COMPANY UPDATE

LITE80 (DR)

LUMENTUM HOLDINGS INC.

19 November 2026

Caught in the Crossfire

- China transceivers ban hurts LITE's laser customers
- Jensen's exit and capex cut raise 2028 risks
- Maintain BUY; cut TP to THB2.16

US Moves to Ban Chinese Transceivers

On 17-Nov, the US moved ahead with an FCC ban on new Chinese optical transceivers in US data centers, despite strong pushback from Amazon, Google, Meta and Microsoft. The ban would not affect installed equipment but would cover all future builds. Chinese makers, led by Innolight and Eoptolink, hold about two-thirds of the global market, leaving a supply gap that could take up to a decade to fill.

A Ban That Hurts More Than It Helps

At first, the ban seems to benefit LITE, which also makes pluggable transceivers under its Cloud Light brand. However, **we see it as a net negative**. Innolight and Eoptolink do not make their own lasers and buy many of them from LITE, so they are customers as much as competitors. If they lose US orders, demand for LITE's lasers falls with them, while LITE lacks the module capacity to fill the gap. Moreover, China could retaliate by restricting exports of InP, the core material in lasers. This would hit LITE directly, as it signed a six-year supply deal with AXT in July, the second-largest InP wafer supplier, whose plants are all in China.

Jensen's Exit Clouds CPO Outlook

We think Jensen Huang's resignation as NVIDIA's CEO adds a long-term risk for LITE. Jensen was the driving force behind NVIDIA's technology roadmap and championed CPO, unveiling its first CPO switches at GTC 2025. As we noted in our Nvidia report, new CEO may focus more on costs and profits than on bold bets on new technology. Hence, we see a risk that CPO adoption could slow in scale-up, which is the core of LITE's long-term growth through its UHP lasers.

Capex Cut Puts Pricing at Risk

SemiAnalysis cut its 2028 AI accelerator capex forecast by 28%, from USD1.05tn to USD758b, citing slower revenue growth at frontier AI labs and tighter financing for AI data centres. Although LITE's capacity is sold out through early 2029, much of its 2028 pricing is not yet agreed. We think weaker demand gives customers more bargaining power, which could cap LITE's ASPs just as new InP capacity comes online. Yet, we keep our forecasts, as they are already 24-31% below consensus for FY27E-29E.

Maintain BUY; cut TP to THB2.16

While the news flow has turned negative, we believe most of it is already in the price, as LITE has fallen 34% in a month. We therefore maintain BUY on a 12-month view but take a more conservative stance on valuation. We cut our target P/E for LITE from 27x to 18x on FY28 EPS, as lower visibility on 2028 earnings justifies a smaller premium. This gives a new TP of USD638, or THB2.16 for LITE80 from USD958 /THB3.22, implying 13.6% upside.

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BUY

Target Price 12M (THB)	**2.16**
VS. BB Consensus TP (%)	-40.1%
Share Price (THB)	1.90
Upside/Downside	+13.6%
Conversion Ratio (DR : Underlying)	10,000 : 1

Underlying Share Data

Company Name	LUMENTUM HOLDINGS INC.
Market Cap (USD m)	49,982
Free Float (%)	97.46
Issued Shares (m shares)	89.70

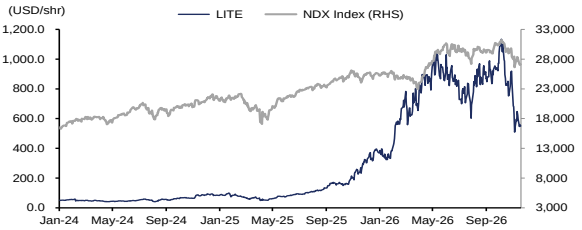
Financial forecast – Underlying share

Year ending June	FY26A	FY27E	FY28E	FY29E
Revenue (USD m)	3,014	6,131	9,919	12,398
Net profit (USD m)	(6,935)	1,517	2,752	3,755
Core net profit (USD m)	741	1,517	2,752	3,755
vs Consensus (%)		(27.1)	(23.5)	(31.1)
Net profit growth (%)	(26,876)	121.9	81.4	36.5
Core net profit growth (%)	2,760	104.8	81.4	36.5
EPS (USD/share)	-92.96	20.07	35.46	47.18
Core EPS (USD/share)	9.93	20.07	35.46	47.18
Chg in core EPS (%)		0.0	0.0	0.0
DPS (USD/share)	0.00	0.00	0.00	0.00
P/E (x)	(1.0)	27.5	15.5	11.7
P/BV (x)	1.5	6.9	4.9	3.5
ROE (%)	(240.0)	28.1	36.5	34.8
Dividend yield (%)	0.00	0.00	0.00	0.00

Source: Financial Statement and Globlex securities

DR Share Price Performance (%)

	1M	3M	6M	YTD
Stock	(33.57)	(34.41)	(26.92)	(26.92)
Market	n/a	n/a	n/a	n/a
12M High/Low (THB)				3.82 / 1.74



Major Shareholders (%) as of 21 September 2026

Vanguard Group Inc	11.16
Blackrock Inc	10.23
JPMorgan Chase & Co	4.53

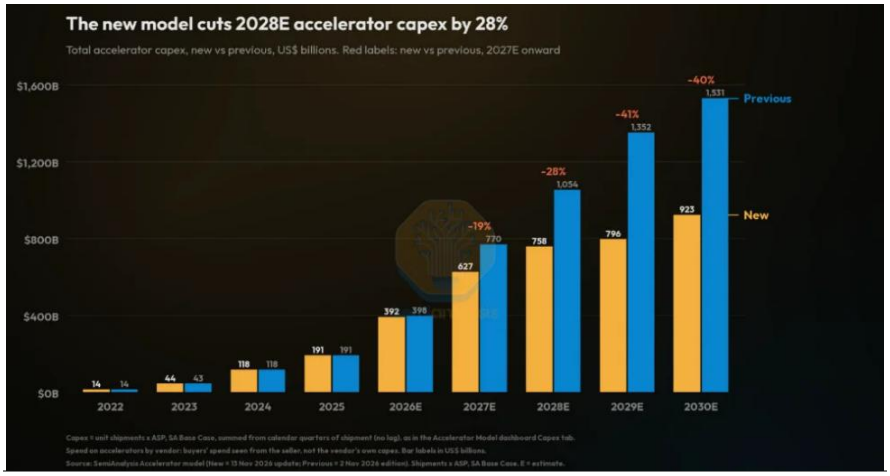
Company Profile

Lumentum Holdings Inc. manufactures and sells optical and photonic products in the Americas, the Asia-Pacific, Europe, the Middle East, and Africa. It offers component products, including semiconductor laser chips, laser sub-assemblies, line subsystems, and wavelength management systems. The company also offers system products, such as optical modules, optical circuit switches, and industrial lasers, including short-pulse solid-state lasers and kilowatt-class fiber lasers. Its products and solutions are used in cloud, artificial intelligence and machine learning (AI/ML), telecommunications, consumer, and industrial end-market applications. The company was incorporated in 2015 and is headquartered in San Jose, California.

Source: Yahoo Finance

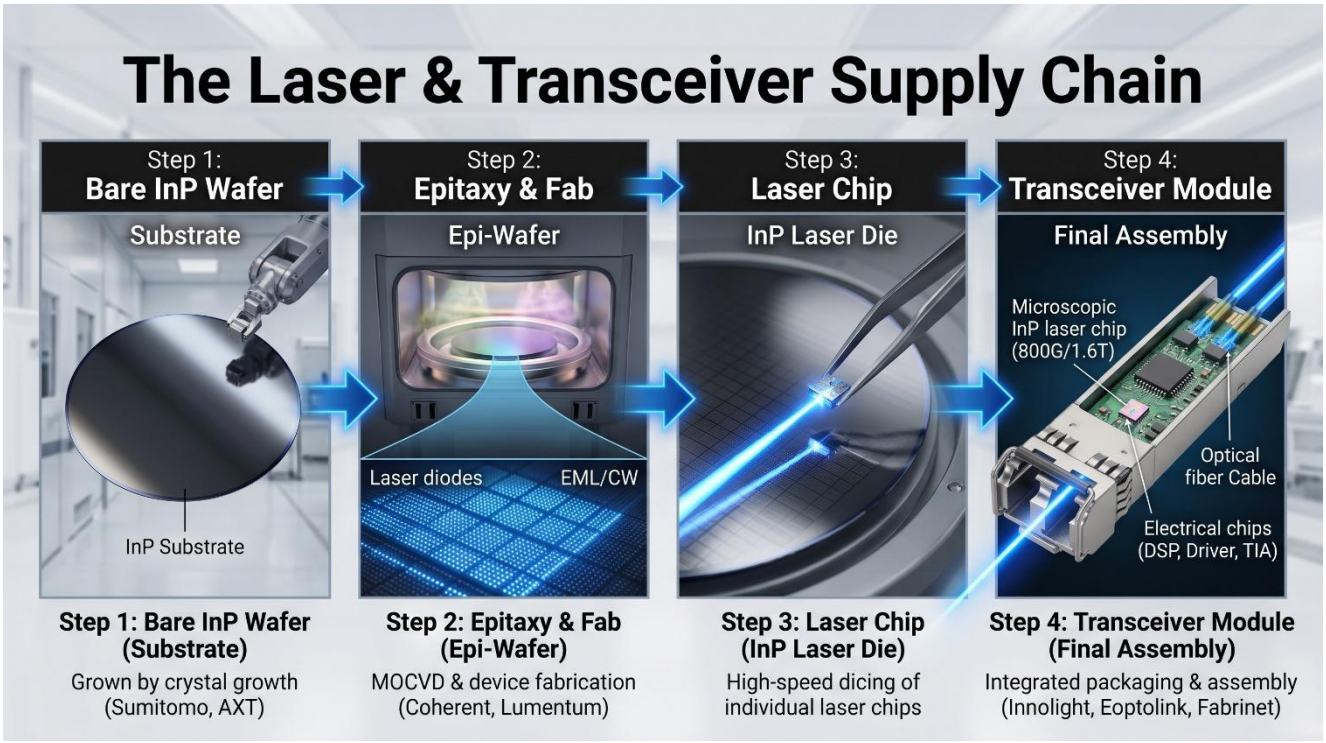
Globlex
Securities Co., Ltd.

Exhibit 1: SemiAnalysis cuts 2028E AI accelerator capex by 28%



Sources: SemiAnalysis

Exhibit 2: From InP wafer to transceiver: the laser supply chain



Sources: Globlex Research

Exhibit 3: What survives Jensen? NVIDIA's advantages after his departure

Nvidia's advantages	Estimated durability	Main concern
CUDA ecosystem	High	Competitive alternatives
NVLink / architecture	High	Long-term execution
Engineering organization	Medium–High	Leadership coordination
TSMC / HBM supply access	Medium	Preferential allocation
Neocloud financial backing	Uncertain	Successor's risk appetite
Open-source ecosystem strategy	Medium	Policy and funding
Founder-led innovation	Uncertain	Strategic continuity

Sources: SemiAnalysis; Globlex Research qualitative assessment

Exhibit 4: LITE TP sensitivity (anchor: 2028E EPS USD35.5, USDTHB 33.80)

P/E	Unit	15x	16x	17x	18x	19x	20x	21x
LITE	(USD/share)	532	567	603	638	674	709	745
LITE80 (DR)	(THB/share)	1.80	1.92	2.04	2.16	2.28	2.40	2.52
Implied PEG	(x)	0.22	0.23	0.25	0.26	0.28	0.29	0.31
Upside/(Downside)	*%*	*-5.4%*	*0.9%*	*7.3%*	*13.6%*	*19.9%*	*26.2%*	*32.5%*

Sources: Globlex Research

Exhibit 5: Optical peers valuation comparison (as of 19-Nov-26)

Name	Ticker	Mkt Cap (USD m)	BF EV/EBITDA (x)	BF P/E (x)	BF EV/EBIT (x)
Coherent Corp	COHR US	41,921	11.7	17.1	13.1
Ciena Corp	CIEN US	37,800	16.1	21.9	17.4
Fabrinet	FN US	11,432	12.0	15.0	13.4
Applied Optoelectronics Inc	AAOI US	3,703	7.6	12.0	8.6
Celestica Inc	CLS CN	30,686	7.7	11.7	8.3
Zhongji Innolight Co Ltd	300308 CH	70,980	4.9	6.8	5.0
Eoptolink Technology Inc Ltd	300502 CH	33,825	5.1	6.2	5.3
Lumentum Holdings Inc	**LITE US**	**49,982**	**12.8**	**18.7**	**13.7**
Current Premium to Comps Mean	*%*		*31.7%*	*36.7%*	*29.0%*
Mean (Including LITE US)		35,041	9.7	13.7	10.6

Sources: Bloomberg; Globlex Research

Balance sheet (USD m)					
Year ending June	**FY25A**	**FY26A**	**FY27E**	**FY28E**	**FY29E**
Current assets					
Cash & ST investment	521	2,044	2,118	3,252	5,599
Account receivable	250	520	1,058	1,712	2,140
Inventories	470	692	1,233	1,924	2,343
Others	477	907	1,160	1,462	1,675
Non-current assets					
Net fixed assets	754	1,188	1,517	2,071	2,743
Others	1,747	1,957	1,966	1,975	1,984
Total Assets	**4,219**	**7,308**	**9,052**	**12,397**	**16,486**
Current liabilities					
Account payable	225	567	655	1,022	1,245
ST borrowing	22	1,610	1,449	1,304	1,174
Others	146	303	616	996	1,245
Long-term liabilities					
Long-term debts	2,586	61	49	39	31
Others	105	122	122	122	122
Total liabilities	**3,084**	**2,664**	**2,891**	**3,484**	**3,817**
Paid-up capital	0	0	0	0	0
Retained earnings	(861)	(7,796)	(6,279)	(3,527)	228
Others	1,996	12,440	12,440	12,440	12,440
Minority interest	0	0	0	0	0
Shareholders' equity	**1,135**	**4,644**	**6,161**	**8,913**	**12,668**

Profit & loss (USD m)					
Year ending June	**FY25A**	**FY26A**	**FY27E**	**FY28E**	**FY29E**
Revenue	**1,645**	**3,014**	**6,131**	**9,919**	**12,398**
Cost of goods sold	(1,185)	(1,758)	(3,134)	(4,891)	(5,957)
Gross profit	**460**	**1,256**	**2,997**	**5,028**	**6,441**
Operating expenses	(652)	(720)	(1,165)	(1,720)	(1,932)
Operating profit	**(192)**	**536**	**1,832**	**3,308**	**4,509**
EBIT	**(192)**	**536**	**1,832**	**3,308**	**4,509**
Depreciation	(257)	(267)	(275)	(283)	(292)
EBITDA	**64**	**803**	**2,107**	**3,591**	**4,801**
Non-operating income	**42**	**(7,687)**	**0**	**0**	**0**
Other incomes	12	(11)	0	0	0
Other non-op income	30	(7,676)	0	0	0
Non-operating expense	**(22)**	**(22)**	**(15)**	**(12)**	**(12)**
Interest expense	(22)	(22)	(15)	(12)	(12)
Other non-op expense	0	0	0	0	0
Equity income/(loss)	0	0	0	0	0
Pre-tax Profit	**(172)**	**(7,173)**	**1,817**	**3,296**	**4,497**
Extraordinary items					
Current taxation	198	238	(300)	(544)	(742)
Minorities	0	0	0	0	0
Net Profit	**26**	**(6,935)**	**1,517**	**2,752**	**3,755**
Core net profit	**26**	**741**	**1,517**	**2,752**	**3,755**
EPS (USD)	**0.37**	**(92.96)**	**20.07**	**35.46**	**47.18**
Core EPS (USD)	**0.37**	**9.93**	**20.07**	**35.46**	**47.18**

Key ratios					
Year ending June	**FY25A**	**FY26A**	**FY27E**	**FY28E**	**FY29E**
Growth (%YoY)					
Sales	21.0	83.2	103.4	61.8	25.0
Operating profit	46.8	379.0	241.7	80.6	36.3
EBITDA	190.7	1,145.3	162.3	70.4	33.7
Net profit	104.7	(26,876.4)	121.9	81.4	36.5
Core net profit	104.7	2,759.8	104.8	81.4	36.5
EPS	105	(25,082)	121.6	76.7	33.0
Core EPS	105	2,568	102.1	76.7	33.0
Profitability (%)					
Gross margin	28.0	41.7	48.9	50.7	52.0
Operation margin	(11.7)	17.8	29.9	33.3	36.4
EBITDA margin	3.9	26.6	34.4	36.2	38.7
Net margin	1.6	(230.1)	24.7	27.7	30.3
ROE	2.5	(240.0)	28.1	36.5	34.8
ROA	0.6	(120.3)	18.5	25.7	26.0
Stability					
Interest bearing debt/equity (x)	2.3	0.4	0.2	0.2	0.1
Net debt/equity (x)	1.8	n.a.	n.a.	n.a.	n.a.
Interest coverage (x)	n.a.	n.a.	n.a.	n.a.	n.a.
Interest & ST debt coverage (x)	n.a.	n.a.	n.a.	n.a.	n.a.
Cash flow interest coverage (x)	0.1	(2.6)	0.3	0.6	0.9
Current ratio (x)	4.4	1.7	2.0	2.5	3.2
Quick ratio (x)	2.0	1.0	1.2	1.5	2.1
Net debt (USD m)	2,088	(372)	(620)	(1,909)	(4,394)
Activity					
Asset turnover (X)	0.17	0.27	0.65	1.36	2.97
Days receivables	55.5	63.0	63.0	63.0	63.0
Days inventory	144.8	143.6	143.6	143.6	143.6
Days payable	69.4	117.8	76.3	76.3	76.3
Cash cycle days	130.9	88.8	130.3	130.3	130.3

Cash flow (USD m)					
Year ending June	**FY25A**	**FY26A**	**FY27E**	**FY28E**	**FY29E**
Operating cash flow	**161**	**(6,937)**	**885**	**2,163**	**3,488**
Net profit	26	(6,935)	1,517	2,752	3,755
Depre.& amortization	257	267	275	283	292
Change in working capital	(122)	(269)	(907)	(872)	(559)
Others	0	0	0	0	0
Investment cash flow	**(277)**	**(1,048)**	**(638)**	**(874)**	**(1,003)**
Net CAPEX	(366)	(701)	(603)	(837)	(964)
Change in LT investment	0	0	0	0	0
Change in other assets	89	(347)	(35)	(36)	(38)
Free cash flow	**(116)**	**(7,985)**	**247**	**1,289**	**2,486**
Financing cash flow	**200**	**9,507**	**(173)**	**(155)**	**(138)**
Change in share capital	152	10,444	0	0	0
Change in net debt	49	(937)	(173)	(155)	(138)
Dividend paid	0	0	0	0	0
Others	0	0	0	0	0
Net cash flow	**84**	**1,523**	**74**	**1,134**	**2,347**
Per share (USD)					
EPS	0.37	(92.96)	20.07	35.46	47.18
Core EPS	0.37	9.93	20.07	35.46	47.18
CFPS	4.20	(96.64)	24.02	39.62	51.49
BVPS	16.86	67.30	82.59	116.36	161.18
Sales/share	24.44	43.68	82.19	129.49	157.74
EBITDA/share	0.96	11.64	28.24	46.88	61.08
DPS	0.00	0.00	0.00	0.00	0.00
Valuation					
P/E (x)	13.6	-	27.5	15.5	11.7
P/BV (x)	0.3	1.5	6.9	4.9	3.5
Dividend yield (%)	0.0	0.0	0.0	0.0	0.0
Divdend payout ratio (%)	0.0	0.0	0.0	0.0	0.0

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Analyst Certification

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RECOMMENDATION STRUCTURE

Stock Recommendations

Stock ratings are based on absolute upside or downside, which we define as (target price* - current price) / current price.

BUY: Expected return of 10% or more over the next 12 months.
HOLD: Expected return between -10% and 10% over the next 12 months.
REDUCE: Expected return of -10% or worse over the next 12 months.

Unless otherwise specified, these recommendations are set with a 12-month horizon. Thus, it is possible that future price volatility may cause temporary mismatch between upside/downside for a stock based on market price and the formal recommendation.
* In most cases, the target price will equal the analyst's assessment of the current fair value of the stock. However, if the analyst doesn't think the market will reassess the stock over the specified time horizon due to a lack of events or catalysts, then the target price may differ from fair value. In most cases, therefore, our recommendation is an assessment of the mismatch between current market price and our assessment of current fair value.

Sector Recommendations

Overweight: The industry is expected to outperform the relevant primary market index over the next 12 months.
Neutral: The industry is expected to perform in line with the relevant primary market index over the next 12 months.
Underweight: The industry is expected to underperform the relevant primary market index over the next 12 months.

Country (Strategy) Recommendations

Overweight: Over the next 12 months, the analyst expects the market to score positively on two or more of the criteria used to determine market recommendations: index returns relative to the regional benchmark, index sharpe ratio relative to the regional benchmark and index returns relative to the market cost of equity.

Neutral: Over the next 12 months, the analyst expects the market to score positively on one of the criteria used to determine market recommendations: index returns relative to the regional benchmark, index sharpe ratio relative to the regional benchmark and index returns relative to the market cost of equity.

Underweight: Over the next 12 months, the analyst does not expect the market to score positively on any of the criteria used to determine market recommendations: index returns relative to the regional benchmark, index sharpe ratio relative to the regional benchmark and index returns relative to the market cost of equity.