0
Other investing	(139)	(36)	(62)	(2,444)	*NM*	(1,063)	*56.5*	(364)	(189)	(27)
Investing cash flow	**(739)**	**(810)**	**(1,339)**	**(4,913)**	*-266.9*	**(3,772)**	*23.2*	**(3,124)**	**(3,824)**	**(3,802)**
Equity dividends paid	(1,092)	(499)	(1,934)	(2,132)	*-10.2*	(7,387)	*-246.5*	(12,851)	(12,455)	(12,691)
Share issues / (buybacks)	0	0	0	11,780	-	0	-	0	0	0
Other financing	(280)	(255)	(96)	(441)	*-358.4*	0	-	0	0	0
Change in debt & pref shares	51	(1,173)	911	3,524	*286.7*	(500)	-	(500)	(500)	(500)
Financing cash flow	**(1,321)**	**(1,928)**	**(1,119)**	**12,731**	-	**(7,887)**	-	**(13,351)**	**(12,955)**	**(13,191)**
Cash flow inc/(dec) in cash	**(1,236)**	**(29)**	**(298)**	**13,795**	-	**1,791**	*-87.0*	**3,500**	**5,709**	**4,832**
FX / non cash items	(26)	(74)	2	0	*-99.4*	0	-	0	0	0
Balance sheet inc/(dec) in cash	**(1,263)**	**(103)**	**(296)**	**13,795**	-	**1,791**	*-87.0*	**3,500**	**5,709**	**4,832**

Source: Company accounts, UBS estimates. (UBS) metrics use reported figures which have been adjusted by UBS analysts.[1] Cash EPS (UBS, diluted) is calculated using UBS net income adding back depreciation and amortization.

Valuation (x)	12/23	12/24	12/25	12/26E	12/27E	12/28E	12/29E	12/30E
P/E (local GAAP, diluted)	26.7	15.9	13.1	16.9	8.5	8.1	7.4	7.1
P/E (UBS, diluted)	26.7	15.9	13.1	16.9	8.5	8.1	7.4	7.1
P/CEPS	13.5	9.3	9.5	15.0	7.9	7.5	6.8	6.4
Equity FCF (UBS) yield %	0.9	9.2	2.8	2.3	7.0	11.2	12.3	11.7
Dividend yield (net) %	2.1	9.2	6.7	4.8	8.4	8.1	8.3	8.6
P/BV	1.6	1.4	2.0	4.5	3.4	3.0	2.5	2.2
EV/revenues (core)	1.5	1.2	1.6	4.0	2.1	2.0	1.9	1.7
EV/EBITDA (UBS core)	10.7	7.5	7.9	11.9	5.9	5.5	4.8	4.4
EV/EBIT (core)	17.3	11.1	10.2	12.9	6.1	5.8	5.1	4.7
EV/OpFCF (core)	14.4	10.2	11.5	14.8	6.6	6.2	5.5	5.1
EV/op. invested capital	1.6	1.4	2.0	7.0	4.8	4.0	3.6	3.2

Enterprise value (HK$m)	12/23	12/24	12/25	12/26E	12/27E	12/28E	12/29E	12/30E
Market cap.	24,260	21,067	31,888	153,726	153,726	153,726	153,726	153,726
Net debt (cash)	1,767	1,889	1,958	(2,574)	(8,854)	(12,000)	(17,104)	(22,875)
Buy out of minorities	24	27	25	26	26	26	26	26
Pension provisions/other	0	0	0	0	0	0	0	0
Total enterprise value	**26,051**	**22,984**	**33,871**	**151,179**	**144,898**	**141,753**	**136,648**	**130,878**
Non core assets	(1,266)	(1,229)	(1,229)	(1,230)	(1,230)	(1,230)	(1,230)	(1,230)
Core enterprise value	**24,785**	**21,755**	**32,642**	**149,948**	**143,668**	**140,522**	**135,418**	**129,647**

Growth (%)	12/23	12/24	12/25	12/26E	12/27E	12/28E	12/29E	12/30E
Revenue	(25.1)	10.7	10.0	81.9	82.5	1.9	5.4	3.9
EBITDA (UBS)	(45.3)	25.2	42.1	NM	94.5	3.7	10.2	5.0
EBIT (UBS)	(58.6)	37.5	63.0	NM	101.5	2.9	9.9	4.3
EPS (UBS, diluted)	(52.5)	46.1	83.7	NM	98.8	4.4	10.4	4.0
Net DPS	(54.3)	NM	9.7	NM	74.0	(3.1)	1.9	4.0

Margins & Profitability (%)	12/23	12/24	12/25	12/26E	12/27E	12/28E	12/29E	12/30E
Gross profit margin	16.0	17.7	19.6	36.5	41.0	40.7	42.0	42.5
EBITDA margin	13.8	15.6	20.2	34.0	36.3	36.9	38.6	39.0
EBIT (UBS) margin	8.5	10.6	15.7	31.3	34.5	34.9	36.4	36.5
Net earnings (UBS) margin	5.4	7.2	12.0	24.9	27.1	27.8	29.1	29.1
ROIC (EBIT)	9.2	12.4	19.3	53.8	NM	68.2	70.2	67.4
ROIC post tax	7.0	9.5	15.4	44.2	62.5	54.9	56.7	54.1
ROE (UBS)	6.0	8.8	15.4	36.4	46.1	39.5	37.8	33.9

Capital structure & Coverage (x)	12/23	12/24	12/25	12/26E	12/27E	12/28E	12/29E	12/30E
Net debt / EBITDA	1.0	0.5	0.6	(0.6)	(0.4)	(0.5)	(0.7)	(0.9)
Net debt / total equity %	16.2	8.8	15.7	(22.4)	(22.1)	(27.1)	(33.5)	(36.7)
Net debt / (net debt + total equity) %	13.9	8.1	13.5	(28.9)	(28.3)	(37.2)	(50.4)	(57.9)
Net debt/EV %	6.8	8.2	5.8	(1.7)	(6.1)	(8.5)	(12.5)	(17.5)
Capex / depreciation %	67.8	83.0	139.5	NM	NM	195.3	NM	NM
Capex / revenue %	3.6	4.2	6.3	6.7	4.0	4.0	5.0	5.0
EBIT / net interest	6.0	8.5	21.8	32.8	NM	NM	NM	NM
Dividend cover (UBS)	1.8	0.7	1.1	1.3	1.4	1.5	1.7	1.7
Div. payout ratio (UBS) %	55.0	145.9	87.1	80.0	70.0	65.0	60.0	60.0

Revenues by division (HK$m)	12/23	12/24	12/25	12/26E	12/27E	12/28E	12/29E	12/30E
Others	16,750	18,541	20,400	37,109	67,730	68,983	72,695	75,504
Total	**16,750**	**18,541**	**20,400**	**37,109**	**67,730**	**68,983**	**72,695**	**75,504**

EBIT (UBS) by division (HK$m)	12/23	12/24	12/25	12/26E	12/27E	12/28E	12/29E	12/30E
Others	1,431	1,968	3,207	11,597	23,369	24,049	26,434	27,579
Total	**1,431**	**1,968**	**3,207**	**11,597**	**23,369**	**24,049**	**26,434**	**27,579**

Source: Company accounts, UBS estimates. (UBS) metrics use reported figures which have been adjusted by UBS analysts.

Valuation Method and Risk Statement

Our valuation of Shengyi Technology is based on a PE methodology.
Downside risks: 1) severe raw material price inflation; 2) slower exit of low-end CCL capacity and intensifying competition; and 3) weakening end demand from home appliance, telecommunication, automotive, or data communication
We value Kingboard Laminates using a P/E-based valuation methodology. Key downside risks include: 1) slower-than-expected price increases in conventional FR4 CCL; 2) slower-than-expected ramp-up and customer qualification of specialty/AI glass-fabric products; 3) easing tightness in conventional FR4 CCL supply due to faster-than-expected capacity additions by competitors; and 4) weaker-than-expected AI infrastructure capex growth.
Risks to China's CCL sectors include: 1) slower-than-expected AI adoption globally and in China; 2) weaker-than-expected hyperscaler capex on data centres and servers; 3) higher-than-expected tariffs affecting demand for consumer electronics and automobiles; and 4) unexpected tightening of environmental regulations in China.

Quantitative Research Review

UBS Global Research publishes a quantitative assessment of its analysts' responses to certain questions about the likelihood of an occurrence of a number of short term factors in a product known as the 'Quantitative Research Review'. The views for this month can be found below. Views contained in this assessment on a particular stock reflect only the views on those short term factors which are a different timeframe to the 12-month timeframe reflected in any equity rating set out in this note. For previous responses please make reference to (i) previous UBS Global Research reports; and (ii) where no applicable research report was published that month, the Quantitative Research Review which can be found at https://neo.ubs.com/quantitative, or contact your UBS sales representative for access to the report or the Quantitative Research Team on ubs-quant-answers@ubs.com. A consolidated report which contains all responses is also available and again you should contact your UBS sales representative for details and pricing or the Quantitative Research Team on the email above.

Shengyi Technology

Question	Response
1. Is the industry structure facing the firm likely to improve or deteriorate over the next six months? Rate on a scale of 1-5 (1 = getting worse, 3 = no change, 5 = getting better, N/A = no view)	4
2. Is the regulatory/government environment facing the firm likely to improve or deteriorate over the next six months? Rate on a scale of 1-5 (1 = getting tougher 3 = no change, 5 = getting better, N/A = no view)	3
3. Over the last 3-6 months in broad terms have things been improving/no change/getting worse for this stock? Rate on a scale of 1-5 (1 = getting a lot worse, 3 = not much change, 5 = getting a lot better, N/A = no view)	5
4. Relative to the current CONSENSUS EPS forecast, is the next company EPS update likely to lead to: (1 = negative surprise vs consensus, 3 = in-line with consensus, 5 = positive surprise vs consensus expectations, N/A = no view)	4
5. What's driving the difference?	
6. Relative to YOUR current earnings forecast, is there relatively greater risk at the next earnings result of:(1 = downside skew risk to earnings, 3 = equal upside or downside risk to earnings, 5 = upside skew risk to earnings, N/A = no view)	3
7. What's driving the difference?	
8. Is there an upcoming catalyst for the company over the next three months?	
9. Is there an actual or approximate date for the catalyst?	
10. Is the catalyst date an actual or approximate date?	
11. What is the catalyst?	

KBL

Question	Response
1. Is the industry structure facing the firm likely to improve or deteriorate over the next six months? Rate on a scale of 1-5 (1 = getting worse, 3 = no change, 5 = getting better, N/A = no view)	4
2. Is the regulatory/government environment facing the firm likely to improve or deteriorate over the next six months? Rate on a scale of 1-5 (1 = getting tougher 3 = no change, 5 = getting better, N/A = no view)	3
3. Over the last 3-6 months in broad terms have things been improving/no change/getting worse for this stock? Rate on a scale of 1-5 (1 = getting a lot worse, 3 = not much change, 5 = getting a lot better, N/A = no view)	5
4. Relative to the current CONSENSUS EPS forecast, is the next company EPS update likely to lead to: (1 = negative surprise vs consensus, 3 = in-line with consensus, 5 = positive surprise vs consensus expectations, N/A = no view)	4
5. What's driving the difference?	
6. Relative to YOUR current earnings forecast, is there relatively greater risk at the next earnings result of:(1 = downside skew risk to earnings, 3 = equal upside or downside risk to earnings, 5 = upside skew risk to earnings, N/A = no view)	4
7. What's driving the difference?	

Question	Response
8. Is there an upcoming catalyst for the company over the next three months?	Positive Catalyst
9. Is there an actual or approximate date for the catalyst?	
10. Is the catalyst date an actual or approximate date?	N/A
11. What is the catalyst?	Further monthly conventional FR4 CCL price hikes.



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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.	39%	20%
Sell	FSR is > 6% below the MRA.	6%	21%

Source: UBS. Rating allocations are as of 30 September 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.

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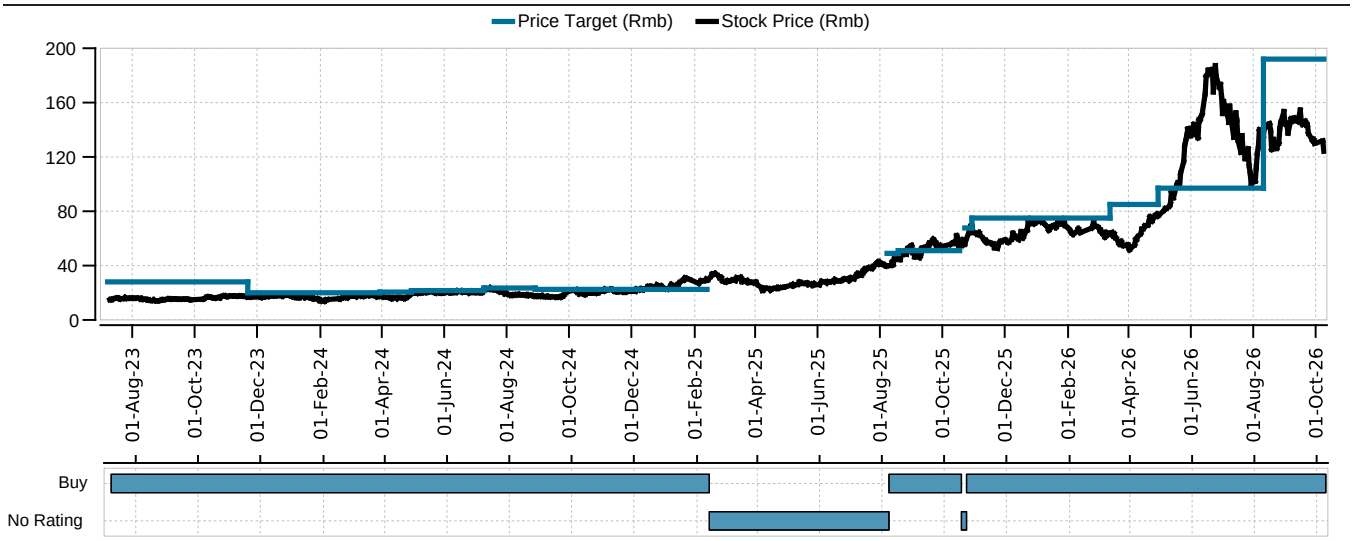
Company Disclosures

Company Name	Reuters	12-month rating	Price	Price date
Kingboard Laminates[16]	1888.HK	Buy	HK$49.00	09 Oct 2026
Shengyi Technology	600183.SS	Buy	Rmb124.14	09 Oct 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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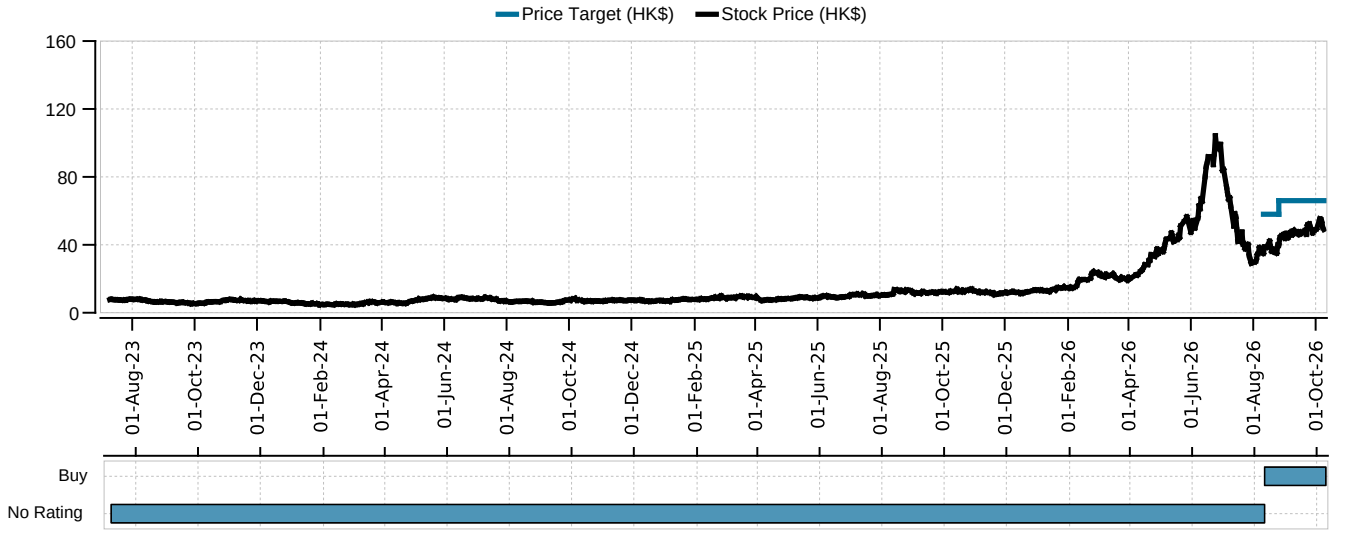
Shengyi Technology (Rmb)



Date	Stock Price (Rmb)	Price Target (Rmb)	Rating
2023-07-07	15.00	28.00	Buy
2023-11-21	16.99	20.00	Buy
2024-03-29	17.23	20.50	Buy
2024-04-29	18.51	21.60	Buy
2024-07-09	20.85	23.50	Buy
2024-08-28	17.70	22.50	Buy
2025-02-12	30.07	-	No Rating
2025-08-07	39.73	49.00	Buy
2025-08-18	44.69	51.00	Buy
2025-10-17	54.29	-	No Rating
2025-10-22	58.55	67.70	Buy
2025-10-29	69.32	75.00	Buy
2026-03-13	63.44	85.00	Buy
2026-04-29	78.00	97.00	Buy
2026-08-10	138.57	192.00	Buy

Source: UBS Global Research; LSEG Eikon as of 09-Oct-2026. All prices as of local market close. Ratings as of date shown.

Kingboard Laminates (HK$)



Date	Stock Price (HK$)	Price Target (HK$)	Rating
2023-07-07	7.61	-	No Rating
2026-08-10	35.72	58.00	Buy
2026-08-25	39.94	66.00	Buy

Source: UBS Global Research; LSEG Eikon as of 09-Oct-2026. All prices as of local market close. Ratings as of date shown.

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