

## Technology - Asia Pacific (H)

# BofA to host 29th annual Asia tech conference during 16-20 March, Taiwan

Industry Overview

### Titled as 'AI super-cycle and supply chain opportunities'

We will host 29<sup>th</sup> annual Asia tech conference during 16-20 March in Taipei, Taiwan. We have 450+ registered investors engaging in ~1,000 meetings with 150+ corporates and multiple experts. We believe the impact of AI boom can be stronger than ever even after 2026 upturn. Thus, our conference is titled as 'AI super-cycle and supply chain opportunities' (initially semis/SPE but recently more hardware tech beneficiaries seen).

### Top 10 questions to tech companies and industry experts

We present top-10 questions for corporate/expert meetings: (1) physical AI – data center upgrade/expansion for training/inferencing/LLM; (2) foundry - 2nm node, CoWoS, competition; (3) memory - DRAM/HBM super-cycle vs NAND, new mega-fabs; (4) equipment - front-end, advanced packaging; (5) materials - T-glass, rare earth; (6) hardware/component – cooler, chassis, PCB, optics, substrate, MLCC, camera; (7) OEM - memory shortage, robot, autonomous driving; (8) Middle East crisis – LNG/helium supply disruption; (9) capex – record-high spending, excess capacity after 2027; and (10) China – AI/semis localization, new memory fab, price cut. Of course, investors are also likely to discuss double-booking order, inventory, competitive landscape (more AI supply chain names and stiff competition), value-up program, including ADR-led re-rating theme, etc.

### BofA Asia tech analyst views on semis and hardware

We are still bullish on Asia tech for three reasons: (1) long-term AI boom (e.g., new physical AI using NVIDIA's Rubin Ultra in 2027-28); (2) US big tech's heavy reliance on Asian chips/components/solutions; and (3) newly growing small- to mid-cap companies that manufacture more AI/datacenter-related hardware products. Long-term agreement between Asia tech companies and US big tech is also growing notably.

### More diversified top picks ahead of the conference

Our top picks (ahead of the conference) are more diversified than ever given AI growth theme will be more effective across the region. See Exhibit 1 for BofA Asia analysts' top picks, including cooling (Jentech), data center (VNET), T-glass (Nittobo), substrate (Ibiden), MLCC (Murata, SEMCO), robot/autonomous (Pony, LG Electronics), equipment (Hanmi Semi, Chroma), etc. TSMC, Hon Hai, Delta, SK Hynix, Samsung Electronics and DISCO are regional top picks or interesting stocks, as highlighted in our 2026 tech year ahead.

*BofA Asia tech analysts will host post-conference large-group calls on 24 March (9:00AM HKT for Asia investors and 9:00PM for US/Europe investors).*

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**Refer to important disclosures on page 32 to 35. Analyst Certification on page 20. Price Objective Basis/Risk on page 10. 12946381**

Timestamp: 11 March 2026 05:43PM EDT

12 March 2026

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See Glossary at end of this report

## BofA Asia analysts' top picks

**Exhibit 1: BofA Asia analysts' top picks include cooling (Jentech), data center (VNET), T-glass (Nittobo), substrate (Ibiden), MLCC (Murata, SEMCO), robot/autonomous (Hengli Hydraulic, Pony, LG Electronics), equipment (Hanmi Semi, Chroma), etc. TSMC, Hon Hai, Delta, SK Hynix, Samsung Electronics and DISCO are regional top picks or interesting stocks, as highlighted in our 2026 tech year ahead BofA Asia analysts' top picks summary**

Analyst	Top pick	BBG ticker	Mcap US\$bn	Catalysts
Robert Cheng	Hon Hai	2317 TT	96	Ongoing AI server ramp-up, foldable iPhone to be launched in 2H27
	Delta Electronics	2308 TT	114	Rising AI server content/value with ongoing platform/product upgrade and dominant position
Doris Kao	AVC*	3017 TT	23	Rising liquid cooling adoption for AI server; booming ASIC demand with higher customization level
	Gold Circuit*	2368 TT	14	Booming ASIC demand in 2026-27; ongoing capacity expansion to catch future ASIC opportunities
	Jentech	3653 TT	16	ASP growth for semi packaging level components; booming ASIC demand; MCL adoption for Rubin Ultra GPU
Haas Liu	TSMC*	2330 TT	1,580	2nm/A16 leadership and heterogenous integration on the back of robust AI demand
	Chroma*	2360 TT	20	CPO testing equipment supplied to TSMC and Nvidia supplemented by metrology and system level strength
	King Yuan*	2449 TT	12	Final testing and burn in leadership solidifying its high share in GPUs and ASICs
Mike Yang	Aspeed*	5274 TT	12	Further upside from regular server associated with the sustained strength from AI server growth, share gain in/by ASIC
	EMC*	2383 TT	28	Further CCL spec migration, announcement of capacity expansion, chance in substrate CCL
	MPI*	6223 TT	10	Benefits from outsourced chip probing, share upside in certain ASIC projects, progress in CPO
	WinWay*	6515 TT	7	Confirmation of further capacity expansion, progress in new technologies (HyperSocket, functional burn-in)
Simon Woo	SK Hynix*	000660 KS	465	DRAM/HBM super-cycle, record-high OP in 2026-27E, Yongin cluster completion, ADR listing
	Samsung Elect*	005930 KS	767	Memory cycle upturn, narrowing foundry loss, robust FCF generation, P5 completion
	SK Square	402340 KS	51	Significant value creation for Square via 20% stake in Hynix; special dividend well-expected
	Hanmi Semi	042700 KS	20	Market dominant position (50%+ TCB equipment m/s for Hynix and Micron's HBM), Samsung order upside
	SEMCO	009150 KS	21	Rapidly growing component sales (MLCC, substrate, camera) to US Big Tech companies
Daley Li	LG Elect*	066570 KS	13	New growth opportunities with data center chillers and robotics (humanoid, in-house)
	VNET	VNET US	3	Rapid wholesale order expansion on strong downstream capex upcycle amid rising AI demand
	GDS*	GDS US	9	Solid new order growth on AI-driven capex upcycle; DayOne upcoming IPO
	Kingdee	268 HK	4	Revenue upsides from AI business; better earnings on rising portion of subscription revenue and operating leverage
Dai Shen	InnoScience	2577 HK	8	GaN adoption in 800V HVDC; robotics business opportunities
	Winbond*	2344 TT	16	Continuous DRAM price strength; NOR flash price recovery after de-stocking
Mikio Hirakawa	Panasonic	6752 JP	41	Good earnings momentum driven by data center BBU and restructuring, Increase in shareholders return (incl. buyback)
Masashi	Renesas	6723 JP	32	Expanded semi market to have bottomed in Dec Q, data center theme to be kicked in
	DISCO	6146 JP	50	ST earnings driven by HBM, CoWoS and OSAT, LT driven by hybrid bonding
	Ibiden*	4062 JP	14	Expect business with major CPU maker which slowed in Oct-Dec to improve in Jan-Mar; solid GPU package substrate demand
Takashi Enomoto	TDK*	6762 JP	27	High margin battery biz supported by price pass-through/high -value-added products; notable growth in HDD-related products
	Murata Mfg*	6981 JP	47	MLCC strength in AI server and auto market to grow faster than industry average backed by high technological edge
	Furukawa Electric	5801 JP	13	Growth opportunities with data center-related products such as optical components/cables, laser chips, and water-cooled
	Resonac Holdings	4004 JP	14	Steady growth in AI-related materials (NCF, CCL, TIM, solder resist), and large capacity for NAND/ hard disk materials
Niima Komura	Nittobo*	3110 JP	5	Price and volume increase for T-glass and AI-server driven volume growth for NER glass
	Fuso Chemical	4368 JP	2	Market leading position in semi CMP slurries amid strong AI chip demand; higher exposure to advanced packaging through
	Tokyo Ohka	4186 JP	7	Photoresist competitiveness AI across front-end/back-end
Ming Lee	MARUWA	5344 JP	5	Heat dissipation substrate for 1.6T optical transceivers set to begin production
	AirTac	1590 TT	6	Strongly growing demand of AI based factory automation
KJ Hwang	Pony	2026 HK	6	New growth opportunities with robotaxi equipment which will be more effective AI and autonomous driving
	Hanwha	012450 KS	49	Wider order across land system and air defense in Western/Northern Europe), Middle East and North America
	Korea Aerospace	047810 KS	12	Diversifying orderbook/export mix prompted by 1) first-ever exports of KF-21 and 2) T-50 trainer jet order potentials

**\*Attending our 2026 Asia Tech Conference; market cap based on 10 March 2026 close price**

Source: BofA Global Research



**Exhibit 2: Semiconductor stocks show relatively lower P/E vs hardware's due to high margin/ROE profile, but we also see growth opportunities among AI related small- to mid-cap companies (cooling, PCB, components, equipment, materials) 2026 Asia tech top picks by analysts – multiples/ROE comparison**

Company	Ticker	Rating	Price Loc Curr	Mcap US\$bn	P/E			P/Book			EV/EBITDA			EV/Sales			ROE		
					FY25	FY26E	FY27E	FY25	FY26E	FY27E	FY25	FY26E	FY27E	FY25	FY26E	FY27E	FY25	FY26E	FY27E
TSMC	2330 TT	B-1-7	1,940	1579.7	29.3	21.1	16.4	9.3	7.1	5.3	18.5	13.5	10.7	12.7	9.8	7.8	35%	38%	37%
Samsung Elect	005930 KS	B-1-7	189,700	763.5	28.9	11.3	10.8	3.0	2.4	2.0	12.6	5.8	5.6	3.4	2.5	2.4	11%	24%	20%
SK Hynix	000660 KS	C-1-7	939,000	462.3	15.5	7.2	6.6	5.7	3.2	2.2	10.1	4.4	4.1	6.4	3.4	3.1	44%	56%	39%
Delta Electronics	2308 TT	B-1-7	1,400	114.2	60.5	37.5	26.2	11.2	9.3	7.5	33.4	23.7	17.1	6.5	4.9	3.8	20%	27%	32%
Hon Hai	2317 TT	B-1-7	219	96.0	14.7	11.8	10.2	1.7	1.6	1.4	11.1	8.5	7.1	0.4	0.3	0.3	12%	14%	14%
SK Square	402340 KS	C-1-7	569,000	51.1	8.5	4.1	3.8	2.7	1.6	1.2	7.9	3.7	3.5	50.0	52.4	53.8	38%	50%	36%
DISCO	6146 JP	C-1-8	72,370	49.8	60.5	42.5	37.2	13.6	11.1	9.6	39.9	28.7	24.9	17.8	14.2	12.8	24%	29%	28%
Murata Mfg	6981 JP	B-1-7	3,758	46.8	34.3	23.5	20.8	2.8	2.7	2.5	15.8	12.3	11.1	3.9	3.6	3.4	8%	12%	13%
Panasonic	6752 JP	B-1-7	2,643	41.2	24.2	13.6	11.8	1.2	1.1	1.0	9.3	6.4	6.0	0.9	0.9	0.8	5%	8%	9%
Renesas	6723 JP	C-1-7	2,648	31.4	14.6	11.1	10.7	2.0	1.8	1.7	12.7	11.1	10.7	4.5	3.9	3.7	13%	17%	16%
EMC	2383 TT	C-1-7	2,450	27.6	57.0	34.2	22.5	21.6	17.8	14.0	41.8	25.8	16.5	9.3	6.2	4.1	40%	56%	69%
TDK	6762 JP	C-1-7	2,156	26.6	19.7	17.0	15.4	2.2	2.1	2.0	8.7	7.7	7.1	1.7	1.6	1.5	12%	13%	14%
Asia Vital	3017 TT	C-1-7	1,860	22.8	36.8	22.5	18.0	15.9	10.7	7.9	23.4	14.5	11.8	5.1	3.3	2.8	53%	56%	50%
SEMICONENTS	009150 KS	B-1-7	404,000	20.7	44.3	26.3	17.0	3.2	2.9	2.5	16.9	12.0	8.9	2.7	2.3	2.1	8%	12%	16%
Hanmi Semi	042700 KS	C-1-7	323,500	20.1	143.1	103.0	64.7	45.0	34.0	24.5	116.2	77.0	48.6	52.9	37.6	26.0	35%	37%	44%
Chroma	2360 TT	B-1-7	1,495	20.0	54.0	44.9	33.2	19.9	16.8	13.5	63.2	39.2	28.2	22.4	15.5	12.1			
Winbond	2344 TT	C-1-7	114	16.1	128.6	9.5	7.7	4.8	3.2	2.3	29.1	6.1	5.0	5.9	3.0	2.5	4%	40%	35%
Jentech	3653 TT	C-1-7	3,485	15.9	95.9	58.7	29.0	22.2	15.6	11.0	70.9	43.7	22.0	25.0	17.5	10.1	28%	31%	45%
Gold Circuit	2368 TT	C-1-7	898	14.4	46.5	26.8	19.7	16.4	11.6	8.1	29.2	17.2	12.5	7.7	5.0	3.9	39%	49%	47%
Resonac Holdings	4004 JP	B-1-7	11,925	14.0	74.3	30.2	20.7	3.1	2.7	2.3	15.3	12.7	10.9	2.3	2.3	2.2	4%	11%	13%
Ibiden	4062 JP	C-1-7	7,797	13.9	53.5	36.7	25.7	4.1	3.7	3.3	15.9	11.8	9.1	4.9	4.0	3.4	9%	11%	14%
Furukawa Electric	5801 JP	C-1-7	29,750	13.3	38.1	28.7	22.8	5.6	4.9	4.2	24.1	18.8	15.7	1.9	1.8	1.7	15%	18%	20%
LG Elect	066570 KS	B-1-7	116,800	13.1	22.0	11.1	9.8	0.8	0.7	0.7	4.8	3.9	3.8	0.3	0.3	0.3	4%	8%	8%
Aspeed	5274 TT	C-1-7	10,055	11.9	96.8	68.9	52.9	42.8	34.0	27.0	74.9	53.9	39.1	40.9	28.8	21.5	54%	57%	63%
King Yuan	2449 TT	B-1-7	306	11.7	34.0	26.6	16.5	7.4	3.5	2.7	23.7	13.3	8.7	11.2	7.5	5.2	24%	18%	19%
MPI	6223 TT	C-1-7	3,285	10.1	95.7	57.7	35.3	26.0	19.9	14.5	67.1	43.6	27.8	23.3	16.5	11.5	30%	39%	47%
GDS	GDS US	C-1-9	44	9.1	28.4	490.8	89.1	2.0	1.9	1.9	16.9	15.0	12.6	7.2	6.4	5.5	8%	%	2%
InnoScience	2577 HK	C-1-7	66	7.7	NM	NM	105.2	8.0	8.5	6.9	NM	64.4	19.3	23.3	14.4	7.3	-19%	-5%	20%
Tokyo Ohka	4186 JP	C-1-7	8,403	6.8	31.9	25.1	22.3	4.5	4.0	3.5	18.3	14.8	13.2	4.4	3.9	3.5	15%	17%	17%
WinWay	6515 TT	C-1-7	5,900	6.7	124.5	60.9	33.0	33.1	23.4	15.5	87.2	46.3	25.4	26.8	16.6	10.4	28%	45%	56%
Nittobo	3110 JP	C-1-7	22,380	5.4	22.7	38.4	27.5	4.9	4.7	4.1	29.8	20.2	15.0	7.5	6.4	5.5	25%	13%	16%
MARUWA	5344 JP	B-1-7	63,340	5.0	37.9	28.5	22.9	5.3	4.5	3.8	21.1	15.9	12.9	9.3	7.8	6.8	15%	17%	18%
Kingdee	268 HK	C-1-9	10	4.3	109.9	49.1	30.6	3.6	3.3	3.0	38.5	25.8	18.4	4.0	3.5	3.0	3%	7%	10%
VNET	VNET US	C-1-9	11	3.2	93.3	48.5	30.8	3.3	3.0	2.7	13.9	11.1	9.1	3.9	3.3	2.7	4%	7%	10%
Fuso Chemical	4368 JP	B-1-7	9,140	2.1	25.0	21.6	19.4	2.8	2.4	2.2	10.3	8.8	7.9	4.0	3.6	3.3	12%	12%	12%
<b>Market cap weight adjusted average</b>					<b>32.1</b>	<b>20.3</b>	<b>15.5</b>	<b>7.9</b>	<b>5.9</b>	<b>4.4</b>	<b>19.3</b>	<b>12.4</b>	<b>9.7</b>	<b>10.0</b>	<b>7.5</b>	<b>6.2</b>	<b>28%</b>	<b>35%</b>	<b>32%</b>
<b>Median</b>					<b>44.3</b>	<b>28.3</b>	<b>21.5</b>	<b>5.5</b>	<b>4.2</b>	<b>3.6</b>	<b>23.4</b>	<b>14.9</b>	<b>12.2</b>	<b>6.8</b>	<b>5.0</b>	<b>3.9</b>	<b>15%</b>	<b>18%</b>	<b>20%</b>
<b>Simple average</b>					<b>53.8</b>	<b>44.5</b>	<b>26.7</b>	<b>10.8</b>	<b>8.2</b>	<b>6.3</b>	<b>32.4</b>	<b>21.9</b>	<b>15.1</b>	<b>12.4</b>	<b>9.2</b>	<b>7.3</b>	<b>20%</b>	<b>26%</b>	<b>28%</b>

Source: BofA Global Research estimates

BofA GLOBAL RESEARCH

## 2026 Asia Tech Conference Agenda

### Exhibit 3: Various sessions with semis/memory/hardware tech companies and industry experts will be held on Monday (16 March)

2026 BofA Asia Tech Conference Day 1 (16 March, Monday) - Tech Track event

Taiwan time	Company	Topic	Speaker
9:00-9:50am	Semis expert	The future of foundries: equipment & technology roadmap	Semis expert with 37+ years of experience in the industry, IC chip R&D
10:00-10:50am	Pan-International Industrial (2328)	Humanoid robotics value-chain	Kuang-Yao Lee, Chairman and John Kuo, AVP, IR Division
11:00-11:50am	Winway (6515 TT)	Insights on development of FT/SLT and burn-in	Mao Yu, Project Manager
12:00-12:50pm		Lunch break	
1:00-1:50pm	SemiFive (490470 KS)	Chip design services for fabless/hyperscaler's AI GPU/ASIC	Brandon Cho, CEO
2:00-2:50pm	MPI (6223 TT)	Update on chip probing for GPU/ASIC & CPO equipment	Amada Chiu, Spokeswoman
3:00-3:50pm	Silicon Motion (SIMO US)	eSSD/enterprise controller demand outlook	Jason Tsai, CFO
4:00-4:50pm	LG Electronics (066570 KS)	New growth opportunities with data center chillers and robotics	Aeron Kim, IR Head

Source: BofA Global Research

BofA GLOBAL RESEARCH

### Exhibit 4: We will host multiple sessions with corporates/industry experts/BofA analysts to discuss a wide range of topics with a primary focus on AI

Plenary sessions of 2026 BofA Asia Tech Conference

Date	Taiwan time	Speaker/Company	Title	
Tue, 17 Mar	9:00-9:50am	Hal Brands, Senior Fellow, American Enterprise Institute	Keynote presentation: Geopolitics, trade, security	
	10:00-10:50am	Chris Lin, Chairman & President, ASPEED Technology	Corporate presentation: ASPEED Technology	
	11:00-11:50am	Vivek Arya, US Semiconductors Analyst, BofA Global Research	NVIDIA GTC updates*	
	12:00-12:50pm	Mikio Hirakawa, Japan Electronics/SPE Analyst, BofA Global Research Haas Liu, Asia Semiconductor Analyst, BofA Global Research Didier Scemama, Head of IT Hardware and EMEA, BofA Global Research Simon Woo, Head of Korea and APAC Tech Coordinator, BofA Global Research	Panel discussion: BofA Global & APC Research Semiconductor Tech Analysts	
	1:00-1:50pm	James Liao, CFO, Global Unichip	Corporate presentation: Global Unichip	
	2:00-2:50pm	William Fong, Chief Strategy Officer, DigBI Consulting; former Global Solution Strategy Director – AI Digital Transformation at Microsoft	The 2026 AI pivot: From GPU scarcity to the infrastructure & liability frontier	
	3:00-3:50pm	Robert Davidson, CEO, Rackonomics Tommy Leong, Board Director, Global Buildings and Performance Network	AI infrastructure - Power and cooling in China and export	
	4:00-4:50pm	Avril Wu, Research Director, TrendForce/DRAMeXchange	DRAM/HBM super-cycle	
	Wed, 18 Mar	9:00-9:50am	Timothy Papandreou, Founder & CEO of Emerging Transport Advisors	AI disruption - what's coming next?
		10:00-10:50am	Tai Ming Cheung, Professor; Director, UC Institute on Global Conflict and Cooperation, University of California San Diego	Defense: From niche to megatrend
11:00-11:50am		Leslie Wu, CEO, Ronghe Consulting (Dalian), ex-TSMC Chief Engineer	Greater China semi updates	
12:00-12:50pm		Wamsi Mohan, IT Hardware Technology Supply Chain Analyst, BofA Global Research Doris Kao, Greater China Technology Hardware Analyst, BofA Global Research Mike Yang, Greater China Semiconductor Analyst, BofA Global Research Robert Cheng, Head of Taiwan and Asia Tech Hardware, BofA Global Research Simon Woo, Korea Tech and Global Memory Analyst, BofA Global	Lunch panel: BofA Global & APC Research Tech Hardware Analysts	
1:00-1:50pm		Darwesh Singh, Founder, CEO and CTO	Bolt Graphics	
2:00-2:50pm		Dr. Serkan Toto, Kantan Games	How AI is transforming the gaming industry*	
3:00-3:50pm		Ian Thornton, Vice President of Investor Relations, Arm	Fireside chat with Arm*	
4:00-4:50pm		Jie Hu, Vice President of Centrin Data Systems	Data center innovation in the AI era	

\*Virtual event

Source: BofA Global Research

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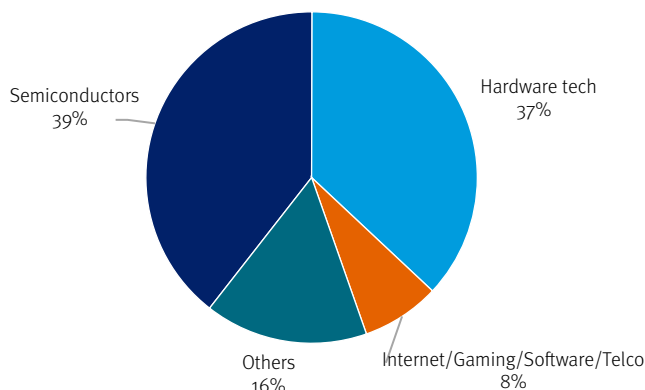
## 2026 Asia Tech Conference Preview

We will host our 29<sup>th</sup> Asia Tech Conference in Taipei, Taiwan during 16-20 March. We expect record-high number of participants to attend our event: total 600+ (investors 450+, corporates 150+) surpassing last year’s 500+. The Conference will include a Tech Track (16 March, Monday), multiple keynote presentations & thematic panel discussions (17-18 March, Tuesday-Wednesday), dinner/networking events with corporate senior management/industry experts/BofA analysts and a multitude of one-on-one and group meetings with corporate management.

Among the participating companies, semiconductors sector accounts for the bulk of the share (39% of total), followed by hardware tech (37%), internet/software/gaming/telco (8%) and others (16%). The companies within the semiconductors sector encompasses the entire supply-chain, including foundry/fabless/memory/equipment/materials. Not surprisingly, most of the companies are mostly based in Taiwan (76% of total) and China (9%; includes Hong Kong), as well as Japan, South Korea and the US.

**Exhibit 5: Majority are semiconductor companies (39%), followed by hardware tech (37%), internet/gaming/software/telco (8%) and others (16%)**

Participating companies by sector

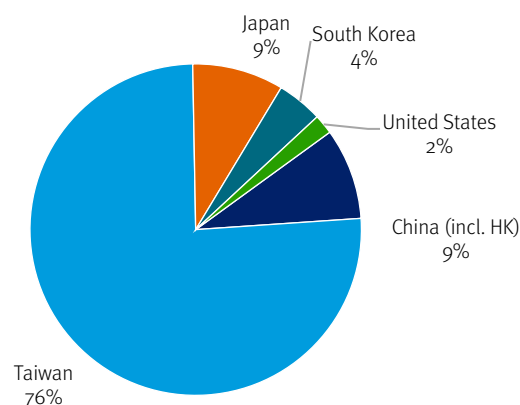


Source: BofA Global Research

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**Exhibit 6: Most corporates are based in Taiwan, China (including HK), Japan, South Korea and US**

Participating companies by region



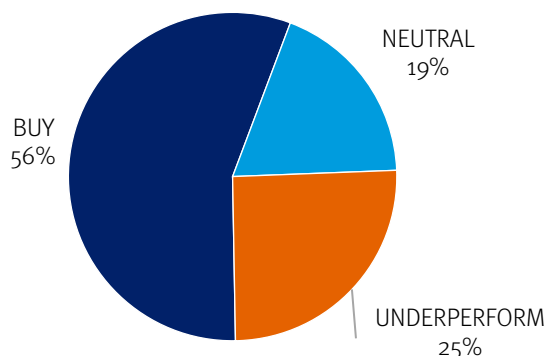
Source: BofA Global Research

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**Exhibit 7: 126 Buys (56% of total 225 stocks) vs. 42 Neutrals (19%) and 57 Underperform (25%)**

BofA Asia tech coverage mix by rating

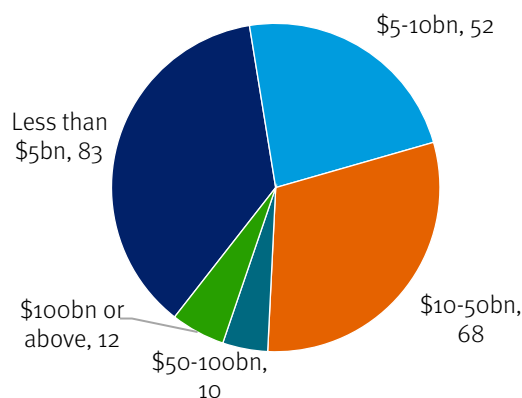


Source: BofA Global Research

BofA GLOBAL RESEARCH

**Exhibit 8: Well-balanced distribution between small-cap and mid/large-cap stocks**

BofA Asia tech coverage distribution by market cap

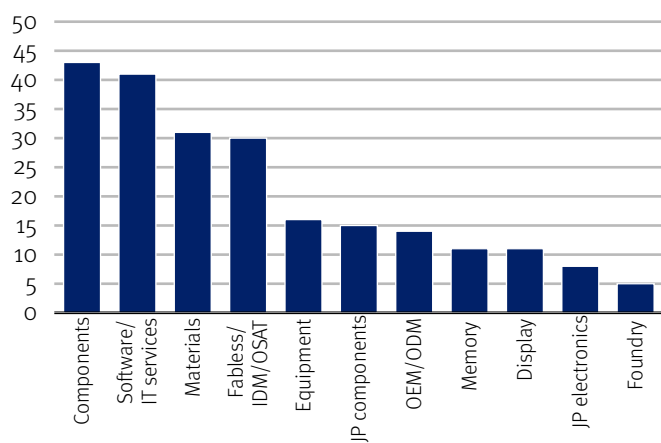


Source: BofA Global Research

BofA GLOBAL RESEARCH

**Exhibit 9: BofA covers more than 40 stocks in Components and Software/IT services each; there are fewer memory and foundry companies...**

Number of covered stocks by sub-sector

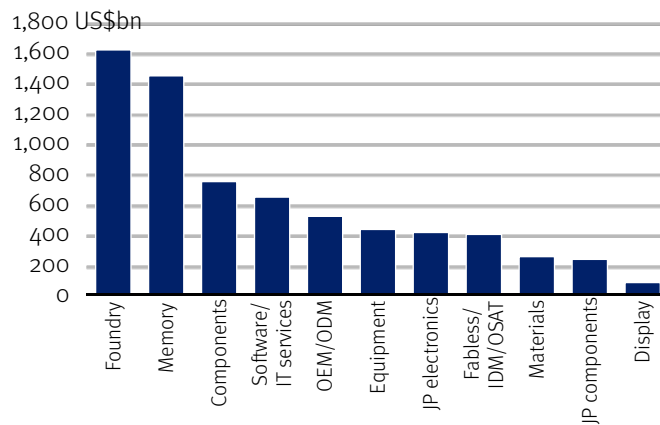


Source: BofA Global Research

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**Exhibit 10: ...while foundry and memory stocks' market caps are much higher than other technology stocks in Asia**

Total market caps of covered stocks by sub-sector



Source: BofA Global Research

BofA GLOBAL RESEARCH



**Exhibit 11: APAC technology companies expected to generate US\$3,000bn+ sales and US\$400bn+ OP pa**

APAC Technology companies – Sales, profit, and capex by sub-sector

Sector US\$bn	Sales			OP			EBITDA			Net profit			Capex		
	FY25E	FY26E	FY27E	FY25E	FY26E	FY27E	FY25E	FY26E	FY27E	FY25E	FY26E	FY27E	FY25E	FY26E	FY27E
Foundry	134	167	201	62	82	102	88	113	138	56	73	90	46	53	58
Fabless/IDM/OSAT	76	86	104	10	13	18	16	20	25	10	12	16	10	10	9
Memory	321	412	435	65	141	155	110	188	203	58	108	119	53	67	69
Equipment	41	47	54	11	13	16	12	16	20	8	10	11	2	2	2
Materials	158	165	173	15	18	21	27	31	34	10	12	14	17	16	16
OEM/ODM	926	1,150	1,365	37	45	57	47	57	70	28	34	44	16	14	13
Components	297	378	449	22	34	44	35	51	66	19	29	38	20	19	17
Display	101	109	116	3	5	7	19	21	22	3	4	6	14	12	12
Japan electronics	252	261	270	23	28	30	39	43	47	17	20	22	13	14	14
Japan components	78	81	85	8	10	11	14	16	17	6	7	8	8	8	8
Software/IT services	233	246	261	39	43	47	47	51	56	32	33	36	8	9	9
<b>Total</b>	<b>2,618</b>	<b>3,103</b>	<b>3,513</b>	<b>294</b>	<b>433</b>	<b>507</b>	<b>453</b>	<b>606</b>	<b>696</b>	<b>247</b>	<b>342</b>	<b>404</b>	<b>207</b>	<b>225</b>	<b>227</b>

\*Market cap weighted average basis

Source: BofA Global Research estimates

BofA GLOBAL RESEARCH

**Exhibit 12: Mid/low-teen% sales growth for the overall APAC technology companies assumed for FY26-27E; 20-40% operating/net profit growth expected in 2026/27**

APAC Technology companies – YoY growth by sub-sector

Sector YoY %	Sales			OP			EBITDA			Net profit			Capex		
	FY25E	FY26E	FY27E	FY25E	FY26E	FY27E	FY25E	FY26E	FY27E	FY25E	FY26E	FY27E	FY25E	FY26E	FY27E
Foundry	31%	24%	20%	46%	32%	24%	46%	31%	24%	46%	31%	24%	26%	16%	9%
Fabless/IDM/OSAT	11%	12%	21%	8%	29%	39%	7%	22%	28%	4%	24%	35%	60%	-4%	-5%
Memory	11%	28%	5%	46%	119%	10%	24%	71%	8%	41%	85%	10%	1%	27%	2%
Equipment	7%	16%	14%	6%	28%	16%	11%	33%	20%	4%	27%	17%	3%	-17%	12%
Materials	-6%	4%	4%	-9%	17%	15%	-5%	15%	12%	-2%	17%	17%	-1%	-7%	-1%
OEM/ODM	25%	24%	19%	37%	24%	26%	22%	22%	22%	37%	21%	27%	24%	-8%	-13%
Components	18%	27%	19%	39%	54%	32%	24%	46%	29%	32%	49%	31%	12%	-1%	-10%
Display	6%	8%	7%	205%	82%	36%	11%	8%	4%	na	62%	36%	24%	-13%	-4%
Japan electronics	-6%	3%	4%	3%	22%	8%	3%	12%	7%	1%	18%	8%	-11%	7%	2%
Japan components	-1%	4%	5%	13%	20%	13%	5%	14%	11%	20%	17%	13%	-2%	0%	5%
Software/IT services	0%	5%	6%	6%	10%	9%	3%	10%	9%	10%	3%	9%	6%	2%	0%
<b>Total</b>	<b>9%</b>	<b>14%</b>	<b>11%</b>	<b>36%</b>	<b>40%</b>	<b>21%</b>	<b>14%</b>	<b>26%</b>	<b>16%</b>	<b>19%</b>	<b>32%</b>	<b>21%</b>	<b>13%</b>	<b>0%</b>	<b>0%</b>

\*Market cap weighted average basis

Source: BofA Global Research estimates

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**Exhibit 13: Steady margin improvement expected through Asia technology segments; more notable OP/NP margin enhancement expected for memory companies**

APAC Technology companies – Margin and yield by sub-sector

Sector	OP margin			NP margin			ROE			Div. yield			FCF yield		
	FY25E	FY26E	FY27E	FY25E	FY26E	FY27E	FY25E	FY26E	FY27E	FY25E	FY26E	FY27E	FY25E	FY26E	FY27E
Foundry	46%	49%	51%	41%	43%	45%	35%	36%	35%	1.4%	1.5%	1.5%	2.3%	3.4%	4.5%
Fabless/IDM/OSAT	13%	15%	17%	13%	14%	16%	15%	19%	24%	1.6%	1.9%	2.5%	1.6%	1.8%	3.2%
Memory	20%	34%	36%	18%	26%	27%	22%	29%	24%	0.7%	0.8%	0.9%	3.8%	7.2%	8.3%
Equipment	26%	28%	29%	19%	21%	21%	32%	32%	30%	0.8%	1.0%	1.2%	1.2%	2.1%	2.6%
Materials	10%	11%	12%	6%	7%	8%	10%	11%	13%	1.7%	1.9%	2.1%	1.7%	2.7%	4.0%
OEM/ODM	4%	4%	4%	3%	3%	3%	19%	21%	24%	2.2%	2.6%	3.1%	0.5%	0.9%	3.6%
Components	7%	9%	10%	7%	8%	8%	22%	29%	30%	1.0%	1.5%	2.0%	1.0%	2.5%	4.3%
Display	3%	5%	6%	3%	4%	5%	6%	9%	10%	1.3%	2.3%	3.0%	2.2%	8.4%	10.8%
Japan electronics	9%	11%	11%	7%	8%	8%	12%	14%	13%	1.0%	1.2%	1.3%	2.7%	4.6%	6.5%
Japan components	10%	12%	13%	8%	9%	10%	9%	10%	11%	1.8%	2.0%	2.1%	2.4%	2.9%	3.4%
Software/IT services	17%	17%	18%	14%	13%	14%	7%	8%	9%	2.3%	2.4%	2.5%	2.8%	3.3%	3.9%
<b>Average</b>	<b>11%</b>	<b>14%</b>	<b>14%</b>	<b>9%</b>	<b>11%</b>	<b>11%</b>	<b>18%</b>	<b>21%</b>	<b>21%</b>	<b>1.4%</b>	<b>1.7%</b>	<b>2.0%</b>	<b>1.9%</b>	<b>3.7%</b>	<b>5.1%</b>

\*Market cap weighted average basis

Source: BofA Global Research estimates

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**Exhibit 14: Asia technology companies are traded at 27x P/E (2026E) on average or 5x P/B**

APAC Technology companies – Valuation multiples by sub-sector

Sector (x)	P/E			P/Book			EV/EBITDA			EV/Sales		
	FY25E	FY26E	FY27E	FY25E	FY26E	FY27E	FY25E	FY26E	FY27E	FY25E	FY26E	FY27E
Foundry	29.7	20.7	18.1	8.2	6.3	4.9	16.3	12.5	10.2	10.8	8.5	7.0
Fabless/IDM/OSAT	47.9	29.6	24.7	10.6	9.3	8.1	30.0	23.8	36.0	10.8	8.1	6.4
Memory	28.2	11.9	10.4	3.5	2.6	2.1	12.1	6.6	6.0	4.1	2.9	2.7
Equipment	54.1	40.9	32.6	15.9	12.1	9.5	41.7	29.6	23.8	14.9	11.8	9.9
Materials	26.9	24.7	19.8	2.8	2.6	2.3	14.4	12.4	10.8	3.7	3.4	3.1
OEM/ODM	23.5	18.3	13.8	4.3	3.7	3.1	17.4	13.5	10.2	1.1	0.8	0.7
Components	45.9	31.8	20.0	9.0	6.7	5.1	30.2	17.6	13.1	6.3	4.1	3.2
Display	15.9	30.6	27.3	1.7	1.6	1.4	10.0	8.9	8.4	2.6	2.4	2.2
Japan electronics	24.2	20.8	19.3	3.0	2.8	2.6	11.9	10.7	10.0	2.0	1.9	1.8
Japan components	27.5	22.8	19.4	2.0	1.9	1.8	12.0	10.3	9.3	2.5	2.3	2.2
Software/IT services	22.5	48.0	19.4	6.1	5.6	5.1	23.4	15.2	13.5	3.8	3.5	3.2
<b>Average</b>	<b>31.5</b>	<b>27.3</b>	<b>20.4</b>	<b>6.1</b>	<b>5.0</b>	<b>4.2</b>	<b>19.9</b>	<b>14.7</b>	<b>13.8</b>	<b>5.7</b>	<b>4.5</b>	<b>3.9</b>

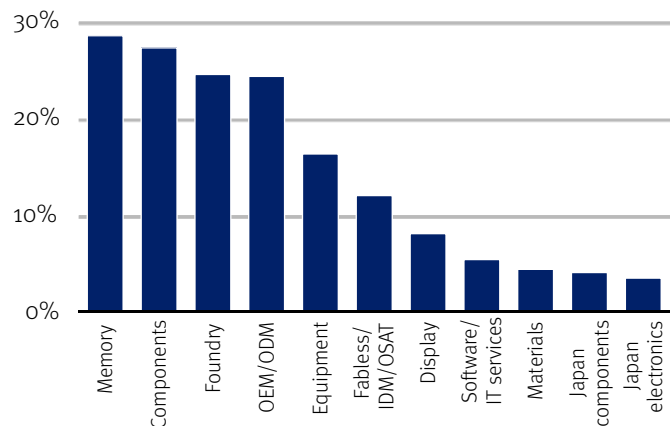
\*Market cap weighted average basis

Source: BofA Global Research estimates

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**Exhibit 15: Memory/Components/Foundry/OEM/ODM companies are expected to post 20%+ sales growth in FY26, mostly driven by AI-related demand**

Sales growth by sub-sector (FY26E)

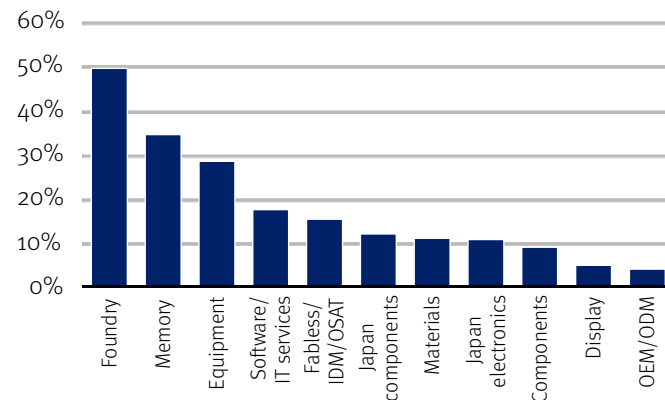


Source: BofA Global Research estimates

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**Exhibit 16: Foundry/Memory/Semis Equipment companies are generating near-30% or higher OP margins; display/OEM/ODM companies' OPM low-single digit % on average**

OP margin by sub-sector (FY26E)

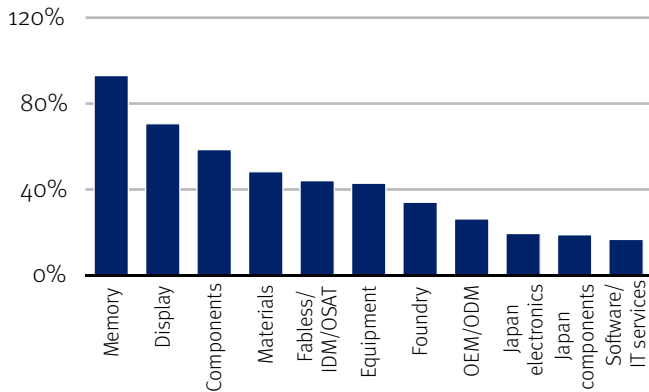


Source: BofA Global Research estimates

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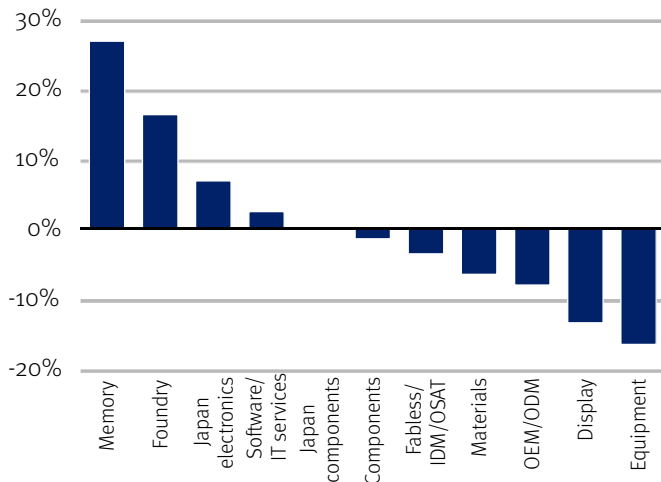
**Exhibit 17: All Asia technology segments are expected to deliver positive EPS growth in FY 26, led by memory (almost doubled) EPS growth by sub-sector (FY26E)**



\*Sub-sector EPS growth is based on market-cap weighted  
Source: BofA Global Research estimates

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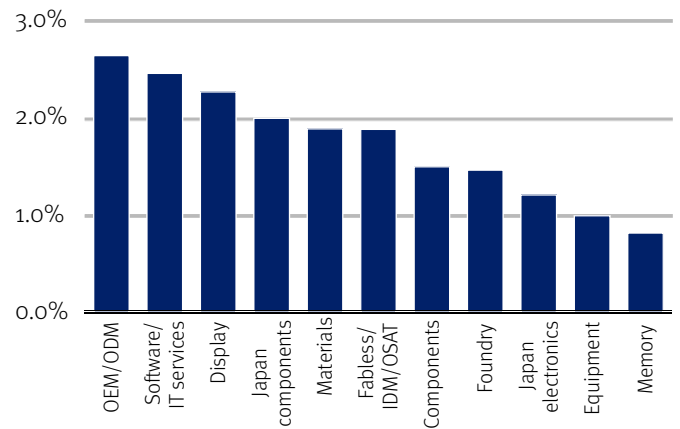
**Exhibit 19: Memory and foundry companies will increase capex in FY26 for technology upgrade and capacity expansion; other segments could trim spendings**  
Capex growth by sub-sector (FY26E)



Source: BofA Global Research estimates

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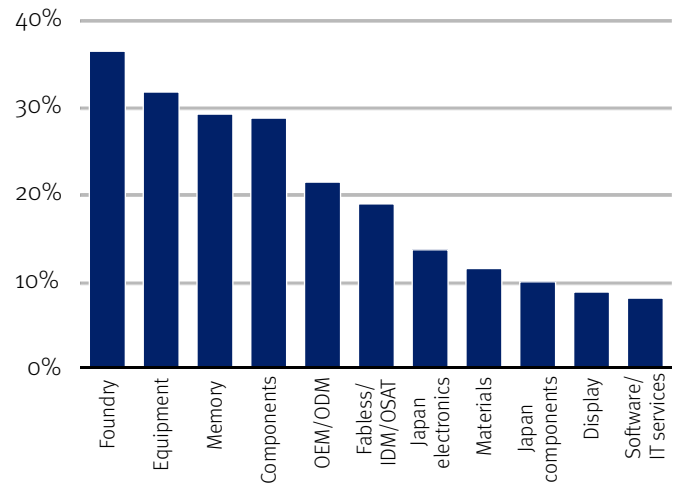
**Exhibit 18: Dividend yield broadly low at 1-2% range** Dividend yield by sub-sector (FY26E)



Source: BofA Global Research estimates

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**Exhibit 20: High ROE generated by foundry, semis equipment, memory, component companies vs low for display/software/IT ROE by sub-sector (FY26E)**



Source: BofA Global Research estimates

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## Glossary

**AI:** Artificial intelligence

**ADR:** American depositary receipt

**CoWoS:** Chip-on-Wafer-on-Substrate

**DRAM:** Dynamic random-access memory

**HBM:** High bandwidth memory

**LLM:** Large language model

**LNG:** Liquefied natural gas

**MLCC:** Multi-layer ceramic capacitor

**OEM:** Original equipment manufacturer

**PCB:** Printed circuit board

**NAND:** Not-AND memory

**SPE:** Semiconductor production equipment

## Price objective basis & risk

### Nittobo (3110 / NBCLF)

The ¥22,700 price objective is derived by applying a FY3/27 P/E multiple of 39x. This exceeds the upper end of the historical P/E range of 13.5-31.5x observed since April 2023, when growth in AI server-related demand began to accelerate.

Downside risks to the share price are (1) a decline in sales of Nittobo's glass fiber products due to slowdowns in the electronics industry, such as for smartphones, base stations, or servers, (2) sharp yen appreciation (each ¥ 1 appreciation against the dollar erodes annual OP by an estimated ¥160mn), and (3) sharp rises in crude oil prices (each \$1/bbl increase in the crude price erodes annual OP by an estimated ¥ 80mn). Upside risks are (1) stronger-than-expected momentum in the electronics industry, (2) sharp yen depreciation, and (3) sharp declines in crude oil prices.

### Resonac Holdings (4004 / SHWDF)

The price objective is ¥14,400. The FY12/27 P/E is 25x, a level close to the midpoint of the 10-42x range seen after IFRS adoption in 2023. As the expansion of the artificial-intelligence industry becomes more pronounced, demand for AI server-related materials is expected to be stronger and more sustained, and therefore we apply a higher valuation level

Upside risks are (1) sale of the graphite electrodes business, along with partial spin-offs of low earners such as petrochemicals, and (2) high HBM growth at semiconductor majors among Resonac customers. Downside risks are (1) a sharp fall in AI-related materials sales on technological advances such as hybrid bonding, (2) large write-downs, and (3) equity financing. Also, while the dropout of goodwill amortization with IFRS (¥17.2bn annually) is a boost for nominal EPS we note the risk of large impairment losses on businesses with low profits

### Ibiden (4062 / IBIDF)

Our PO for Ibiden is ¥10,300. The PO is based on a P/E of 34x our FY3/28 EPS estimate, a level equivalent to the upper end of the past 10 year P/E range. This valuation reflects the medium to long term growth potential of GPU semiconductor package substrates. We forecast 30% CAGR in EPS over the next five years. Profitability in business with major North American semiconductor manufacturer is also improving, and we expect the earnings trend is to become increasingly stable. We believe the company has entered a phase in which earnings can directly capture the high growth of GPU package substrates. In addition, we expect expansion of package substrates for ASICs and the ramp up of the Gama plant for leading edge substrates going forward. Downside risks to our PO are (1) a larger-than-expected decline in IC package demand due to data center market



weakness or contraction in the PC market, and (2) intensified price competition in the GPU package substrate market.

### **Tokyo Ohka Kogyo (4186 / TOKCF)**

Our price objective of ¥11,300 is derived by applying a 30x P/E multiple to our FY12/27 EPS forecast.

The 30x multiple represents the upper bound of the past three-year average plus 1 $\sigma$ , and reflects the company's deep involvement in technological innovation across both front-end and back-end semiconductor processes, particularly in advanced applications such as generative AI.

Downside risks are 1) longer than expected cooling demand in the semiconductor market, 2) customers failing to adopt Tokyo Ohka Kogyo's products for use in production lines for cutting-edge devices, 3) trend change of semiconductor market caused by US-China trade friction, and 4) sharp yen appreciation (FX sensitivity of OP: ¥0.2bn).

### **Fuso Chemical (4368 / XQRDF)**

Our ¥12,300 price objective is based on applying a 29.0x P/E multiple to our FY3/27E EPS. Ultra-high-purity colloidal silica has already driven full utilization of production lines, supported solely by demand from generative AI and other advanced-logic applications. More recently, China and back-end advanced-packaging demand have emerged as additional growth drivers. Given that growth expectations for the company are now at their highest level in years, we believe it is appropriate to apply a valuation of +1 $\sigma$  to the company's post-2020 peak multiple.

Upside risks are 1) Colloidal silica price hikes exceeding depreciation burden, 2) Colloidal silica price hikes exceeding depreciation burden, 3) Colloidal silica price hikes exceeding depreciation burden 4) Stronger malic-acid export growth to Europe/US. Downside risks are, 1) Sharp semiconductor market downturn, 2) Delays in major semiconductor fab construction, 3) Weak malic-acid demand, 4) Greater competitive entry into colloidal silica

### **MARUWA (5344 / MAWAF)**

Our ¥71,000 price objective is based on a 32x P/E and our FY3/27 EPS forecast. We referenced the share-price levels seen from 3Q FY3/26 onward, when yield concerns surrounding 1.6T AI-server heat-dissipation substrate production had eased to some extent and the market had begun to factor in earnings expansion from FY3/27 onward.

Downside risks are (1) slowing generative AI demand, (2) the emergence of rivals that erode Maruwa's high value-added heat dissipation substrates' competitiveness, (3) prolonged weakness in the Chinese economy, (4) receding automobile electrification, (5) difficulties in breaking into new markets to follow AI, and (6) rapid yen appreciation (OP sensitivity to the USD is tens of millions of yen).

### **Furukawa Electric (5801 / FUWAF)**

Our price objective (PO) for Furukawa Electric is ¥35,000, based on a P/E of 27.0x our FY3/28 EPS estimate. We use a level near the midpoint of the historical 6-45x range over the past ten years, incorporating the structural earnings uplift driven by high growth in AI server-related materials.

Upside risks to our PO are (1) a sharp recovery in US telecom investment and (2) rapid yen depreciation (each ¥1 depreciation vs USD lifts annual OP by ¥400mn). Downside risks are (1) stiffer competition and market share loss in thermal management solutions and products, (2) sharp decline in AI server-related investment, and (3) rapid yen appreciation.

### **DISCO (6146 / DISPF)**



We assign a PO of ¥81,000 to Disco based on FY3/28 P/E of 41x, which is on par with the average of 2 BEOL competitors and is within Disco's historical range of 13-50x. We consider this multiple appropriate given the new upcycle of earnings growth.

Upside risks to our PO are (1) stronger-than-expected AI-related demand, (2) recovery in equipment sales for smartphones, and (3) yen depreciation. Downside risks we identify are (1) SPE market deterioration due to abrupt changes in the external environment, (2) yen appreciation, and (3) margin erosion caused by competition flaring up unexpectedly.

### **Renesas Electronics (6723 / RNECF)**

Our PO for Renesas is ¥3,200, calculated by applying EV/EBITDA of 12x our FY12/26 estimates (non-GAAP). 12x multiple is close to the upper end of the historical trading range and reflects expectations that market conditions have bottomed and are entering an upcycle.

Upside risks to our price objective are 1) greater-than-expected improvement in prices and the cost structure, 2) sharp growth in the market for automotive and industrial semiconductors, 3) greater-than-expected top-line synergies with acquired companies, and 4) a rise in the share of the growing segments of the automotive market (ADAS/EV). Downside risks are 1) a deterioration in semiconductor market conditions owing to worse-than-expected reductions of global auto production and macroeconomic weakness, 2) asset-impairment losses owing to weaker-than-expected earnings in businesses that the company has aggressively acquired, and 3) the negative earnings impact of yen appreciation.

### **Panasonic (6752 / PCRFF)**

We base our ¥3,000 PO on SOTP, calculated by applying EV/EBITDA multiples to our FY3/27 estimates for each segment. We use a multiple of 6x in line with the average of competitors, for the lifestyle segment. We use a multiple of 7x for the connect segment with 6pt discount from the competitor due to uncertainty in BlueYonder. We use a multiple of 6x for the industry segment with 2pt discount from the competitor due to its competitiveness in FA solutions. We use a multiple of 22x for the energy segment in line with the competitors' average.

We apply a 20% conglomerate discount in calculating our price objective owing to the broad scope of Panasonic's business and information asymmetry between inside and outside the company. Downside risks to our price objective are (1) a global economic slowdown due to geo political risks, (2) a prolonged slump in housing-related investment owing to domestic economic stagnation, and (3) a decline in profitability resulting from stiffer-than-expected competition in the battery businesses. Upside risks are (1) faster improvement in battery productivity than we expect and (2) further scaling back of the business portfolio.

### **TDK (6762 / TTDKF / TTDKY)**

Our price objective for TDK is ¥2,800 (ADR \$18.06), based on a P/E of 22x our FY3/27 EPS estimate. This is around 10% below the upper end of the company's past five year range of 24x. We believe a multiple close to the historical upper end is achievable, considering (1) medium to long term expansion potential of the battery business, (2) profitability upside for passive components mainly for automotive applications, and (3) an improving profitability outlook for magnetic application products. Downside risks to achieving our PO are (1) an accelerated slowdown in battery business growth, (2) inventory buildup and weaker component demand in the HDD market, and (3) a slower-than-expected pace of earnings growth in the sensor business mainly for automotive applications.

### **Murata Mfg (6981 / MRAAF)**



Murata Mfg's price objective is ¥4,500. The basis for our PO calculation is P/E of 25x our FY3/28 estimate, which is close to the upper end of the company's 10-year historical range at 27x. Although there is short-term earnings deterioration due to a sharp slowdown in demand for high frequency modules and MetroCirc, we apply a P/E near the top of the historical range in light of the significant expansion potential of the component business including MLCCs. Downside risks to our earnings forecasts and PO are (1) a sharp decline in production volumes of end-products, such as smartphones and automobiles, owing to rising memory prices and shortages, (2) a larger-than-expected slowdown in component demand, (3) prolonged weakness in the connectivity module business, and (4) rapid yen appreciation from current levels. Upside risks are (1) recovery in delivery share of high frequency modules for major customer, (2) accelerated growth in electronic component demand for AI servers, and (3) demand recovery in key MLCC applications such as smartphones and autos.

#### **AirTAC (ATCXF)**

Our PO of NT\$1,300, is based on the average of our DCF and P/E valuation methodologies.

- (1) DCF-based fair value: We derive a fair value of NT\$1,333 from our DCF calculation, with assumptions of 2% FCF perpetuity growth and 10% WACC.
- (2) P/E-based fair value: We apply around 10-year historical average PER to arrive at our 26E target multiple (26x) and P/E-based fair value of NT\$1,268.

Upside risks to our PO are (1) stronger-than-expected macro economy, (2) stronger rebound/recovery of capex cycle demand, (3) gross margin improvement on higher utilization, and (4) higher contribution from new products (linear guide).

Downside risks to our PO are (1) weak macro, (2) more domestic competition, (3) raw materials that account for 50% of COGS (e.g., aluminum and copper are 25-30% of COGS), (4) FX and, particularly, the yen, due to major competitor SMC, and (5) new electronic components business, which could be a drag on earnings if demand is weak.

#### **Asia Vital Components (AVMPF)**

Our PO of NT\$2,225 is based on 24x 2H26-1H27E EPS. We use 24x P/E multiple (1.8SD above P/E average since 2020) in view of AVC's double-digit sales/EPS CAGR in 2025-27E. We believe AVC's leading position in thermal/cooling component market and strong AI market demand will drive rising liquid cooling sales mix and ASP/margin increase.

Upside risks to our PO are: (1) stronger demand in AI server, server, PC, smartphone, (2) better operating leverage with larger revenue scale, (3) less intensive competition, (4) faster product certification, (5) faster capacity expansion, (6) favorable FX movement (USD/RMB and/or USD/NTD) to help on GM and/or non-operating items.

Downside risks to our PO are: (1) softer AI server demand due to GPU/component shortage, (2) weaker server/PC/smartphone market demand amid inflation/macro uncertainties, (3) GM pressure due to higher material/labor/utility cost, (4) more intensive competition, (5) delayed product certification, (6) slower capacity expansion, (7) unfavorable FX movement (USD/RMB and/or USD/NTD) to weigh on GM and/or non-operating items.

#### **Aspeed (XLKMF)**

Our DCF-based PO is NT\$12,500, and we believe the valuation is justified by (1) the firm's high market share in the server BMC market, (2) secular growth in overall server market, despite near-term ebbs and flows of orders and shipments, (3) 42% earnings CAGR in 2025-27E, and (4) about NT\$201 net cash/share on hand, we assume WACC of 7% and a terminal growth rate of 3%.



Upside risk to our PO are

- (1) stronger-than-expected operating leverage on stronger revenue growth, and
- (2) faster progress in ramping up non-BMC product lines including Cupola 360.

Downside risks to our PO are

- (1) softer server (thus BMC) demand due to macro uncertainties, or pressured by trade conflict
- (2) market-share loss in BMC to current/potential competitors such as Nuvoton
- (3) customers' market-share loss in ones (such as HP and Dell) to which Aspeed has less exposure.

### **Chroma ATE (CRMJF)**

Our Price Objective of NT\$1,580 on Chroma is based on 35x 2027E P/E, which is at upper half of the company's historical trading range of 9-40x. In our view, the valuation multiple is underpinned by

- 1) +50% earnings CAGR in 2025-27E supported by +35% sales CAGR growth and GMs/OpMs expanding, 2) ROE expansion to around 35% in 2025-27E, 4) net cash of around NT\$21/share, and 5) free cash flow generation of around NT\$15/share per annum across 2025-27E.

Downside risks to our price objective are:

- 1) weaker market demand, especially the cloud AI investment moderation, leading to slower infrastructure builds especially in China and dragging the company's revenue growth for its power testing equipment business and operating leverage
- 2) a more conservative investment cycle from the hyperscalers on further data center deployment due to growing capex could dampen the demand for GPU and ASIC, negatively impacting the testing equipment demand for related chipsets.
- 3) failure to execute on the customized equipment requested by its customers or delay of technology roadmap could lead to an order shift to its competitors.

### **Delta Electronics Inc. (DLTEF)**

Our PO of NT\$1,600 is based on 30x 2027E EPS, which is 3.0 standard deviations above Delta's average trading P/E since 2012. We believe the P/E multiple is justified, given (1) continuous strength and leading position in server power-supply and power choke business, (2) content/value growth with broader product offering in AI (artificial intelligence) business, (3) rising cooling sales by targeting top CSPs' customized projects, and (4) ongoing margin expansion.

The upside risks to our PO are (1) stronger-than-expected server/datacenter demand, (2) faster-than-expected IA recovery, and (3) faster-than-expected EV model launches by global brands.

The downside risks to our PO are (1) unexpected changes in policy that could impact IA growth in China, (2) slower-than-expected server/datacenter demand recovery, and (3) earnings impact from unprofitable long-term investments.

### **Elite Material (ETMCF)**

Our PO of NT\$3,100 is based on 28x 2027E P/E, at the high-end of its historical 2016-25 range of 6-30x. In our view, the multiple is appropriate, given the market-share expansion in server/networking, where we see structural growth in addressable market.

Upside risks are (1) share gain at substrate CCL, (2) stronger 5G smartphone shipment, (3) greater 5G smartphone spec upgrades, and (4) favorable FX and raw material cost change.



Downside risks are (1) share loss at iPhone, (2) keener competition in high-end CCL, and (3) unfavorable FX and raw material cost change.

#### **GDS Holdings (GDS / XMJFF)**

Our PO of US\$56.7 / HK\$55.6 is based on 1) 14x 12-month-forward EV/EBITDA for China business (GDSH, 100% stake), which is set 20% discount to overseas peers given lower profitability, and 2) 25x 12-month-forward EV/EBITDA for the international business (DayOne, 23.7% stake).

Upside risks: (1) faster-than-expected ramp-up for domestic backlog, (2) faster-than-expected overseas expansion, and (3) new government policies supporting the data center industry.

Downside risks: (1) lower prices for data center services on higher competition, (2) slower-than-expected move-in pace from clients, and (3) AI chip shortages due to more overseas restrictions.

#### **Gold Circuit (GOCCF)**

Our PO of NT\$1,000 is based on 22x 2027E EPS, which is 2.5 standard deviations above the historical average since 2020 (the first year when server accounted for more than 50% of total sales). Our 22x valuation multiple reflects (1) GCE's high AI server exposure, (2) solid sales mix from better-margin server/networking business, and (3) ongoing margin expansion.

Upside risks: (1) stronger server/networking market demand to drive ASP/margins, (2) better utilization rate, (3) faster capacity expansion in Thailand, (4) lower raw material/labor/logistics costs, and (5) favorable FX movement.

Downside risks: (1) ASIC platform delay, (2) weaker market demand amid inflation/macro uncertainties, (3) softer AI server demand due to AI chip short supply, (4) GM pressure from lower utilization rate, higher raw material/labor/logistics costs, and (5) unfavorable FX movement.

#### **Hanmi Semiconductor (HNSIF)**

Our PO of W300,000 is derived from 47x 2028E P/E. This is near -20% lower than 2024-25 average (30-120x range or mean of 60x) to be conservative. The reason why we use 2028E EPS is because of significant impact of newly constructed fabs in Korea with meaningful ramp-up in 2028E (Hynix's Yongin fabs, Samsung's P5). We believe strong earnings growth with high margins through 2H26 and 2027-28 will warrant for high P/E multiples that were proved over the past two years. Upside risk should be stronger TCB orders from Hynix, Micron and even Samsung Electronics. Downside risk is mostly related to market share loss to competitors (ASMPT, Hanwha Semitech).

#### **Hanwha Aerospace (SSASF)**

Our W1,900,000 PO for Hanwha Aerospace is based on P/E valuation. We use P/E valuation methodology, given stronger multi-year earnings growth visibility arising from land system and shipbuilding (100% OP-consolidated) in the US, Western Europe and Middle East (2035E sales/OP of W70tn/W10tn). We assign a 36.5x target P/E to 2026E EPS (discount rate of 10% vs closest peer's 2026 P/E of 41x, based on BofA estimates).

Downside risks to our PO are: (1) potential delay or cancellation of orders from Europe, (2) defense budget cutbacks impacted by inflation and fiscal crisis, and (3) delays to production localization in Poland.

#### **Hon Hai Precision Industry (HNHAF)**

We set our PO at NT\$305 (15x 2H26-1H27E EPS), at around 3SD above historical P/E average since 2007. We think the valuation is justified as HH's leading position in



EMS/ODM business, improving iPhone momentum with replacement cycle, rising sales from AI business, more diversified global footprint than peers to mitigate tariff/geopolitical risk, and improving balance sheet with higher cash dividend payout.

Downside risks to our PO are: (1) weaker momentum from Apple business (iPhone, iPad and Apple Watch), (2) increasing competition in EMS business from peers, (3) slower sales/earnings delivery in auto/EV business, and (4) weaker market demand or lower shipment from Nvidia AI server rack/system business.

Upside risks to our PO are: (1) better-than-expected yield rate and demand for iPhone, iPad and Apple Watch business, (2) further automation adoption to reduce labor costs and improve efficiency, (3) faster sales/earnings delivery from auto/EV business, and (4) stronger market demand or higher shipment from Nvidia AI server rack/system business.

### **InnoScience Technology (XSCHF)**

Our PO of HK\$108 is based on a DCF valuation (WACC: 10.7%, terminal growth: 3%), reflecting positive outlook on InnoScience's long-term growth trajectory. Our PO implies a FY26E price/sales growth (PSG) of 0.54x, based on 79% FY25-27E revenue CAGR. The 0.54x implied PSG is largely in line with peers' average FY26E PSG.

Upside risks: (1) faster-than-expected GaN adoption in data center and automotive, (2) earlier-than-anticipated profitability, and (3) better customer development progress with more new design wins.

Downside risks: (1) prolonged capex cycles weighing on profitability, (2) intensified competition, and (3) execution challenges under an IDM model.

### **Jentech (XVFSF)**

Our PO of NT\$4,655 is based on 25x 2H27-1H28E EPS. We use 25x P/E multiple (around 1SD above P/E average since IPO) in view of strong AI server market demand, leading position in semi-packaging level cooling components, expanding margins, and double-digit sales/EPS CAGR in 2025-27E.

Upside risks to our PO are: (1) stronger AI server demand, (2) supply chain's faster cooling design migration, (3) faster capacity expansion, (4) favorable FX movement (mainly USD/NTD).

Downside risks to our PO are: (1) softer AI server demand, (2) GM pressure due to higher raw material cost, (3) supply chain's delayed cooling design migration, (4) slower capacity expansion, (5) unfavorable FX movement (mainly USD/NTD) to weigh on GM and/or non-operating items.

### **King Yuan Electronics Corp. (KYUFF)**

We value KYEC at NT\$370 per share, based on 20x 2027E P/E, which is more than one standard deviation above its historical average since 2010. In our view, P/E valuation is appropriate for KYEC given its strong growth in earnings over the past few years, future growth potentials with upside in total addressable market (TAM) and market share, and enhanced cash position. We think 20x P/E, which is above the average P/E level of global OSAT peers, is undemanding, in view of its better ROE profile and 2-3% dividend yield.

Downside risks are

- 1) faster-than-expected pick-up by testing peers in high-end AI area,
- 2) greater-than-expected slowdown in global smartphone/consumer electronics demand,
- 3) potential asset disposal caused by strategy shift amid the ongoing decoupling in the semis supply chain.

### **Kingdee International Software (KGDEF)**



Our PO of HK\$20.2 is derived by a sum of the parts (SOTP), which includes (1) HK\$20.0 based on 9x FY26E P/S for cloud revenue, 10% discount to the average of the U.S. leading SaaS companies due to Kingdee's weaker profitability, (2) HK\$0.1 based on 10x FY26E P/E for earnings of ERP business, 60% discount to average P/E of China software companies (the discount is applied due to the sharp revenue declining trend of the ERP business under the cloud strategy), and (3) HK\$0.1 for investment property business based on DCF valuation, with WACC of 9.3% and terminal growth rate of 2.0%.

Upside risks: (1) stronger topline growth driven by AI, (2) slower-than-expected decline of ERP business, and (3) better-than-expected operating margin improvement.

Downside risks: (1) intensified SaaS competition, (2) slower-than-expected cloud service revenue or subscription revenue growth, (3) valuation pushback on weaker stock market sentiment.

### **Korea Aerospace (XAQHF)**

Our price objective of W190,000 is based on a EV/EBITDA valuation methodology. We assign 29x 26E target EV/EBITDA, reflecting current average of aircraft builders (Boeing/Airbus), given stronger export growth visibility of finished aircrafts. Given the high earnings volatility impacted by non-operating items, we use EV/EBITDA valuation instead of P/E methodology to assess core operational value of defense business.

Downside risks are 1) order cancellations, 2) defense budget cuts, and 3) any approval delays to international arms transfer.

### **LG Electronics (LGEAF)**

Our PO of W170,000 is based on 15x 2026-27E P/E, which is slightly lower than the long-term historical average (16x) to be conservative despite mid to up-cycle earnings.

Upside risks: 1) unexpected removal of US tariffs, 2) more active shareholder returns, 3) growth opportunities with data center chiller, TV webOS, electric vehicle motor, subscription-based home appliance sales and robotics, and 4) US market share gains at the expense of China OEMs.

Downside risks: 1) bigger impact of US tariffs (e.g., global recession), 2) China competitors' more innovative consumer electronics and robotics, and 3) cost increase (logistics, metals, labor, utilities).

### **MPI Corporation (XMJCF)**

Our PO NT\$3,300 is based on 35x 2027E P/E, which is at the high-end of the company's historical trading range (10x-35x). In our view, the valuation multiple is underpinned by 1) 65% earnings CAGR in 2025-27E, 2) operating margin of 35-36% in 2026-27E, 3) ROE of 43% in 2026-27E, 4) net cash of NT\$41/share, and 5) free cash flow generation of NT\$75/share in 2026-27E.

Downside risks to our PO are:

- 1) slower end market demand, which may undermine the company's revenue growth and operating leverage
- 2) customers' switch from VPC probe card to MEMS solution, where MPI has a less dominant position
- 3) keener competition especially from its foreign competitors, which may dampen the margin profile
- 4) failure to execute or delay of in-sourcing strategy on PCB, which may limit the firm's delivery/supply to customers.

### **Pony AI (XNPYF / PONY)**

We derive our PO of USD19 per ADS (HKD148 per share) by using an average of P/S valuation method and DCF valuation method. We see P/S as an appropriate metric as



Pony is loss-making at EBITDA and net profit level. We believe DCF valuation is the other suitable valuation methodology as it is better to capture a company's net profit (loss), working capital management, capex and cashflow generation.

We derive a fair value of USD24.8 from our DCF calculation, with assumptions of 2% FCF perpetuity growth. For WACC, we use a 3.0% risk-free rate, 10% market return and Beta of 1.2 to calculate and derive the discount rate (WACC) of 11.1%.

We derive a fair value of USD12.8 from P/S method, based on (1) deriving 2029E equity value by applying 5x P/S over 2029E revenue, and (2) deriving 2025E equity value by discounting 2029E equity value with 11.1% discount rate (same as WACC). We apply 5x P/S target multiple to Pony, which is based on average 2026 P/S of global auto tech companies. We regard global auto tech companies as the closest peers to Pony, as they both ramp up commercialization relying by their core-technology in automotive space and run business on an asset-light model.

Downside risks: Slower than expected growth in autonomous driving industry, competition in autonomous driving industry, product liability if involved in accidents and passenger injuries, regulation risks.

#### **Samsung Electro-Mechanics (SMSGF)**

Our PO of ₩500,000 is derived from 27x 2026-27E P/E. This is 50%+ higher than longterm historical average of 17x due to the above-trend EPS growth outlook (50% CAGR in 2026-28). In fact, P/E hit 30x in 2023 and 2025 once the share price hit a year-high. Since 2026-27 earnings are expected to exceed 2023/25 levels, high-20x or near 30x P/E should be established in 2026, in our view.

Upside risk to our PO is mostly related to the unexpected price rally of MLCC or stronger new orders for semis substrates. Also, successful commercialization of glass substrate (mainly for AI server chip) could offer stronger growth opportunity.

Downside risks should be weaker captive demand (Samsung Electronics' semis and smartphone) and Japan/Taiwan competitors' aggressive price cut (MLCC, substrates, camera modules).

#### **Samsung Electronics (SSNLF / SSNHZ)**

Our PO of ₩270,000 is derived from 16x 2026-27E P/E, which is 18% higher than the long-term year-average share price level (13.3x in 2015-25), but still 6% lower than year-high share price level (17x). We assume upcycle level of earnings in 2026-27E. Our GDR PO of US\$4,650 is automatically calculated at an FX rate of near-₩1.45k/USD.

Downside risks are mostly related to US tariffs, 12-hi HBM execution, memory price cuts, large foundry loss and aggressive capex increase.

Upside risks could come from US Big Tech (new orders for HBM and even 2nm node foundry), conventional memory cycle (significant price hike), restructuring plan (significant cost cut) and shareholder return (payout ratio increase).

#### **Samsung Electronics Preferred (SSNNF)**

Our PO of ₩202,500 for the preferred shares is based on a 25% fair discount (close to past 12-month average) to the common shares, given no voting rights. However, the dividend amount is almost the same for both types. This offers a higher yield for the preferred shares vs the common. The discount ratio (preferred share price vs common) was c.10% in 2021-22, but it rose to near-20% in 2024-25 (undervalued vs the common).

Our valuation of the common shares is derived from 16x 2026-27E P/E, which is close to



historical 2020-25 average (mid to high teens) or current multiples of global peers (TSMC, NVIDIA, ASML, AMAT, Apple, etc), despite above trend of growth/margin/return.

Downside risks are mostly related to US tariffs, 12-hi HBM execution, memory price cuts, large foundry loss and aggressive capex increase.

Upside risks could come from US Big Tech (new orders for HBM and even 2nm node foundry), conventional memory cycle (significant price hike), restructuring plan (significant cost cut) and shareholder return (payout ratio increase).

#### **SK Hynix (HXSCF)**

Our PO of W1,400,000 is derived from 10x 2026-27E EPS. Our fair P/E multiple of 10x is in fact lower than the 2016-25 average (12x). We believe the company's already proven strong 2025 results and encouraging 2026-27 outlook with HBM leadership (50-60% global market share) will lead to re-rating at above-10x fair P/E.

Upside risk is stronger HBM demand from US Big Tech, further price hike of commodity DRAM, and unexpected supply disruption from its memory peers.

Downside risk is competitors' more aggressive capex increase.

#### **SK Square (SKSQF)**

Our valuation methodology behind our PO of W850,000 starts with a fair market cap of Hynix (W988tn = W1.4mn PO x 713mn shares) x 20% stake (W190tn) x 45% discount = W113tn. If we divide W113tn (fair value of Square's firm value) by Square's outstanding shares (132mn), we get W850k fair-value. Our 45% discount ratio assumption is slightly lower than historical average (50% range in 2021-25) but close to recently established re-rated ratio (low- to mid-40%).

Upside risk is Hynix's upbeat earnings momentum on the back of stronger HBM demand from US Big Tech, further price hike of commodity memory chips, and more active shareholder return activities (share buybacks, special dividend).

Downside risk is memory cycle hard-landing exacerbated by slowdown in US Big Tech's AI-related capex spend, more aggressive capacity expansion by competitors, and Hynix's HBM market share loss.

#### **Taiwan Semiconductor Manufacturing Co. (TSMWF / TSM)**

Our PO for TSMC is NT\$2,360 per share (US\$470 per ADR), based on 20x 2027E P/E. TSMC's valuation has traded in the range of 10-26x PE from 2017. 20x is in the mid to high end of the historical range, above the average P/E of 18x. We think a PE above the average is justified given TSMC's enhanced industry position and mid-40% 5-year CAGR in AI should underpin a re-rating

Downside risks to our price objective are: (1) greater-than-expected slowdown in global smartphone/consumer electronics demand, (2) Intel's potential insourcing strategy and ambitions in foundry service, and (3) execution risks on advanced nodes. (4) Higher than expected tariffs

#### **VNET Group (VNET)**

Our PO of US\$17.9 is based on 15x 12-month forward estimated. EV/EBITDA, 25% lower than the average of China data center peers given lower portion of wholesale IDC revenue.

Upside risks: (1) faster-than-expected growth in new wholesale orders, (2) quicker-than-expected ramp-up in utilization levels, and (3) sooner-than-expected AI business



ramping-up.

Downside risks: (1) failure in getting new orders from wholesale customers, (2) lower prices for data center services on higher competition, and (3) AI chip shortages due to more overseas restrictions.

### **Winbond Electronics (WBEKF)**

Our PO of NT\$145 is based on 4x 2026 BVPS of NT\$36 benchmarking the global/Taiwan memory peers' upcycle valuation (3-5x P/B). This reflects our optimistic view on DRAM and NOR flash pricing trend which should drive an immediate upcycle level profit generation by Winbond in 2026.

Upside risks are: 1) longer-than-expected DRAM price recovery, 2) more meaningful sales contribution from CUBE in 2026, and 3) profitability improvement in the logic business (particularly automotive micro-controller processors).

Downside risks are: 1) more intensive competition from China peers in DRAM and NOR flash areas, 2) further contraction in the global automotive/auto component demand.

### **WinWay Technology (XWCLF)**

Our PO NT\$6,000 is based on 33x 2027E P/E, which is at mid-to-high-end of the company's historical trading range (9-40x). In our view, such valuation multiple can be supported by 1) operating margin expansion to 35-36%, 2) ROE expansion to around 50%, 3) free cash flow generation of NT\$115/share in 2026-27, 4) net cash/share of around NT\$72, and 5) its meaningful revenue exposure (around 50%) to AI/HPC applications, where the growth is more structural.

Downside risks are

- 1) slower capex growth by datacenter/hyperscale cloud service providers (CSPs), which will undermine the demand of AI GPU/ASIC and correspondingly pose a negative impact on the consumption of WinWay's testing socket
- 2) less satisfactory execution in the capacity expansion (especially when the pins used in testing socket remain under-supply), which could interrupt the delivery by WinWay and undermine its track record to the customers
- 3) a shortfall in customers' demand or share loss in key customers, which could bring significant impact to WinWay given its concentrated revenue exposure to top 3 customers
- 4) a business model change in probe card business which makes WinWay being bypassed, especially when the company still lacks the key technology know-how in pins (used in probe card)

## **Analyst Certification**

We, Simon Woo, CFA, Dai Shen, Daley Li, CFA, Doris Kao, Haas Liu, KJ Hwang, Masashi Kubota, Matt Shin, Mike Yang, Mikio Hirakawa, Ming Hsun Lee, CFA, Niima Komura, Robert Cheng and Takashi Enomoto, hereby certify that the views each of us has expressed in this research report accurately reflect each of our respective personal views about the subject securities and issuers. We also certify that no part of our respective compensation was, is, or will be, directly or indirectly, related to the specific recommendations or view expressed in this research report.

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**APR - Industrials Coverage Cluster**

Investment rating	Company	BofA Ticker	Bloomberg symbol	Analyst
<b>BUY</b>				
	Aboitiz Equity Ventures, Inc.	ABOIF	AEV PM	Julian Roxas
	AirTAC	ATCXF	1590 TT	Ming Hsun Lee, CFA
	Anhui Heli	AHUHF	600761 CH	Summer Wang, CFA
	Ayala Corporation	AYYLF	AC PM	Russ Toribio
	Centre Testing International	XCTEF	300012 CH	Yikai Liu, CFA
	Daifuku	DAIUF	6383 JP	Kenjin Hotta
	Daikin Industries	DKILF	6367 JP	Kenjin Hotta
	Daikin Industries	DKILY	DKILY US	Kenjin Hotta
	GeekPlus	BGTCF	2590 HK	Summer Wang, CFA
	GTCAP	GTHOF	GTCAP PM	Russ Toribio
	Hainan Jinpan	XKZNF	688676 CH	Matty Zhao
	Hangcha Group	XXCLF	603298 CH	Summer Wang, CFA
	Hangzhou Great Star	XNZLF	002444 CH	Summer Wang, CFA
	Hankuk Carbon	HKUCF	017960 KS	KJ Hwang
	Han's Laser	XHQTF	002008 CH	Summer Wang, CFA
	Hanwha Aerospace	SSASF	012450 KS	KJ Hwang
	HD Hyundai Electric	XPELF	267260 KS	Sun Jung Lee
	HD Hyundai Heavy Industries	XHZXF	329180 KS	KJ Hwang
	Himile	XMSVF	002595 CH	Fiona Liang
	Hiwin Technologies	HITEF	2049 TT	Ming Hsun Lee, CFA
	Huaming Equipment	XKTIF	002270 CH	Matty Zhao
	IHI	IHICF	7013 JP	Kenjin Hotta
	Jiangsu Hengli Hydraulic Co., Ltd	XHDCF	601100 CH	Ming Hsun Lee, CFA
	Kawasaki Heavy Industries	KWHIF	7012 JP	Kenjin Hotta
	Keyence	KYCCF	6861 JP	Kenjin Hotta
	Korea Aerospace	XAQHF	047810 KS	KJ Hwang
	LS Electric	LGXSF	010120 KS	Sun Jung Lee
	Makita	MKEWF	6586 JP	Kenjin Hotta
	Mingyang Smart Energy	XLARF	601615 CH	Charlotte Xia
	Mitsubishi Heavy Industries	MHYVF	7011 JP	Kenjin Hotta
	MNC Solution	XZXRf	484870 KS	Dongho Shin
	Nabtesco	NCTKF	6268 JP	Kenjin Hotta
	NARI Technology	XLODF	600406 CH	Matty Zhao
	Samsung Heavy Industries	SMSHF	010140 KS	KJ Hwang
	Sany Heavy Industry Co., Ltd	SHVYF	600031 CH	Ming Hsun Lee, CFA
	SATS Limited	SPASF	SATS SP	Nathan Gee, CFA
	Shenling	XSRLF	301018 CH	Yibing Xia
	Shenzhen Megmeet	XMXMLF	002851 CH	Yikai Liu, CFA
	Sieyuan Electric	XUJKF	002028 CH	Matty Zhao
	Sinexcel	XSBEF	300693 CH	Summer Wang, CFA
	Sinotruk Hong Kong Ltd	SHKLF	3808 HK	Fiona Liang
	SK Bend	SUKWF	014620 KS	KJ Hwang
	SM Investments Corporation	SVTMF	SM PM	Russ Toribio
	SMC	SMECF	6273 JP	Kenjin Hotta
	SMC	SMCAY	SMCAY US	Kenjin Hotta
	ST Engineering	SGGKF	STE SP	Jessie Lo
	Suzhou Maxwell Technologies	XSMTF	300751 CH	Gary Tsang
	THK	THKLF	6481 JP	Kenjin Hotta
	UBTECH	UBTRF	9880 HK	Ming Hsun Lee, CFA
	Weichai Power Co. Ltd	WEICF	2338 HK	Fiona Liang
	Weichai Power Co. Ltd	XWPEF	000338 CH	Fiona Liang
	XCMG Construction Machinery Co Ltd	XVPZF	000425 CH	Ming Hsun Lee, CFA
	XJ Electric	XJECF	000400 CH	Matty Zhao
	Yangzijiang Shipbuilding	YSHLF	YZJSGD SP	Amy Han
	Yuchai International	CYD	CYD US	Fiona Liang
	Zoomlion Heavy Industry	XLRYF	000157 CH	Ming Hsun Lee, CFA
	Zoomlion Heavy Industry	ZLIOF	1157 HK	Ming Hsun Lee, CFA
<b>NEUTRAL</b>				
	D&L Industries, Inc.	DALQF	DNL PM	Philip Albert Felix
	Dongguan Yiheda Automation	XDXGF	301029 CH	Yikai Liu, CFA
	Envicool	XPTIF	002837 CH	Yibing Xia
	Fanuc	FANUF	6954 JP	Kenjin Hotta
	Fanuc	FANUY	FANUY US	Kenjin Hotta



**APR - Industrials Coverage Cluster**

Investment rating	Company	BofA Ticker	Bloomberg symbol	Analyst
	Goldwind	XJNGF	2208 HK	Gary Tsang
	Kubota Corp	KUBTF	6326 JP	Kenjin Hotta
	Kubota Corp	KUBTY	KUBTY US	Kenjin Hotta
	OMRON Corporation	OMRNF	6645 JP	Kenjin Hotta
	OMRON Corporation	OMRNY	OMRNY US	Kenjin Hotta
	TGOOD	XQGDF	300001 CH	Yikai Liu, CFA
	Yaskawa Electric	YASKF	6506 JP	Kenjin Hotta
	Zhejiang Supcon Technology	XDFFF	688777 CH	Yikai Liu, CFA
	Zhuzhou CRRC Times Electric	ZHUZF	3898 HK	Yikai Liu, CFA
	Zhuzhou CRRC Times Electric	XWCTF	688187 CH	Yikai Liu, CFA

**UNDERPERFORM**

	Alliance Global Group, Inc.	ALGGF	AGI PM	Russ Toribio
	CKD	CKDOF	6407 JP	Kenjin Hotta
	ESTUN Automation	XNJNF	002747 CH	Ming Hsun Lee, CFA
	Goldwind	XJGWF	002202 CH	Gary Tsang
	Hitachi CM	HTCMF	6305 JP	Kenjin Hotta
	Hongfa Technology	XQXAF	600885 CH	Fiona Liang
	Komatsu	KMTUF	6301 JP	Kenjin Hotta
	Komatsu	KMTUY	KMTUY US	Kenjin Hotta
	L.K. Technology	XBQXF	558 HK	Joey Yang, CFA
	Leader Harmonious Drive Systems	XLHNF	688017 CH	Yikai Liu, CFA
	LT Group, Inc.	LTGIF	LTG PM	Philip Albert Felix
	OPT Machine Vision	XOTVF	688686 CH	Yikai Liu, CFA
	SCG Packaging PCL	XAFLF	SCGP TB	Narumon Ekasamut
	Shanghai Bochu Electronic	XWUTF	688188 CH	Summer Wang, CFA
	Shenzhen SC New Energy	XENYF	300724 CH	Yikai Liu, CFA

**APR - Semiconductor Coverage Cluster**

Investment rating	Company	BofA Ticker	Bloomberg symbol	Analyst
<b>BUY</b>	Alchip	ALCPF	3661 TT	Haas Liu
	AMEC	XRTOF	688012 CH	Dai Shen
	ASE Technology Holding	XSRIF	3711 TT	Haas Liu
	ASE Technology Holding -ADR	ASX	ASX US	Haas Liu
	ASMedia Technology Inc.	XZSFF	5269 TT	Mike Yang
	ASMPT	ASMVF	522 HK	Simon Woo, CFA
	Aspeed	XLKMF	5274 TT	Mike Yang
	Chroma ATE	CRMJF	2360 TT	Haas Liu
	eMemory	XYLWF	3529 TT	Mike Yang
	Global Unichip Corp.	GBUHF	3443 TT	Haas Liu
	Grand Process Technology Corp	XZOWF	3131 TT	Mike Yang
	Hanmi Semiconductor	HNSIF	042700 KS	Simon Woo, CFA
	Horizon Robotics	HRZRF	9660 HK	Daley Li, CFA
	InnoScience Technology	XSCHF	2577 HK	Daley Li, CFA
	JCET Group Co Ltd	XJIEF	600584 CH	Dai Shen
	King Yuan Electronics Corp.	KYUFF	2449 TT	Haas Liu
	MediaTek	MDTKF	2454 TT	Haas Liu
	Montage Technology	XRDFE	688008 CH	Daley Li, CFA
	MPI Corporation	XMJCF	6223 TT	Mike Yang
	Nanya Technology	NNYAF	2408 TT	Simon Woo, CFA
	NCE Power	XVFFF	605111 CH	Daley Li, CFA
	OmniVision	XXHQF	603501 CH	Dai Shen
	Powerchip Semiconductor Manufacturing Co	XCHPF	6770 TT	Haas Liu
	Powertech Technology	XPPZF	6239 TT	Simon Woo, CFA
	Rockchip	XRPXF	603893 CH	Daley Li, CFA
	Samsung Elec -G	SSNHZ	SMSN LI	Simon Woo, CFA
	Samsung Electronics	SSNLF	005930 KS	Simon Woo, CFA
	Samsung Electronics Preferred	SSNNF	005935 KS	Simon Woo, CFA
	Silicon Motion	SIMO	SIMO US	Simon Woo, CFA
	SK Hynix	HXSCF	000660 KS	Simon Woo, CFA
	SK Square	SKSQF	402340 KS	Simon Woo, CFA



**APR - Semiconductor Coverage Cluster**

Investment rating	Company	BofA Ticker	Bloomberg symbol	Analyst
	Taiwan Semiconductor Manufacturing Co.	TSM	TSM US	Haas Liu
	Taiwan Semiconductor Manufacturing Co.	TSMWF	2330 TT	Haas Liu
	Winbond Electronics	WBEKF	2344 TT	Dai Shen
	WinWay Technology	XWCLF	6515 TT	Mike Yang
	WT Microelectronics	XZOPF	3036 TT	Mike Yang

**NEUTRAL**

	Black Sesame Intl Holding	BSIHF	2533 HK	Daley Li, CFA
	Crystal Clear	XPPTF	300655 CH	Dai Shen
	GigaDevice	XGXIF	603986 CH	Daley Li, CFA
	Kinik	KIKCF	1560 TT	Haas Liu
	LX Semicon	XLXSF	108320 KS	Simon Woo, CFA
	M31 Technology	XMTZF	6643 TT	Mike Yang
	Novatek	NVKMF	3034 TT	Haas Liu
	Phison Electronics	PISNF	8299 TT	Simon Woo, CFA
	Realtek	RLTKF	2379 TT	Mike Yang
	Shenzhen Goodix	XQPLF	603160 CH	Daley Li, CFA

**UNDERPERFORM**

	Faraday	FDYTF	3035 TT	Mike Yang
	GlobalWafers	XWLFF	6488 TT	Mike Yang
	Hangzhou Silan Microelectronics	XDFRF	600460 CH	Daley Li, CFA
	Hua Hong Semi	HHUSF	1347 HK	Dai Shen
	Ingenic	XISCF	300223 CH	Dai Shen
	Lion Electronics	XDHFF	605358 CH	Dai Shen
	Macronix International	MXICF	2337 TT	Dai Shen
	Maxscend	MXMSF	300782 CH	Daley Li, CFA
	Parade	PRDWF	4966 TT	Mike Yang
	Silergy Corp.	SLEGF	6415 TT	Mike Yang
	Soulbrain	XSBOF	357780 KS	Simon Woo, CFA
	United Microelectronics Corp.	XUMIF	2303 TT	Haas Liu
	United Microelectronics Corp.	UMC	UMC US	Haas Liu
	Vanguard International Semiconductor Co	VGILF	5347 TT	Haas Liu
	VeriSilicon	XMLZF	688521 CH	Daley Li, CFA
	Win Semiconductors	XWIIF	3105 TT	Haas Liu
	Wonik IPS	XRHQF	240810 KS	Simon Woo, CFA

**APR - Technology Hardware Coverage Cluster**

Investment rating	Company	BofA Ticker	Bloomberg symbol	Analyst
<b>BUY</b>	AAC Technologies	AACAF	2018 HK	Katherine Zhu
	Asia Vital Components	AVMPF	3017 TT	Doris Kao
	BizLink	BIZLF	3665 TT	Doris Kao
	BOE Technology Group Co., Ltd	XCJQF	000725 CH	Brad Lin
	Chenbro	CEOMF	8210 TT	Cindy Lo
	Cowell	CWLLF	1415 HK	Katherine Zhu
	Crystal-Optech	XMKAF	002273 CH	Katherine Zhu
	Delta Electronics Inc.	DLTEF	2308 TT	Robert Cheng
	Duksan Neolux	XDSXF	213420 KS	Simon Woo, CFA
	E Ink Holdings	PWIF	8069 TT	Doris Kao
	Elite Material	ETMCF	2383 TT	Mike Yang
	Foxconn Industrial Internet	XDAZF	601138 CH	Robert Cheng
	Goertek	XGKCF	002241 CH	Katherine Zhu
	Gold Circuit	GOCCF	2368 TT	Doris Kao
	Hon Hai Precision Industry	HNHAF	2317 TT	Robert Cheng
	Inovance Technology	XYRFF	300124 CH	Ming Hsun Lee, CFA
	Jentech	XVFSF	3653 TT	Doris Kao
	King Slide	KGSLF	2059 TT	Doris Kao
	Lens Tech	XLTVF	6613 HK	Katherine Zhu
	Lens Tech	XLTGF	300433 CH	Katherine Zhu
	LG CNS	XLGLF	064400 KS	Simon Woo, CFA
	LG Electronics	LGAEF	066570 KS	Simon Woo, CFA
	LG Innotek	XLGQF	011070 KS	Simon Woo, CFA



**APR - Technology Hardware Coverage Cluster**

Investment rating	Company	BofA Ticker	Bloomberg symbol	Analyst
	Lotes	ZYZTF	3533 TT	Doris Kao
	Luxshare	XNJQF	002475 CH	Robert Cheng
	NYPCCB	NANYF	8046 TT	Mike Yang
	Quanta Computer	QUCPF	2382 TT	Robert Cheng
	Samsung Electro-Mechanics	SMSGF	009150 KS	Simon Woo, CFA
	Samsung SDS	XWPBF	018260 KS	Simon Woo, CFA
	Shennan Circuits	XAMKF	002916 CH	Katherine Zhu
	Taiwan Union Technology Corporation	TWUNF	6274 TT	Mike Yang
	Unimicron	UMCRF	3037 TT	Mike Yang
	Universal Display	OLED	OLED US	Simon Woo, CFA
	Victory Giant	XENEF	300476 CH	Katherine Zhu
	Wistron	WICOF	3231 TT	Doris Kao
	Wiwynn	XWIQF	6669 TT	Robert Cheng
	Xiaomi Corporation	XIACF	1810 HK	Robert Cheng
	Yageo	YGEQF	2327 TT	Robert Cheng
	Zhen Ding Tech	XFAGF	4958 TT	Doris Kao
	Zhongji Innolight	XZICF	300308 CH	Katherine Zhu
	ZTE Corporation	SHZZF	000063 CH	Katherine Zhu
	ZTE Corporation	ZTCOF	763 HK	Katherine Zhu

**NEUTRAL**

	Advantech	ADTEF	2395 TT	Robert Cheng
	Asustek	AKCPF	2357 TT	Robert Cheng
	AU Optronics	AUOTF	2409 TT	Brad Lin
	AU Optronics	AUOTY	AUOTY US	Brad Lin
	Auras Technology	AUTCF	3324 TT	Doris Kao
	BYD Electronic	BYDIF	285 HK	Katherine Zhu
	DS Precision	XBASF	002384 CH	Katherine Zhu
	Innolux Corporation	CMLXY	3481 TT	Brad Lin
	Largan Precision	LGANF	3008 TT	Robert Cheng
	Lenovo Group	LNVGF	992 HK	Robert Cheng
	Lenovo Group	LNVGY	LNVGY US	Robert Cheng
	Lite-On Tech	LOTZF	2301 TT	Doris Kao
	Sunny Optical	SNPTF	2382 HK	Katherine Zhu
	TCL Technology Group Corp	XTOOF	000100 CH	Brad Lin

**UNDERPERFORM**

	Acer	ASIYF	2353 TT	Robert Cheng
	Catcher Tech	CHERF	2474 TT	Robert Cheng
	Compal Electron	XLCPF	2324 TT	Doris Kao
	Delta Electronics (Thailand)	XLETF	DELTA TB	Chotipat Leksakul
	Everwin Precision	XSHZF	300115 CH	Katherine Zhu
	Genius Electronic Optical	GNSEF	3406 TT	Robert Cheng
	Kinsus	KNSUF	3189 TT	Mike Yang
	LG Display	LPHLF	034220 KS	Simon Woo, CFA
	LG Display-ADR	LPL	LPL US	Simon Woo, CFA
	Lianchuang Electronic	XWOFF	002036 CH	Katherine Zhu
	Pegatron	PGTRF	4938 TT	Robert Cheng
	Samsung SDI	SSDIF	006400 KS	Simon Woo, CFA
	Sanan Opto	XEQYF	600703 CH	Katherine Zhu
	Seoul Semiconductor	SLSOF	046890 KS	Simon Woo, CFA
	Shengyi	DGUNF	600183 CH	Mike Yang
	Sunway Communications	XWSVF	300136 CH	Robert Cheng
	Tianma	XVZLF	000050 CH	Brad Lin
	Transsion	XCINF	688036 CH	Robert Cheng

**APR - Telecommunications Coverage Cluster**

Investment rating	Company	BofA Ticker	Bloomberg symbol	Analyst
<b>BUY</b>				
	3BB Internet Infra Fund	XJBIF	3BBIF TB	Chotipat Leksakul
	Advanced Info	AVIZF	ADVANC TB	Thititthep Nophaket
	Bharti Airtel	BHTIF	BHARTI IN	Sachin Salgaonkar
	Converge ICT	XLERF	CNVRG PM	Jojo Gonzales



**APR - Telecommunications Coverage Cluster**

Investment rating	Company	BofA Ticker	Bloomberg symbol	Analyst
	Digital Telecommunications Infra Fund	TTCFF	DIF TB	Chotipat Leksakul
	Far EasTone	FEOTF	4904 TT	Yoyo Pang
	GDS Holdings	GDS	GDS US	Daley Li, CFA
	GDS Holdings	XMJFF	9698 HK	Daley Li, CFA
	Indosat-Hutch	PTITF	ISAT IJ	Sukriti Bansal
	KT	KTCNF	030200 KS	Sun Jung Lee
	KT	KT	KT US	Sun Jung Lee
	LG Uplus	LTCLF	032640 KS	Sun Jung Lee
	NextDC Limited	NXDCF	NXT AU	Ware Kuo
	PLDT	PHTCF	TEL PM	Jojo Gonzales
	PLDT -A	PHI	PHI US	Jojo Gonzales
	PT Telkom	TLKMF	TLKM IJ	Sukriti Bansal
	PT Telkom	TLK	TLK US	Sukriti Bansal
	Singtel	SNGNF	ST SP	Sukriti Bansal
	Swiggy	XPDWF	SWIGGY IN	Sachin Salgaonkar
	Telstra Group	TTRAF	TLS AU	Ware Kuo
	Telstra Group-A	TLGPY	TLGPY US	Ware Kuo
	TPG Telecom	TPGTF	TPG AU	Ware Kuo
	VNET Group	VNET	VNET US	Daley Li, CFA

**NEUTRAL**

	BrainBees Solutions (FirstCry)	XZSQF	FIRSTCRY IN	Sachin Salgaonkar
	Chunghwa Telecom	CHWAF	2412 TT	Yoyo Pang
	Chunghwa Telecom	CHT	CHT US	Yoyo Pang
	Meesho	XMEEF	MEESHO IN	Sachin Salgaonkar
	Megaport Ltd	MGPPF	MP1 AU	Ware Kuo
	Spark New Zealand Ltd	NZTCF	SPK NZ	Ware Kuo
	Spark New Zealand Ltd.-SP ADR	SPKKY	SPKKY US	Ware Kuo
	Taiwan Mobile	TWMBF	3045 TT	Yoyo Pang
	True Corporation	XTPCF	TRUE TB	Thititthep Nophaket

**UNDERPERFORM**

	Axiata	AXXTF	AXIATA MK	Sukriti Bansal
	CelcomDigi	DIGBF	CDB MK	Sukriti Bansal
	Globe Telecom	GTMEF	GLO PM	Sukriti Bansal
	Indus Towers	XYAF	INDUSTOW IN	Sachin Salgaonkar
	SK Telecom	SKMTF	017670 KS	Sun Jung Lee
	SK Telecom	SKM	SKM US	Sun Jung Lee
	Vodafone Idea	IDEAF	IDEA IN	Sachin Salgaonkar
	XL Axiata	PTXAF	EXCL IJ	Sukriti Bansal

**Japan - Cyclical Materials Coverage Cluster**

Investment rating	Company	BofA Ticker	Bloomberg symbol	Analyst
<b>BUY</b>	Adeka Corp	ADKCF	4401 JP	Niima Komura
	AGC Inc	ASGLF	5201 JP	Kyoji Chiba
	Asahi Kasei	AHKSF	3407 JP	Takashi Enomoto
	Denka	DENKF	4061 JP	Takashi Enomoto
	ENEOS Holdings	JXHGF	5020 JP	Takashi Enomoto
	Fujikura	FKURF	5803 JP	Takashi Enomoto
	Furukawa Electric	FUWAF	5801 JP	Takashi Enomoto
	Fuso Chemical	XQRDF	4368 JP	Niima Komura
	Idemitsu Kosan	IDKOF	5019 JP	Takashi Enomoto
	Kansai Paint	KSANF	4613 JP	Takashi Enomoto
	Marubeni	MARUF	8002 JP	Takashi Enomoto
	Marubeni	MARUY	MARUY US	Takashi Enomoto
	MARUWA	MAWAF	5344 JP	Niima Komura
	Mitsubishi Corp.	MSBHF	8058 JP	Takashi Enomoto
	Mitsubishi Gas Chemical	MBGCF	4182 JP	Takashi Enomoto
	Mitsubishi Materials	MIMTF	5711 JP	Takashi Enomoto
	Mitsui & Co.	MITSF	8031 JP	Takashi Enomoto
	Mitsui & Co.	MITSY	MITSY US	Takashi Enomoto
	Mitsui Kinzoku	XZJCF	5706 JP	Takashi Enomoto



## Japan - Cyclical Materials Coverage Cluster

Investment rating	Company	BofA Ticker	Bloomberg symbol	Analyst
	Nichias	NICFF	5393 JP	Kyoji Chiba
	Nippon Electric Glass	NPEGF	5214 JP	Kyoji Chiba
	Nippon Sanso Holdings	XCIDF	4091 JP	Takashi Enomoto
	Nissan Chemical	NNCHF	4021 JP	Takashi Enomoto
	Nittoobo	NBCLF	3110 JP	Takashi Enomoto
	NOF	NOFCF	4403 JP	Takashi Enomoto
	Osaka Soda	DACLF	4046 JP	Takashi Enomoto
	Rengo	RNGOF	3941 JP	Kyoji Chiba
	Resonac Holdings	SHWDF	4004 JP	Takashi Enomoto
	Sekisui Chemical	SKSUF	4204 JP	Takashi Enomoto
	Shin-Etsu Chem	SHECF	4063 JP	Takashi Enomoto
	SUMCO	SUMCF	3436 JP	Takashi Enomoto
	Sumitomo Bakelite	SBKLF	4203 JP	Niima Komura
	Sumitomo Chem.	SOMMF	4005 JP	Takashi Enomoto
	Sumitomo Corp.	SSUMF	8053 JP	Takashi Enomoto
	Sumitomo Corp.	SSUMY	SSUMY US	Takashi Enomoto
	Sumitomo Electric Industries	SMTOF	5802 JP	Takashi Enomoto
	Sumitomo Metal Mining	STMNF	5713 JP	Takashi Enomoto
	Tokyo Ohka Kogyo	TOKCF	4186 JP	Niima Komura
	Toyo Gosei	TYGIF	4970 JP	Niima Komura
	Tri Chemical Laboratories	XWURF	4369 JP	Niima Komura

## NEUTRAL

	Cosmo Energy Holdings	CEHCF	5021 JP	Takashi Enomoto
	Fujimi Incorporated	FUJXF	5384 JP	Niima Komura
	Kaneka	KANKF	4118 JP	Kyoji Chiba
	Kumiai Chemical Industry	XHEXL	4996 JP	Kyoji Chiba
	Kureha	KURCF	4023 JP	Niima Komura
	NGK Insulators	NGKIF	5333 JP	Kyoji Chiba
	Nippon Paint Holdings	NPCPF	4612 JP	Takashi Enomoto
	Nippon Paper Industries	NIPPF	3863 JP	Kyoji Chiba
	Nippon Soda	NSDFF	4041 JP	Kyoji Chiba
	Oji Holdings	OJIPF	3861 JP	Kyoji Chiba
	Osaka Organic Chemical	XAPKF	4187 JP	Niima Komura
	Tekscend Photomask Corp.	XJXHP	429A JP	Niima Komura
	Tokai Carbon	TKCBF	5301 JP	Takashi Enomoto
	Toyota Tsusho	TYHOF	8015 JP	Takashi Enomoto

## UNDERPERFORM

	Air Water	AWTRF	4088 JP	Takashi Enomoto
	Daicel Corp	DACHF	4202 JP	Takashi Enomoto
	INPEX	IPXHF	1605 JP	Takashi Enomoto
	Iwatani Corporation	IWTNF	8088 JP	Takashi Enomoto
	JFE Holdings	JFEF	5411 JP	Takashi Enomoto
	JX Advanced Metals Corporation	XJTIF	5016 JP	Niima Komura
	Kobe Steel	KBSTF	5406 JP	Takashi Enomoto
	Kuraray	KURRF	3405 JP	Takashi Enomoto
	Mitsubishi Chemical Group	MTLHF	4188 JP	Takashi Enomoto
	Mitsui Chemicals	MITUF	4183 JP	Takashi Enomoto
	Nippon Shokubai	NSHKF	4114 JP	Takashi Enomoto
	Sumitomo Osaka Cement	SUCEF	5232 JP	Kyoji Chiba
	Taiheiyo Cement	THYCF	5233 JP	Kyoji Chiba
	Toray	TRYIF	3402 JP	Takashi Enomoto
	Tosoh Corporation	TOSCF	4042 JP	Takashi Enomoto
	Zeon	ZEOOF	4205 JP	Niima Komura

## RSTR

	Nippon Steel	NISTF	5401 JP	Takashi Enomoto
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## Japan - Technology Hardware Coverage Cluster

Investment rating	Company	BofA Ticker	Bloomberg symbol	Analyst
<b>BUY</b>	Advantest	ADTTF	6857 JP	Mikio Hirakawa



## Japan - Technology Hardware Coverage Cluster

Investment rating	Company	BofA Ticker	Bloomberg symbol	Analyst
	DISCO	DISPF	6146 JP	Mikio Hirakawa
	Fujitsu	FJTSF	6702 JP	Hideaki Tanaka
	Fujitsu	FJTSY	FJTSY US	Hideaki Tanaka
	Hitachi	HTHIF	6501 JP	Mikio Hirakawa
	Hitachi	HTHIY	HTHIY US	Mikio Hirakawa
	HOYA	HOCPF	7741 JP	Masashi Kubota
	HOYA	HOCPY	HOCPY US	Masashi Kubota
	Ibiden	IBIDF	4062 JP	Masashi Kubota
	JEOL	XJEOF	6951 JP	Mayako Ouchi
	KIOXIA	XIYUF	285A JP	Mikio Hirakawa
	MinebeaMitsumi	MNBEF	6479 JP	Masashi Kubota
	Mitsubishi Electric	MIELF	6503 JP	Mikio Hirakawa
	Murata Mfg	MRAAF	6981 JP	Masashi Kubota
	NEC	NIPNF	6701 JP	Hideaki Tanaka
	Niterra	NGKSF	5334 JP	Masashi Kubota
	Nitto Denko	NDEKF	6988 JP	Masashi Kubota
	Nomura Research Institute	NURAF	4307 JP	Hideaki Tanaka
	Nomura Research Institute	NRILY	NRILY US	Hideaki Tanaka
	Obic	OBIF	4684 JP	Hideaki Tanaka
	OBIC	OBICY	OBICY US	Hideaki Tanaka
	Obic Business Consultants	OBIBF	4733 JP	Hideaki Tanaka
	Panasonic	PCRFF	6752 JP	Mikio Hirakawa
	Renesas Electronics	RNECF	6723 JP	Mikio Hirakawa
	Rigaku Corporation	RGAKF	268A JP	Mikio Hirakawa
	Sony Group Corporation	SONY	SONY US	Mikio Hirakawa
	Sony Group Corporation	SNEJF	6758 JP	Mikio Hirakawa
	TDK	TTDKY	TTDKY US	Masashi Kubota
	TDK	TTDKF	6762 JP	Masashi Kubota
	Tokyo Electron	TOELF	8035 JP	Mikio Hirakawa
	Tokyo Seimitsu	TMIUF	7729 JP	Mayako Ouchi
	ULVAC	ULVAF	6728 JP	Mayako Ouchi
<b>NEUTRAL</b>				
	BIPROGY	NTULF	8056 JP	Hideaki Tanaka
	Iriso Electronics	IREEF	6908 JP	Masashi Kubota
	Lasertec	LSRCF	6920 JP	Mikio Hirakawa
	Nikon	NINOF	7731 JP	Mayako Ouchi
	Oracle Japan	OCLCF	4716 JP	Hideaki Tanaka
	SCREEN Holdings	DINRF	7735 JP	Mikio Hirakawa
	TIS	TISNF	3626 JP	Hideaki Tanaka
	Trend Micro	TMICF	4704 JP	Hideaki Tanaka
<b>UNDERPERFORM</b>				
	Alps Alpine	APELF	6770 JP	Masashi Kubota
	Alps Alpine	APELY	APELY US	Masashi Kubota
	Anritsu	AITUF	6754 JP	Mikio Hirakawa
	Fuji Electric	FELTF	6504 JP	Mikio Hirakawa
	Hirose Electric	HRSEF	6806 JP	Masashi Kubota
	Japan Aviation	JPAVF	6807 JP	Masashi Kubota
	Kyocera	KYOCF	6971 JP	Masashi Kubota
	Kyocera	KYOCY	KYOCY US	Masashi Kubota
	Mabuchi Motor	MBUMF	6592 JP	Masashi Kubota
	NS Solutions	NSSXF	2327 JP	Hideaki Tanaka
	Otsuka Corp	OSUKF	4768 JP	Hideaki Tanaka
	Sharp	SHCAF	6753 JP	Mikio Hirakawa
	Taiyo Yuden	TYOYF	6976 JP	Masashi Kubota
<b>RVW</b>				
	Nidec	NNDNF	6594 JP	Masashi Kubota
	NIDEC	NJDCY	NJDCY US	Masashi Kubota



## APR - Internet, Media and Software Coverage Cluster

Investment rating	Company	BofA Ticker	Bloomberg symbol	Analyst
<b>BUY</b>	Agora	API	API US	Daley Li, CFA
	Alibaba Group	BABA	BABA US	Joyce Ju
	Alibaba Group	BABAF	9988 HK	Joyce Ju
	Alibaba Health	ALBHF	241 HK	Miranda Zhuang, CFA
	Baidu.com	BIDU	BIDU US	Miranda Zhuang, CFA
	Baidu.com	BAIDF	9888 HK	Miranda Zhuang, CFA
	Bilibili	BILI	BILI US	Alex Liu
	Bilibili	BLBLF	9626 HK	Alex Liu
	CAR Group	CRSLF	CAR AU	Sriharsh Singh
	Chinasoft International	CFTLF	354 HK	Daley Li, CFA
	Coupang	CPNG	CPNG US	Ahyung Cho
	Damai Entertainment	ABPGF	1060 HK	Harry Zhuang
	Delhivery	XDVLF	DELHIVER IN	Sachin Salgaonkar
	East Money	XEQTF	300059 CH	Michael Li
	Grab Holdings	GRAB	GRAB US	Sachin Salgaonkar
	HYBE	XBGOF	352820 KS	Sun Jung Lee
	JD Health	JDHIF	6618 HK	Miranda Zhuang, CFA
	JD Industrials	XJIIF	7618 HK	Miranda Zhuang, CFA
	JD.com	JD	JD US	Joyce Ju
	JD.com	JDCMF	9618 HK	Joyce Ju
	KE Holdings	BEKE	BEKE US	Miranda Zhuang, CFA
	KE Holdings	XSQRF	2423 HK	Miranda Zhuang, CFA
	Kingdee International Software	KGDEF	268 HK	Daley Li, CFA
	Kingsoft Cloud	KC	KC US	Daley Li, CFA
	Kingsoft Cloud	KCLHF	3896 HK	Daley Li, CFA
	Kingsoft Office	XBKOF	688111 CH	Daley Li, CFA
	Krafton	XKINF	259960 KS	Susie Lee
	Kuaishou	KUASF	1024 HK	Miranda Zhuang, CFA
	Makemytrip Limited	MMYT	MMYT US	Sachin Salgaonkar
	Meitu Inc.	MEIUF	1357 HK	Harry Zhuang
	NAVER Corporation	NHNCF	035420 KS	Ahyung Cho
	NetEase	NETTF	9999 HK	Alex Liu
	NetEase, Inc	NTES	NTES US	Alex Liu
	Paytm	XUXBF	PAYTM IN	Sachin Salgaonkar
	Plan B Media PCL	XMKTF	PLANB TB	Suppamong Iemkongaek, CMT
	REA Group	RPGRF	REA AU	Sriharsh Singh
	Sea Limited	SE	SE US	Sachin Salgaonkar
	Seek Limited	SKLTF	SEK AU	Sriharsh Singh
	Tencent Holdings	TCTZF	700 HK	Alex Liu
	The ONE Enterprise	XUFCF	ONEE TB	Suppamong Iemkongaek, CMT
	Tongcheng Travel	TNGCF	780 HK	Joyce Ju
	Trip.com Group	TCOM	TCOM US	Joyce Ju
	Trip.com Group	TRPCF	9961 HK	Joyce Ju
	TUHU Car	XTCRF	9690 HK	Miranda Zhuang, CFA
	Vipshop Holdings	VIPS	VIPS US	Joyce Ju
	Xero Limited	XROLF	XRO AU	Sriharsh Singh
	Zip Co Limited	ZIZTF	ZIP AU	Ware Kuo
	Zomato (Eternal)	XMWRF	ETERNAL IN	Sachin Salgaonkar
<b>NEUTRAL</b>	Autohome	ATHM	ATHM US	Miranda Zhuang, CFA
	Autohome	XXYZF	2518 HK	Miranda Zhuang, CFA
	GoTo Group	GTOFF	GOTO IJ	Sachin Salgaonkar
	Hundsun Technologies	XYTGF	600570 CH	Daley Li, CFA
	JYP Entertainment	ALNNF	035900 KS	Sun Jung Lee
	Kakao Corp.	DAUCF	035720 KS	Ahyung Cho
	Kingsoft Corporation	KSFTF	3888 HK	Daley Li, CFA
	Maoyan Entertainment	MAOFF	1896 HK	Harry Zhuang
	Meituan	MPNGF	3690 HK	Joyce Ju
	Ming Yuan Cloud	XWTAF	909 HK	Daley Li, CFA
	NCSOFT	NCSCF	036570 KS	Susie Lee
	PB Fintech	XPFXF	POLICYBZ IN	Sachin Salgaonkar
	Pinduoduo Inc.	PDD	PDD US	Joyce Ju
	SM Entertainment	SMEZF	041510 KS	Sun Jung Lee



<b>APR - Internet, Media and Investment rating</b>	<b>Software Coverage Cluster Company</b>	<b>BofA Ticker</b>	<b>Bloomberg symbol</b>	<b>Analyst</b>
	Tencent Music	TME	TME US	Alex Liu
	Tencent Music	TCMEF	1698 HK	Alex Liu
	VGI Public Company Limited	XZQHF	VGI TB	Suppamong Iemkongaek, CMT
	Weimob	WEMXF	2013 HK	Daley Li, CFA
	WiseTech Global Limited	WTCHF	WTC AU	Sriharsh Singh
	YG Entertainment	XYEIF	122870 KS	Sun Jung Lee
	Yonyou Network	XYNIF	600588 CH	Daley Li, CFA

**UNDERPERFORM**

	DBAPPSecurity	XDBAF	688023 CH	Daley Li, CFA
	Glodon Company	XGCOF	002410 CH	Daley Li, CFA
	Info Edge	IFOEF	INFOE IN	Sachin Salgaonkar
	NavInfo	XWLHF	002405 CH	Daley Li, CFA
	Nykaa	XQQGF	NYKAA IN	Sachin Salgaonkar
	Ping An Healthcare and Technology	PANHF	1833 HK	Miranda Zhuang, CFA
	Qi An Xin	XQTDF	688561 CH	Daley Li, CFA
	Technology One Limited	THNOF	TNE AU	Ware Kuo
	ThunderSoft	XSTS F	300496 CH	Daley Li, CFA
	Venustech	XVCGF	002439 CH	Daley Li, CFA
	Weibo Corporation	WB	WB US	Miranda Zhuang, CFA
	Weibo Corporation	WEIBF	9898 HK	Miranda Zhuang, CFA

**APR - Autos Coverage Cluster**

<b>Investment rating</b>	<b>Company</b>	<b>BofA Ticker</b>	<b>Bloomberg symbol</b>	<b>Analyst</b>
<b>BUY</b>	Aima Technology	XIHBF	603529 CH	Joey Yang, CFA
	Ashok Leyland	XDBVF	AL IN	Gunjan Prithyani
	Bethel	XBETF	603596 CH	Joey Yang, CFA
	Bharat Forge	XUUVF	BHFC IN	Gunjan Prithyani
	BYD	BYDDF	1211 HK	Ming Hsun Lee, CFA
	BYD	XYMPF	002594 CH	Ming Hsun Lee, CFA
	BYD	BYDDY	BYDDY US	Ming Hsun Lee, CFA
	CALB	XCLSF	3931 HK	Ming Hsun Lee, CFA
	CATL	XMOQF	300750 CH	Ming Hsun Lee, CFA
	CATL	CTATF	3750 HK	Ming Hsun Lee, CFA
	Chery Auto	XCAVF	9973 HK	Joey Yang, CFA
	DENSO	DNZOF	6902 JP	Shiro Sakamaki
	Ehang	EH	EH US	Fiona Liang
	Eicher Motors	XEIMF	EIM IN	Gunjan Prithyani
	Escorts Kubota	XSCOF	ESCORTS IN	Gunjan Prithyani
	EVE	XEV EF	300014 CH	Ming Hsun Lee, CFA
	Fuyao Glass	XFGIF	600660 CH	Jessie Lo
	Fuyao Glass	FIGIF	3606 HK	Jessie Lo
	Geely	GELYF	175 HK	Ming Hsun Lee, CFA
	GS Yuasa	GYUAF	6674 JP	Shiro Sakamaki
	Hankook Tire	XHTRF	161390 KS	KJ Hwang
	Hero Motocorp	HRHDF	HMCL IN	Gunjan Prithyani
	Hesai	HS AI	HS AI US	Jessie Lo
	Hesai	XHGZF	2525 HK	Jessie Lo
	HL Mando	XMADF	204320 KS	KJ Hwang
	Honda Motor	HMC	HMC US	Shiro Sakamaki
	Honda Motor	HND AF	7267 JP	Shiro Sakamaki
	Hyundai Motor	HYMLF	005380 KS	KJ Hwang
	Isuzu Motors	ISUZF	7202 JP	Shiro Sakamaki
	Joyson	XQMW F	600699 CH	Fiona Liang
	Kia Corp	KIMTF	000270 KS	KJ Hwang
	Koito Manufacturing	KOTMF	7276 JP	Shiro Sakamaki
	Leapmotor	ZJLMF	9863 HK	Ming Hsun Lee, CFA
	Mahindra & Mahindra (M&M)	XKQRF	MM IN	Gunjan Prithyani
	Minth	MNTHF	425 HK	Fiona Liang
	Nexteer	NTXVF	1316 HK	Fiona Liang
	NHK Spring	NHKG F	5991 JP	Shiro Sakamaki



**APR - Autos Coverage Cluster**

Investment rating	Company	BofA Ticker	Bloomberg symbol	Analyst
	Ninebot	XLNLF	689009 CH	Joey Yang, CFA
	Ningbo Tuopu	XNCGF	601689 CH	Joey Yang, CFA
	Pony AI	PONY	PONY US	Ming Hsun Lee, CFA
	Pony AI	XNPYF	2026 HK	Ming Hsun Lee, CFA
	RoboSense	RBSTF	2498 HK	Joey Yang, CFA
	Seres	XSRSF	601127 CH	Joey Yang, CFA
	Shenzhen Kedali	XWCSF	002850 CH	Jessie Lo
	Shuanghuan Driveline	XZSHF	002472 CH	Fiona Liang
	Sona Comstar	XBNXF	SONACOMS IN	Gunjan Prithyani
	Stanley Electric	STAEF	6923 JP	Shiro Sakamaki
	Sumitomo Rubber Industries	SMTUF	5110 JP	Shiro Sakamaki
	Suzuki Motor	SZKMF	7269 JP	Shiro Sakamaki
	Tata Motors CV	XTMCF	TMCV IN	Gunjan Prithyani
	Toyota Motor	TOYOF	7203 JP	Shiro Sakamaki
	Toyota Motor	TM	TM US	Shiro Sakamaki
	WeRide	WRD	WRD US	Ming Hsun Lee, CFA
	WeRide	WRDIF	800 HK	Ming Hsun Lee, CFA
	Wuxi Lead	XZSRF	300450 CH	Yikai Liu, CFA
	Xingyu Automotive Lighting	XLIXF	601799 CH	Joey Yang, CFA
	XPeng Inc	XPEV	XPEV US	Ming Hsun Lee, CFA
	XPeng Inc.	XPNGF	9868 HK	Ming Hsun Lee, CFA
	Zhongsheng Auto	ZHSHF	881 HK	Joey Yang, CFA

**NEUTRAL**

	Aisin Corporation	ASEKF	7259 JP	Shiro Sakamaki
	Astra International	PTAIF	ASII IJ	Jessie Lo
	Bajaj Auto	XBJBF	BJAUT IN	Gunjan Prithyani
	Bridgestone	BRDCF	5108 JP	Shiro Sakamaki
	Bridgestone	BRDCY	BRDCY US	Shiro Sakamaki
	Great Wall Motor	GWLLF	2333 HK	Ming Hsun Lee, CFA
	Hino Motors	HINOF	7205 JP	Shiro Sakamaki
	Hyundai Mobis	HYPLF	012330 KS	KJ Hwang
	Hyundai Motor India	XZHZF	HYUNDAI IN	Gunjan Prithyani
	Li Auto	LI	LI US	Ming Hsun Lee, CFA
	Li Auto	LAAOF	2015 HK	Ming Hsun Lee, CFA
	Maruti	MUDGF	MSIL IN	Gunjan Prithyani
	Mazda Motor	MZDAF	7261 JP	Shiro Sakamaki
	MeiDong Auto	CMEIF	1268 HK	Joey Yang, CFA
	NIO	NIO	NIO US	Ming Hsun Lee, CFA
	NIO	NIOIF	9866 HK	Ming Hsun Lee, CFA
	NIO	XLTWF	NIO SP	Ming Hsun Lee, CFA
	SAIC Motor	XZNJF	600104 CH	Ming Hsun Lee, CFA
	SAMIL (Motherson International)	XMSUF	MOTHERSO IN	Gunjan Prithyani
	Subaru Corp	FUJHF	7270 JP	Shiro Sakamaki
	Subaru Corp	FUJHY	FUJHY US	Shiro Sakamaki
	Toyo Tire	TOTTF	5105 JP	Shiro Sakamaki
	Toyoda Gosei	TGOSF	7282 JP	Shiro Sakamaki
	TVS Motors	XFKMF	TVSL IN	Gunjan Prithyani
	Yadea	YADGF	1585 HK	Joey Yang, CFA
	Yokohama Rubber	YORUF	5101 JP	Shiro Sakamaki
	Yutong Bus	ZHYUF	600066 CH	Fiona Liang

**UNDERPERFORM**

	BAIC Motor	BMCLF	1958 HK	Ming Hsun Lee, CFA
	Desay SV	XGDFF	002920 CH	Joey Yang, CFA
	GAC	XGNHF	601238 CH	Ming Hsun Lee, CFA
	Great Wall Motor	XGWMF	601633 CH	Ming Hsun Lee, CFA
	Guangzhou Automobile Group	GNZUF	2238 HK	Ming Hsun Lee, CFA
	Huayu	XHASF	600741 CH	Fiona Liang
	Hyundai Wia	XWHYF	011210 KS	KJ Hwang
	Jardine Cycle & Carriage	JCYCF	JCNC SP	Jessie Lo
	Mitsubishi Motors	MMTOF	7211 JP	Shiro Sakamaki
	Motherson Sumi Wiring	XMWDF	MSUMI IN	Gunjan Prithyani
	Nextage	NXAGF	3186 JP	Shiro Sakamaki
	Nissan Motor	NSANF	7201 JP	Shiro Sakamaki
	Nissan Motor	NSANY	NSANY US	Shiro Sakamaki



APR - Autos Coverage Investment rating	Cluster Company	BofA Ticker	Bloomberg symbol	Analyst
	Ola Electric Mobility Limited	XOLAF	OLAELEC IN	Gunjan Prithyani
	Tata Motors Passenger Vehicles Limited	XTTSF	TMPV IN	Gunjan Prithyani
	Toyota Boshoku	TDBOF	3116 JP	Shiro Sakamaki
	Wencan	XSCDF	603348 CH	Joey Yang, CFA
	Yongda	CYYHF	3669 HK	Joey Yang, CFA
	Zhejiang Sanhua	XZSIF	002050 CH	Jessie Lo
	Zhejiang Sanhua	XZSJF	2050 HK	Jessie Lo

## Disclosures

### Important Disclosures

#### Equity Investment Rating Distribution: Aerospace/Defense Electronics Group (as of 31 Dec 2025)

Coverage Universe	Count	Percent	Inv. Banking Relationships <sup>R1</sup>	Count	Percent
Buy	41	70.69%	Buy	31	75.61%
Hold	8	13.79%	Hold	7	87.50%
Sell	9	15.52%	Sell	8	88.89%

#### Equity Investment Rating Distribution: Autos Group (as of 31 Dec 2025)

Coverage Universe	Count	Percent	Inv. Banking Relationships <sup>R1</sup>	Count	Percent
Buy	67	58.26%	Buy	28	41.79%
Hold	25	21.74%	Hold	11	44.00%
Sell	23	20.00%	Sell	10	43.48%

#### Equity Investment Rating Distribution: Chemicals Group (as of 31 Dec 2025)

Coverage Universe	Count	Percent	Inv. Banking Relationships <sup>R1</sup>	Count	Percent
Buy	68	49.64%	Buy	31	45.59%
Hold	27	19.71%	Hold	17	62.96%
Sell	42	30.66%	Sell	22	52.38%

#### Equity Investment Rating Distribution: Electrical Equipment Group (as of 31 Dec 2025)

Coverage Universe	Count	Percent	Inv. Banking Relationships <sup>R1</sup>	Count	Percent
Buy	15	57.69%	Buy	6	40.00%
Hold	6	23.08%	Hold	4	66.67%
Sell	5	19.23%	Sell	1	20.00%

#### Equity Investment Rating Distribution: Electronics Group (as of 31 Dec 2025)

Coverage Universe	Count	Percent	Inv. Banking Relationships <sup>R1</sup>	Count	Percent
Buy	28	48.28%	Buy	12	42.86%
Hold	16	27.59%	Hold	5	31.25%
Sell	14	24.14%	Sell	6	42.86%

#### Equity Investment Rating Distribution: Engineering Group (as of 31 Dec 2025)

Coverage Universe	Count	Percent	Inv. Banking Relationships <sup>R1</sup>	Count	Percent
Buy	5	71.43%	Buy	1	20.00%
Hold	1	14.29%	Hold	1	100.00%
Sell	1	14.29%	Sell	1	100.00%

#### Equity Investment Rating Distribution: Non-Ferrous Metals/Mining & Minerals Group (as of 31 Dec 2025)

Coverage Universe	Count	Percent	Inv. Banking Relationships <sup>R1</sup>	Count	Percent
Buy	59	61.46%	Buy	30	50.85%
Hold	19	19.79%	Hold	10	52.63%
Sell	18	18.75%	Sell	10	55.56%

#### Equity Investment Rating Distribution: Technology Group (as of 31 Dec 2025)

Coverage Universe	Count	Percent	Inv. Banking Relationships <sup>R1</sup>	Count	Percent
Buy	208	54.03%	Buy	106	50.96%
Hold	97	25.19%	Hold	44	45.36%
Sell	80	20.78%	Sell	23	28.75%



**Equity Investment Rating Distribution: Telecommunications Group (as of 31 Dec 2025)**

Coverage Universe	Count	Percent	Inv. Banking Relationships <sup>R1</sup>	Count	Percent
Buy	56	53.33%	Buy	36	64.29%
Hold	23	21.90%	Hold	15	65.22%
Sell	26	24.76%	Sell	15	57.69%

**Equity Investment Rating Distribution: Global Group (as of 31 Dec 2025)**

Coverage Universe	Count	Percent	Inv. Banking Relationships <sup>R1</sup>	Count	Percent
Buy	1869	53.99%	Buy	1069	57.20%
Hold	834	24.09%	Hold	481	57.67%
Sell	759	21.92%	Sell	383	50.46%

<sup>R1</sup> Issuers that were investment banking clients of BofA Securities or one of its affiliates within the past 12 months. For purposes of this Investment Rating Distribution, the coverage universe includes only stocks. A stock rated Neutral is included as a Hold, and a stock rated Underperform is included as a Sell.

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Investment rating	Total return expectation (within 12-month period of date of initial rating)	Ratings dispersion guidelines for coverage cluster <sup>R2</sup>
Buy	≥ 10%	≤ 70%
Neutral	≥ 0%	≤ 30%
Underperform	N/A	≥ 20%

<sup>R2</sup> Ratings dispersions may vary from time to time where BofA Global Research believes it better reflects the investment prospects of stocks in a Coverage Cluster.

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