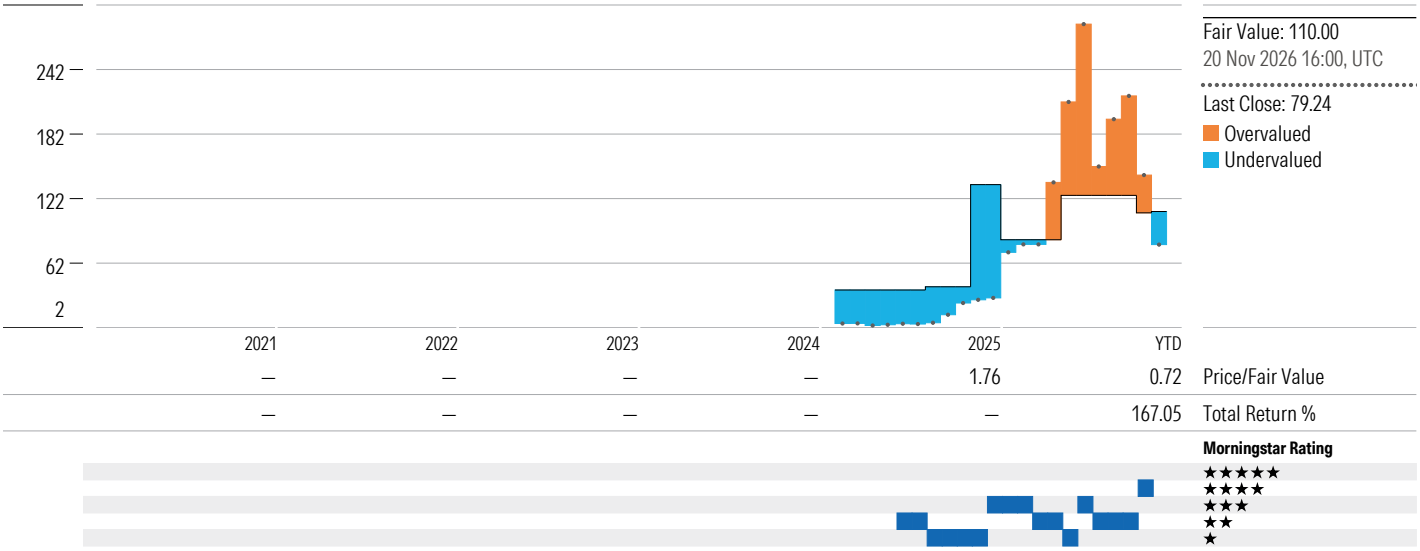
SanDisk Corp Ordinary Shares SNDK ★★★★ 20 Nov 2026 22:20, UTC

Last Price	Fair Value Estimate	Price/FVE	Market Cap	Economic Moat™	Equity Style Box	Uncertainty	Capital Allocation
79.24 USD 20 Nov 2026	110.00 USD 20 Nov 2026 16:00, UTC	0.72	90.20 USD Bil 20 Nov 2026	None	Large Value	Very High	Standard

Price vs. Fair Value



Total Return % as of 20 Nov 2026. Last Close as of 20 Nov 2026. Fair Value as of 20 Nov 2026 16:00, UTC.

Contents

Analyst Note (20 Nov 2026)
Business Description
Business Strategy & Outlook (20 Nov 2026)
Bulls Say / Bears Say (20 Nov 2026)
Economic Moat (20 Nov 2026)
Fair Value and Profit Drivers (20 Nov 2026)
Risk and Uncertainty (20 Nov 2026)
Capital Allocation (20 Nov 2026)
Analyst Notes Archive
Financials
ESG Risk
Appendix
Research Methodology for Valuing Companies

Important Disclosure

The conduct of Morningstar's analysts is governed by Code of Ethics/Code of Conduct Policy, Personal Security Trading Policy (or an equivalent of), and Investment Research Policy. For information regarding conflicts of interest, please visit: https://shareholders.morningstar.com/governance/compliance-disclosures/default.aspx

The primary analyst covering this company does not own its stock.

Sandisk: Risky NAND Pricing Fundamentals Unchanged With Stock Split

Analyst Note William Kerwin, CFA, Senior Equity Analyst, 20 Nov 2026

Sandisk exercised an 8-to-1 stock split effective Nov. 20. Every Sandisk shareholder received seven additional shares per share already owned.

Why it matters: The stock split has no impact on our long-term thesis for Sandisk. We continue to model excellent NAND pricing, revenue growth, and profit margins in the short term, but in the longer term, we expect cyclicality to ensue and bring results back down to earth. We model a pricing peak in 2028.

- The split makes sense following Sandisk's wild appreciation since 2025. From a post-spinoff value around $49 per share, shares hit all-time highs above $2,300 in mid-2026 before dropping 67% since. The split makes individual shares more accessible for retail investors.
- Sandisk should remain prone to market supply, demand, and pricing. We see NAND as a commodity and don't see artificial intelligence demand or long-term agreements changing that. We continue to expect huge supply buildouts through 2030 to drive prices back down.

The bottom line: Our split-adjusted fair value estimate is $110 per share for no-moat Sandisk. Following huge selling pressure in the past few weeks, the shares look fairly valued to us. We don't see enough of a margin of safety under our Very High Morningstar Uncertainty Rating to buy in today.

- We now see the market pricing in greater peak pricing risk, bringing it in line with our thesis. Still, we

© Morningstar 2026. All Rights Reserved. Unless otherwise provided in a separate agreement, you may use this report only in the country in which its original distributor is based. The information, data, analyses and opinions presented herein do not constitute investment advice; are provided solely for informational purposes and therefore are not an offer to buy or sell a security; and are not warranted to be correct, complete or accurate. The opinions expressed are as of the date written and are subject to change without notice. Except as otherwise required by law, Morningstar shall not be responsible for any trading decisions, damages or other losses resulting from, or related to, the information, data, analyses or opinions or their use. The information contained herein is the proprietary property of Morningstar and may not be reproduced, in whole or in part, or used in any manner, without the prior written consent of Morningstar. Investment research is produced and issued by subsidiaries of Morningstar, Inc. To order reprints, call +1 312-696-6100. To license the research, call +1 312-696-6869. Please see important disclosures at the end of this report.

SanDisk Corp Ordinary Shares SNDK ★★★★ 20 Nov 2026 22:20, UTC

Last Price	Fair Value Estimate	Price/FVE	Market Cap	Economic Moat™	Equity Style Box	Uncertainty	Capital Allocation
79.24 USD 20 Nov 2026	110.00 USD 20 Nov 2026 16:00, UTC	0.72	90.20 USD Bil 20 Nov 2026	None	Large Value	Very High	Standard

Sector	Industry
Technology	Computer Hardware

Business Description

Sandisk is one of the five largest global suppliers of NAND flash memory semiconductors. Sandisk is vertically integrated, producing all of its flash chips substantially at manufacturing sites across Japan via a joint-venture framework with Kioxia. Sandisk then repackages most of its chips into SSDs for consumer electronics, external storage, or cloud storage. Sandisk was formerly a part of Western Digital for nine years (after being acquired in 2016) and was spun off as an independent company in 2025.

see higher downside risk than upside for long-term investors today and would recommend waiting for a greater pullback before buying the dip.

- Investors that want to play memory should look to our Korean and Japanese coverage, like SK Hynix or Kioxia. We see significantly greater margins of safety there versus US names. Still, investors should have a high risk tolerance and a short time horizon ahead of the pricing peak we expect in 2028.

Business Strategy & Outlook William Kerwin, CFA, Senior Equity Analyst, 20 Nov 2026

We believe Sandisk is prone to market-driven cyclicality in memory chips and doesn't hold pricing power over its customers, which leads to low and volatile profitability over the course of a cycle. We consider NAND flash memory chips as a commodity and see high fungibility among flash chipmakers' offerings. In periods of tight supply and strong market pricing, Sandisk's profit margins can be robust. We see this in the current immense upcycle, led by artificial intelligence demand. However, these periods are often followed by a glut of oversupply, which pressures pricing and can lead to profit compression. Our long-term expectations for cyclicality in the business and commodity, low-margin products inform our view that Sandisk doesn't hold an economic moat. We expect rising NAND demand over the medium term, but for supply/demand alignment to fluctuate, leading to market cycles for pricing regardless of strong demand.

We expect demand growth for Sandisk across memory cycles, with its sales largely driven by demand for PCs, smartphones, and cloud infrastructure. Flash technology has completely taken over consumer electronics like PCs, tablets, and smartphones. The majority of Sandisk's flash chips are packaged into solid-state storage drives for these consumer devices or into external SSDs for additional consumer data storage. We believe cloud buildouts form another driver, and while Sandisk holds a weaker relative share in this market, we note improvement in recent years.

We expect the future global memory cycle to be the most critical driver to Sandisk's results. 2026 is exhibiting the steepest upcycle we've ever seen in NAND, and we expect this to continue through 2027. During such a strong upswing, Sandisk's sales and profits expand immensely. However, we believe long-term investors should consider longer-term cyclicality. We foresee meaningful capacity buildouts across 2028 coming online, providing downward pressure to NAND market prices. This will, in our view, compress both the top and bottom lines before Sandisk settles into a more normalized midcycle environment.

Bulls Say William Kerwin, CFA, Senior Equity Analyst, 20 Nov 2026

- Robust AI infrastructure demand is driving incredibly tight NAND supply, massive pricing growth, and terrific sales and profitability. If AI demand growth remains rapid, NAND supply could stay tight through 2030, carrying Sandisk to new highs.
- Sandisk is investing to raise its market share in enterprise SSDs for cloud infrastructure, which we see

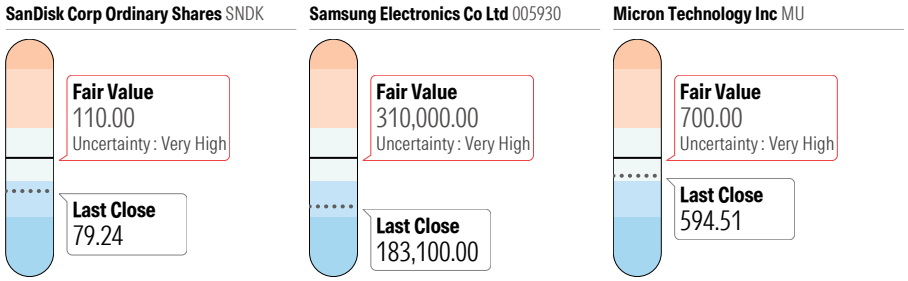
© Morningstar 2026. All Rights Reserved. Unless otherwise provided in a separate agreement, you may use this report only in the country in which its original distributor is based. The information, data, analyses and opinions presented herein do not constitute investment advice; are provided solely for informational purposes and therefore are not an offer to buy or sell a security; and are not warranted to be correct, complete or accurate. The opinions expressed are as of the date written and are subject to change without notice. Except as otherwise required by law, Morningstar shall not be responsible for any trading decisions, damages or other losses resulting from, or related to, the information, data, analyses or opinions or their use. The information contained herein is the proprietary property of Morningstar and may not be reproduced, in whole or in part, or used in any manner, without the prior written consent of Morningstar. Investment research is produced and issued by subsidiaries of Morningstar, Inc. To order reprints, call +1 312-696-6100. To license the research, call +1 312-696-6869. Please see important disclosures at the end of this report.

MORNINGSTAR®

SanDisk Corp Ordinary Shares SNDK ★★★★ 20 Nov 2026 22:20, UTC

Last Price	Fair Value Estimate	Price/FVE	Market Cap	Economic Moat™	Equity Style Box	Uncertainty	Capital Allocation
79.24 USD 20 Nov 2026	110.00 USD 20 Nov 2026 16:00, UTC	0.72	90.20 USD Bil 20 Nov 2026	None	Large Value	Very High	Standard

Competitors



	SanDisk Corp Ordinary Shares SNDK	Samsung Electronics Co Ltd 005930	Micron Technology Inc MU
Economic Moat	None	None	None
Currency	USD	KRW	USD
Fair Value	110.00 20 Nov 2026 16:00, UTC	310,000.00 20 Nov 2026 06:03, UTC	700.00 20 Nov 2026 16:08, UTC
1-Star Price	192.50	542,500.00	1,225.00
5-Star Price	55.00	155,000.00	350.00
Assessment	Undervalued 20 Nov 2026	Undervalued 31 Jul 2026	Fairly Valued 1 Oct 2026
Morningstar Rating	★★★★20 Nov 2026 22:20, UTC	★★★★20 Nov 2026 06:00, UTC	★★★20 Nov 2026 06:00, UTC
Analyst	William Kerwin, Senior Equity Analyst	Jing Jie Yu, Equity Analyst	William Kerwin, Senior Equity Analyst
Capital Allocation	Standard	Standard	Standard
Price/Fair Value	0.72	0.59	0.85
Price/Sales	0.06	1.81	5.10
Price/Book	5.05	2.08	4.85
Price/Earning	0.09	5.74	8.00
Dividend Yield	0.00%	3.23%	0.10%
Market Cap	90.20 Bil	1,192,333.91 Bil	672.64 Bil
52-Week Range	78.25—294.30	94,500.00—374,500.00	192.59—1,255.00
Investment Style	Large Value	Large Value	Large Blend

as a higher-profit business.

- New AI model architectures that utilize higher NAND memory capacity could augment demand for NAND in an AI era and boost results even further.

Bears Say William Kerwin, CFA, Senior Equity Analyst, 20 Nov 2026

- Sandisk sells commodity-like NAND flash memory chips and offers little differentiation or pricing power, exposing it to volatile cyclicality.
- Sandisk faces steep and volatile risk from longer-term NAND market cyclicality. If additional supply coming online creates a pricing crash, Sandisk risks steep declines in sales and profits.
- Sandisk holds the lowest share among peers in the higher-profit, highest-growth enterprise SSD segment of the market.

Economic Moat William Kerwin, CFA, Senior Equity Analyst, 20 Nov 2026

© Morningstar 2026. All Rights Reserved. Unless otherwise provided in a separate agreement, you may use this report only in the country in which its original distributor is based. The information, data, analyses and opinions presented herein do not constitute investment advice; are provided solely for informational purposes and therefore are not an offer to buy or sell a security; and are not warranted to be correct, complete or accurate. The opinions expressed are as of the date written and are subject to change without notice. Except as otherwise required by law, Morningstar shall not be responsible for any trading decisions, damages or other losses resulting from, or related to, the information, data, analyses or opinions or their use. The information contained herein is the proprietary property of Morningstar and may not be reproduced, in whole or in part, or used in any manner, without the prior written consent of Morningstar. Investment research is produced and issued by subsidiaries of Morningstar, Inc. To order reprints, call +1 312-696-6100. To license the research, call +1 312-696-6869. Please see important disclosures at the end of this report.

MORNINGSTAR®

SanDisk Corp Ordinary Shares SNDK ★★★★ 20 Nov 2026 22:20, UTC

Last Price	Fair Value Estimate	Price/FVE	Market Cap	Economic Moat™	Equity Style Box	Uncertainty	Capital Allocation
79.24 USD 20 Nov 2026	110.00 USD 20 Nov 2026 16:00, UTC	0.72	90.20 USD Bil 20 Nov 2026	None	Large Value	Very High	Standard

We assign Sandisk a Morningstar Economic Moat Rating of none. We view flash memory chips as commodities that don't command any pricing power, instead being governed by market supply/demand dynamics that determine pricing. Furthermore, flash chip manufacturing is incredibly capital-intensive, which weighs down returns on invested capital. We believe Sandisk can earn positive economic returns for short periods in a strong market cycle, but don't believe these are durable over the long run.

NAND flash chips are commodities in our view, and we see no pricing power for Sandisk. Every flash chipmaker will tout different specifications as advantages over the competition (layer counts, memory density, and so on), but we see virtually no differentiation between competitors. That isn't to say flash memory isn't complex, but that the seven major suppliers all match each other's development stride for stride. Additionally, we don't see it as complex enough to ward off new entrants. We point to YMTC's entrance to the market and quickly taking share as a prime example of using a large capital infusion to rapidly catch up technologically. This technological fungibility results in market-driven pricing dynamics. When demand slows versus producer expectations, and there's an oversupply of chips in the market, prices fall and drive down supplier revenue and profits. We saw this most recently with the precipitous downturn in 2023. This lack of pricing power and subsequent cyclicality erodes our confidence in durable economic returns for Sandisk.

Flash chipmaking is also a capital-intensive process, which weighs on Sandisk's ability to extract economic returns. We estimate Sandisk commits roughly 10% of revenue toward capital expenditure (between cash capital expenses and loans to its joint venture with Kioxia) over the course of a cycle. We also expect it to continue investing more than 10% of sales in research and development over our forecast. Combined, this high level of organic investment weighs on Sandisk's economic returns. We don't expect Sandisk to earn cumulative economic profits over the course of a cycle. Significant capital investment alone isn't enough to erode a moat—we point to vertically integrated logic chipmakers that offer attractive and consistent returns on invested capital as a key example. However, when significant investment requirements are paired with commodity pricing, low profitability, and volatile cyclicality, we don't believe in durable economic returns.

Finally, we see competitive dynamics differing very little across Sandisk's end-market exposures. While we see better profitability in enterprise SSDs that sell into data centers, we view these as similarly fungible across flash competitors. In addition, Sandisk has a relatively low share of these higher-margin enterprise drives and is much more concentrated in PC, mobile, and consumer markets, which we believe are the most commoditized.

Fair Value and Profit Drivers William Kerwin, CFA, Senior Equity Analyst, 20 Nov 2026

Our fair value estimate is $110 per share, following the 8-for-1 share split in November 2026. In terms of price/book multiples (the standard for memory), we value Sandisk at 3.3 times fiscal 2027 levels and 1.1

© Morningstar 2026. All Rights Reserved. Unless otherwise provided in a separate agreement, you may use this report only in the country in which its original distributor is based. The information, data, analyses and opinions presented herein do not constitute investment advice; are provided solely for informational purposes and therefore are not an offer to buy or sell a security; and are not warranted to be correct, complete or accurate. The opinions expressed are as of the date written and are subject to change without notice. Except as otherwise required by law, Morningstar shall not be responsible for any trading decisions, damages or other losses resulting from, or related to, the information, data, analyses or opinions or their use. The information contained herein is the proprietary property of Morningstar and may not be reproduced, in whole or in part, or used in any manner, without the prior written consent of Morningstar. Investment research is produced and issued by subsidiaries of Morningstar, Inc. To order reprints, call +1 312-696-6100. To license the research, call +1 312-696-6869. Please see important disclosures at the end of this report.

SanDisk Corp Ordinary Shares SNDK ★★★★ 20 Nov 2026 22:20, UTC

Last Price	Fair Value Estimate	Price/FVE	Market Cap	Economic Moat™	Equity Style Box	Uncertainty	Capital Allocation
79.24 USD 20 Nov 2026	110.00 USD 20 Nov 2026 16:00, UTC	0.72	90.20 USD Bil 20 Nov 2026	None	Large Value	Very High	Standard

times fiscal 2030 levels. The greatest driver of our valuation is cyclical market pricing for NAND chips. Given that NAND is cyclical, we don't see price/earnings multiples as useful. While we value Sandisk at 4 times our fiscal 2027 earnings estimate, we value it at 11 times our fiscal 2031 estimate, given our downcycle expectations longer-term.

We forecast volatile cyclical results for Sandisk over the next five years, led by pricing cyclicality. After 140% pricing growth in fiscal 2026 and 175% revenue growth, we expect astronomical pricing growth again in fiscal 2027, roughly doubling. This leads to our near-150% revenue growth forecast in fiscal 2027. AI infrastructure demand creates massive demand, while supply buildouts occur much more slowly. As a result, prices climb against a relatively fixed amount of supply. In fiscal 2028, we expect prices to peak as a glut of new supply comes online across the market, and we expect a severe downturn starting in fiscal 2029 and continuing through 2031.

Across this pricing cycle, we expect supply growth to be more consistent. Sandisk targets bit shipments rising in the mid- to high teens through a cycle, which it usually achieves via improvements to manufacturing efficiency. With a significant build cycle set for 2028 and 2029, we expect shipments to grow closer to 30%. This means that results are nearly entirely driven by pricing through 2027, but then growth becomes volume-led in fiscal 2028 as pricing flattens out. While in isolation this might not look like excessive growth from Sandisk, we expect industrywide supply growth to exceed 30% annually between 2027 and 2029, boosted by new supply out of China, which informs our pricing downswing forecast.

We expect Sandisk's gross margin profile to fluctuate significantly with market NAND pricing, as Sandisk is a high-fixed-cost business. We expect gross margin to remain in the mid-80s in fiscal 2027, driven by superb NAND pricing. Over this period, we forecast incremental gross margins above 90%, as pricing increases will exceed Sandisk's ability to build out new production capacity. We forecast compression during a 2029 and 2030 downcycle, but we still forecast Sandisk to hold gross margins above 60% in fiscal 2031, well above our historical view of midcycle, closer to 30%. We expect margins to steadily come down toward our historical midcycle views after fiscal 2031. Sandisk's capacity buildout in the medium term will have long-term implications for depreciation and cost of sales. As prices come down toward a normal trend after the current cycle, we expect the cost profile to return to historical levels.

We believe operating margin will rise and fall primarily with volatile gross margin and pricing. We forecast non-GAAP operating margin peaking above 80% in fiscal 2028, before falling back down to the 50% range in fiscal 2031, which remains exceptional. As gross margin comes down thereafter, we project operating margin returning to the mid- to high teens by fiscal 2036.

Our model comes in mostly below Sandisk's lofty long-term targets given at its 2026 investor day. We

© Morningstar 2026. All Rights Reserved. Unless otherwise provided in a separate agreement, you may use this report only in the country in which its original distributor is based. The information, data, analyses and opinions presented herein do not constitute investment advice; are provided solely for informational purposes and therefore are not an offer to buy or sell a security; and are not warranted to be correct, complete or accurate. The opinions expressed are as of the date written and are subject to change without notice. Except as otherwise required by law, Morningstar shall not be responsible for any trading decisions, damages or other losses resulting from, or related to, the information, data, analyses or opinions or their use. The information contained herein is the proprietary property of Morningstar and may not be reproduced, in whole or in part, or used in any manner, without the prior written consent of Morningstar. Investment research is produced and issued by subsidiaries of Morningstar, Inc. To order reprints, call +1 312-696-6100. To license the research, call +1 312-696-6869. Please see important disclosures at the end of this report.

MORNINGSTAR®

SanDisk Corp Ordinary Shares SNDK ★★★★ 20 Nov 2026 22:20, UTC

Last Price	Fair Value Estimate	Price/FVE	Market Cap	Economic Moat™	Equity Style Box	Uncertainty	Capital Allocation
79.24 USD 20 Nov 2026	110.00 USD 20 Nov 2026 16:00, UTC	0.72	90.20 USD Bil 20 Nov 2026	None	Large Value	Very High	Standard

agree with the firm's long-term goal of mid- to high-teens bit supply growth, but our expectations for pricing cyclicality put us well below management's 2028 to 2030 goals for revenue growth and profitability. Sandisk expects 80% non-GAAP gross margin and 75% non-GAAP operating margin long-term. We model that in the short term during the AI upcycle, but we come in below it by 2030. Similarly, we model well below the target for mid- to high-teens revenue growth between 2028 and 2030, given our expectations for pricing to compress after 2028 and bring revenue down commensurately.

Risk and Uncertainty William Kerwin, CFA, Senior Equity Analyst, 20 Nov 2026

We assign a Very High Morningstar Uncertainty Rating to Sandisk, resulting from the cyclical volatility of the global NAND flash chip market. Historically, Sandisk has been exposed to periods of market oversupply that can pressure prices, revenue, and profitability. We expect this cyclicality to continue in the long term, even though the current upcycle is immense. In cyclical downturns, Sandisk can be exposed to harsh revenue declines and even steeper margin compression due to the firm's high fixed-cost base as a vertically integrated chipmaker. We point to 2023 as an example of how bad downturns can be for the firm, where revenue declined 37%, gross margin compressed 2,600 basis points to 7%, and GAAP operating margin was negative 33%. Against the magnitude of the current upswing, the ensuing downswing could be even more severe.

We also believe the rise of Chinese competitor Yangtze Memory Technologies poses an additional risk to Sandisk. A more fragmented supply base for flash likely means less efficient alignment between supply/demand and the potential for more frequent downturns. We already see worse profitability and more severe cyclicality in NAND flash (with six major suppliers) compared with DRAM memory chips (with only three major suppliers) YMTC's rise in the Chinese market for flash also will likely weigh on Sandisk's growth opportunity as YMTC gains share among its domestic customers.

On the environmental, social, and governance front, we see low risk for Sandisk, mostly from its manufacturing carbon footprint, which we see as modest relative to other industries.

Finally, Sandisk is a nascent stand-alone business and we believe operational risk creates uncertainty for investors. Its lack of stand-alone operating history makes operating expense management a meaningful unknown. Still, we like that former Western Digital CEO David Goeckeler, who led the combined firm, is overseeing Sandisk as CEO, a business he knows well.

Capital Allocation William Kerwin, CFA, Senior Equity Analyst, 20 Nov 2026

We assign Sandisk a Standard Morningstar Capital Allocation Rating based on our assessments of a sound balance sheet, appropriate distributions, and fair investments. believe organic growth over the course of cycles and gross margin are the most important drivers of shareholder returns. Sandisk's stated capital-allocation priorities are to keep a net cash position and invest in organic growth.

Sandisk holds practically no debt, and we expect it to service its future obligations with organic cash

© Morningstar 2026. All Rights Reserved. Unless otherwise provided in a separate agreement, you may use this report only in the country in which its original distributor is based. The information, data, analyses and opinions presented herein do not constitute investment advice; are provided solely for informational purposes and therefore are not an offer to buy or sell a security; and are not warranted to be correct, complete or accurate. The opinions expressed are as of the date written and are subject to change without notice. Except as otherwise required by law, Morningstar shall not be responsible for any trading decisions, damages or other losses resulting from, or related to, the information, data, analyses or opinions or their use. The information contained herein is the proprietary property of Morningstar and may not be reproduced, in whole or in part, or used in any manner, without the prior written consent of Morningstar. Investment research is produced and issued by subsidiaries of Morningstar, Inc. To order reprints, call +1 312-696-6100. To license the research, call +1 312-696-6869. Please see important disclosures at the end of this report.

MORNINGSTAR®

SanDisk Corp Ordinary Shares SNDK ★★★★ 20 Nov 2026 22:20, UTC

Last Price	Fair Value Estimate	Price/FVE	Market Cap	Economic Moat™	Equity Style Box	Uncertainty	Capital Allocation
79.24 USD 20 Nov 2026	110.00 USD 20 Nov 2026 16:00, UTC	0.72	90.20 USD Bil 20 Nov 2026	None	Large Value	Very High	Standard

flow. We like that the firm has no specified shareholder return policies following its 2025 spinoff from Western Digital, given cyclical risks to cash flow in the future and a net debt position. We do expect opportunistic share repurchases to occur, particularly as Sandisk generates immense cash in the current NAND upcycle.

We generally like Sandisk's investment strategy. We believe organic investment to maintain pace with NAND chipmaking competitors is the most important investment for the firm. We see little opportunity for bolt-on acquisitions but believe a merger with another large NAND peer could be beneficial for shareholders—if it were to pass antitrust approval—pending the price of the deal. Overall, we agree with the decision to spin off from Western Digital in 2025. We see no synergies between the NAND flash and HDD businesses, and believe Sandisk can maintain a more streamlined organizational structure as a stand-alone company.

Analyst Notes Archive

Sandisk Earnings: Decelerating Price Growth Is a Bad Omen William Kerwin, CFA,Senior Equity Analyst,30 Oct 2026

Sandisk's September-quarter results were again exceptional and above guidance. Sales rose 378% year on year to $11 billion, while non-GAAP gross margin rose 55 points year on year to 85%. December-quarter guidance implies further improvement and year-on-year growth again above 300%.

Why it matters: Sky-high pricing continues to drive results, but it looks to be decelerating sequentially. To us, this indicates a pricing peak is on the horizon, in line with our thesis. Pricing is decelerating earlier and more quickly than we expected, and we still expect a severe downcycle after the peak.

- Management continues to cite long-term agreements as creating a structurally high pricing environment. We disagree. We see customers holding strong leverage to renegotiate or walk away if and when market prices fall below contracted levels.
- We don't question strong AI demand growth, but we believe a major capacity buildout between 2027 and 2029 will bring prices back down. We see evidence to our thesis in recent results and guidance, with pricing growth decelerating quickly and revenue becoming volume-led.

The bottom line: We cut our fair value estimate for no-moat Sandisk to $870, from $1,000, to reflect a lower price peak in the short-term and a consistent downcycle view thereafter. Shares have fallen from 2026 highs recently, but still look overvalued to us.

- Sandisk is up more than five times year-to-date, but down more than 40% from a peak in June. The market has grown concerned about AI spending and memory supply buildouts, including from China. We see further downside when a downcycle manifests, making this a risky bet for investors.
- We still expect impressive growth through 2028, but see prices peaking in early 2028 and growth in the next few quarters to be volume-led. We then forecast a severe downturn between 2029 and 2031

© Morningstar 2026. All Rights Reserved. Unless otherwise provided in a separate agreement, you may use this report only in the country in which its original distributor is based. The information, data, analyses and opinions presented herein do not constitute investment advice; are provided solely for informational purposes and therefore are not an offer to buy or sell a security; and are not warranted to be correct, complete or accurate. The opinions expressed are as of the date written and are subject to change without notice. Except as otherwise required by law, Morningstar shall not be responsible for any trading decisions, damages or other losses resulting from, or related to, the information, data, analyses or opinions or their use. The information contained herein is the proprietary property of Morningstar and may not be reproduced, in whole or in part, or used in any manner, without the prior written consent of Morningstar. Investment research is produced and issued by subsidiaries of Morningstar, Inc. To order reprints, call +1 312-696-6100. To license the research, call +1 312-696-6869. Please see important disclosures at the end of this report.

MORNINGSTAR®

SanDisk Corp Ordinary Shares SNDK ★★★★ 20 Nov 2026 22:20, UTC

Last Price	Fair Value Estimate	Price/FVE	Market Cap	Economic Moat™	Equity Style Box	Uncertainty	Capital Allocation
79.24 USD 20 Nov 2026	110.00 USD 20 Nov 2026 16:00, UTC	0.72	90.20 USD Bil 20 Nov 2026	None	Large Value	Very High	Standard

as the market tilts into oversupply.

Sandisk: We Retain Skepticism on Longer-Term Targets William Kerwin, CFA,Senior Equity Analyst,19 Aug 2026

Sandisk hosted a bullish investor day on Aug. 13, focusing on long-term secular demand trends for NAND memory, AI, and long-term customer contracts. Management provided attractive long-term targets, including double-digit revenue growth through 2030 and 80% non-GAAP gross margin.

Why it matters: Sandisk continues to preach that this time is different for NAND, and the current upcycle will be structural and durable. We disagree and expect commodity supply and demand market dynamics to create volatile cycles into the long term.

- Demand isn't a question to us—we expect memory needs to rise durably in both personal devices and data centers. For memory, it comes down to the ratio of supply to demand, which governs prices. If supply exceeds demand, it creates pricing compression that can hurt sales and margins.
- In our view, long-term customer agreements hedge downside cycle risk, rather than preventing it altogether. We observe less than 20% of Sandisk's contract values being financially guaranteed and believe customers hold the power to amend terms if spot market prices fall.

The bottom line: We maintain our $1,000 per share fair value estimate for no-moat Sandisk. Our long-term thesis for cyclicality in the NAND market is unchanged, and we continue to worry about a downcycle beginning in the 2029 timeframe. Shares look overvalued to us.

- Shares are up nearly 7 times year to date as rising NAND prices have led Sandisk's revenue and profitability to balloon. The current upcycle has led our valuation higher, too, but we can't justify the current market price given the risk of a pricing downturn toward the end of the decade.
- We expect superb growth through fiscal 2028 for Sandisk but expect prices to peak in early 2028 and then fall precipitously in 2029 and 2030. We believe end-of-decade profitability will be lower than current levels, but we expect a better midcycle outlook than Sandisk has offered historically.

Sandisk Earnings: The Supercycle Rages on, but Long-Term Cyclicality Risk Keeps Us on the Sidelines William Kerwin, CFA,Senior Equity Analyst,6 Aug 2026

Sandisk reported strong upside to June-quarter guidance and a bullish September-quarter outlook. Sales rose more than 370% year over year to $9.0 billion, and guidance implies year-over-year growth of more than 350%. Shares fell 5% after-hours as guidance missed lofty consensus expectations.

Why it matters: NAND pricing growth was astonishing at over 200% year on year, but slowed sequentially. There's more room to run in the current upcycle, which we project to peak in early 2028. Through 2027, we expect banner results, but remain concerned over longer-term cyclicality.

- Management touts long-term agreements as a defense to cyclicality, but we don't see them as watertight, with less than 20% of "committed" revenue actually contractually guaranteed. We see

© Morningstar 2026. All Rights Reserved. Unless otherwise provided in a separate agreement, you may use this report only in the country in which its original distributor is based. The information, data, analyses and opinions presented herein do not constitute investment advice; are provided solely for informational purposes and therefore are not an offer to buy or sell a security; and are not warranted to be correct, complete or accurate. The opinions expressed are as of the date written and are subject to change without notice. Except as otherwise required by law, Morningstar shall not be responsible for any trading decisions, damages or other losses resulting from, or related to, the information, data, analyses or opinions or their use. The information contained herein is the proprietary property of Morningstar and may not be reproduced, in whole or in part, or used in any manner, without the prior written consent of Morningstar. Investment research is produced and issued by subsidiaries of Morningstar, Inc. To order reprints, call +1 312-696-6100. To license the research, call +1 312-696-6869. Please see important disclosures at the end of this report.

SanDisk Corp Ordinary Shares SNDK ★★★★ 20 Nov 2026 22:20, UTC

Last Price	Fair Value Estimate	Price/FVE	Market Cap	Economic Moat™	Equity Style Box	Uncertainty	Capital Allocation
79.24 USD 20 Nov 2026	110.00 USD 20 Nov 2026 16:00, UTC	0.72	90.20 USD Bil 20 Nov 2026	None	Large Value	Very High	Standard

these as a hedge against a potential future downturn and as an indication of just how strong demand is today.

- The key debate for investors remains when and where prices peak, and how severely prices fall thereafter. We continue to expect a glut of supply coming online from Sandisk and peers in 2028 to apply pressure to prices, with a sharp downturn ensuing in 2029 and 2030.

The bottom line: We maintain our $1,000 fair value estimate for no-moat Sandisk, and our long-term thesis on cyclicality is unchanged. Shares continue to look overvalued to us for investors with a long-term time horizon.

Between the lines: Sandisk holds eight long-term supply agreements, totaling at least $93.9 billion in contracted revenue. This reflects exceptional demand, but only $16.5 billion of this is fully guaranteed, and we believe customers will have leverage to adapt these agreements if prices fall.

Sandisk Earnings: Every Superlative Would Be Underselling It William Kerwin, CFA,Senior Equity Analyst,1 May 2026

Sandisk reported blowout March-quarter results and June-quarter guidance. Prices rose more than 130% sequentially and more than 200% year over year. Revenue rose 250% year over year to $5.95 billion, and non-GAAP gross margin expanded 5570 basis points to 78.4%.

Why it matters: In the tight NAND supply environment, investors can be forgiven for doing a double-take. Supply expands slowly, while demand for artificial intelligence expands rapidly, leading to immense price growth for commodity-like chips. The current upcycle continues to exceed our expectations.

- Pricing is not just growing rapidly, it's accelerating. With growth coming entirely from pricing, incremental revenue is effectively pure profit, with Sandisk's year-over-year incremental gross margin at 100% in the March quarter. We see further room for margin expansion.
- We worry about long-term cyclicality. Management says this time is different and pointed to new long-term supply agreements. We're skeptical. We still expect prices to normalize over the longer term and believe the firm will be prone to significant margin compression and sales declines when they do.

The bottom line: We raise our fair value estimate for no-moat Sandisk to $1,000 from $670, driven by higher upcycle expectations. We still expect a precipitous downcycle in 2029, but our landing spot thereafter, at midcycle, is far higher than it was just three months ago. Shares look fairly valued.

- Sandisk has been the top performer in the S&P 500, rising more than 3,300% in the last 12 months and more than quadrupling year-to-date. This looks justified against massive pricing growth, but we caution long-term investors about downcycle risk when pricing turns over.
- We now forecast Sandisk's quarterly revenue to peak at $13 billion at the end of calendar 2027, with an 85% gross margin. There's more room to run. After a strong downturn, we think the firm can

© Morningstar 2026. All Rights Reserved. Unless otherwise provided in a separate agreement, you may use this report only in the country in which its original distributor is based. The information, data, analyses and opinions presented herein do not constitute investment advice; are provided solely for informational purposes and therefore are not an offer to buy or sell a security; and are not warranted to be correct, complete or accurate. The opinions expressed are as of the date written and are subject to change without notice. Except as otherwise required by law, Morningstar shall not be responsible for any trading decisions, damages or other losses resulting from, or related to, the information, data, analyses or opinions or their use. The information contained herein is the proprietary property of Morningstar and may not be reproduced, in whole or in part, or used in any manner, without the prior written consent of Morningstar. Investment research is produced and issued by subsidiaries of Morningstar, Inc. To order reprints, call +1 312-696-6100. To license the research, call +1 312-696-6869. Please see important disclosures at the end of this report.

SanDisk Corp Ordinary Shares SNDK ★★★★ 20 Nov 2026 22:20, UTC

Last Price	Fair Value Estimate	Price/FVE	Market Cap	Economic Moat™	Equity Style Box	Uncertainty	Capital Allocation
79.24 USD 20 Nov 2026	110.00 USD 20 Nov 2026 16:00, UTC	0.72	90.20 USD Bil 20 Nov 2026	None	Large Value	Very High	Standard

maintain structurally higher gross margins in the 50% range, up from the historical 30%.

Sandisk Earnings: Scotty, Engage Warp Speed for NAND Pricing Growth William Kerwin, CFA,Senior Equity Analyst,30 Jan 2026

Sandisk's December-quarter results and March-quarter guidance blew all expectations out of the water. December earnings doubled FactSet consensus estimates, while March-quarter earnings guidance is more than triple the consensus estimate.

Why it matters: High demand for artificial intelligence infrastructure and relatively fixed NAND supply are driving prices through the roof. We expect supply constraints to endure until at least 2028, generating significant price, revenue, and margin growth for Sandisk.

- We currently expect this massive cycle to peak in 2028, with additional supply from Sandisk and peers coming online over the next three years. Until then, we expect pricing, growth, and profitability to be eye-watering.

The bottom line: We raise our fair value estimate for no-moat Sandisk to $670 per share, from $135, as we integrate a more aggressive pricing forecast through 2028. Shares rose 20% on the print, and look fairly valued to us at our new valuation.

- We also raise Sandisk's Uncertainty rating to Very High, from High, given the extreme sensitivity valuation has to volatile NAND pricing.
- Memory cycles can turn on a dime. It isn't a question of demand, but the ratio of supply to demand. The moment supply exceeds demand, pricing can crater. We doubt that "this time is different" as we've seen memory chipmakers overbuild during upcycles in the past.

Bulls say: Pricing growth can accelerate further from here. NAND chips are becoming increasingly critical to AI model efficiency, driving even further demand growth. Even with supply builds, NAND could remain undersupplied through the end of the decade.

Bears say: Too much supply getting built, or any correction in AI demand, could implode current NAND pricing. Factoring in long-term cyclicality could make the current impressive results mercurial and merely speculative for long-term investors.

Sandisk Earnings: Immense Pricing Cycle Drives Our Valuation Higher, but Shares Unreachable William Kerwin, CFA,Senior Equity Analyst,7 Nov 2025

Sandisk's September-quarter results crushed guidance, with sales rising 23% year over year to $2.3 billion. December-quarter guidance was even more impressive, calling for 13% sequential sales growth and 1,200 basis points of sequential gross margin expansion.

Why it matters: Guidance blew our model out of the water. Sandisk is benefiting from an immensely positive NAND pricing cycle, which is driving terrific results. We'd expected a short-term upcycle, but

© Morningstar 2026. All Rights Reserved. Unless otherwise provided in a separate agreement, you may use this report only in the country in which its original distributor is based. The information, data, analyses and opinions presented herein do not constitute investment advice; are provided solely for informational purposes and therefore are not an offer to buy or sell a security; and are not warranted to be correct, complete or accurate. The opinions expressed are as of the date written and are subject to change without notice. Except as otherwise required by law, Morningstar shall not be responsible for any trading decisions, damages or other losses resulting from, or related to, the information, data, analyses or opinions or their use. The information contained herein is the proprietary property of Morningstar and may not be reproduced, in whole or in part, or used in any manner, without the prior written consent of Morningstar. Investment research is produced and issued by subsidiaries of Morningstar, Inc. To order reprints, call +1 312-696-6100. To license the research, call +1 312-696-6869. Please see important disclosures at the end of this report.

MORNINGSTAR®

SanDisk Corp Ordinary Shares SNDK ★★★★ 20 Nov 2026 22:20, UTC

Last Price	Fair Value Estimate	Price/FVE	Market Cap	Economic Moat™	Equity Style Box	Uncertainty	Capital Allocation
79.24 USD 20 Nov 2026	110.00 USD 20 Nov 2026 16:00, UTC	0.72	90.20 USD Bil 20 Nov 2026	None	Large Value	Very High	Standard

the magnitude of the cycle appears far greater than what we'd modeled.

- NAND storage is in short supply, largely due to immense data center infrastructure demand, spurred by artificial intelligence. This is driving more demand for flash storage than is supplied in the market, driving prices higher for commodity NAND chips.
- High pricing boosts Sandisk's sales and profitability. Guidance for 42% non-GAAP gross margin is well above our estimate of midcycle for the firm, and we believe margins have even more room to expand. We expect supply to remain constrained through calendar 2026, buoying prices further.

The bottom line: We raise our fair value estimate for no-moat Sandisk to $135 per share, from $40, as we bake in a significantly stronger upcycle in the next two years. With the stock having quadrupled since August, we still see shares as overvalued.

- Sandisk stock has soared in the past three months, as news of NAND supply shortages has proliferated. Shares rose only modestly off of immense December guidance, indicating most of this was already baked in.
- Long-term cyclicality keeps us on the sidelines. We see excess optimism over the durability of strong pricing baked into shares. NAND remains a commodity, and we expect supply and demand to come back into balance over the long term, bringing prices, growth, and profits back down to earth.

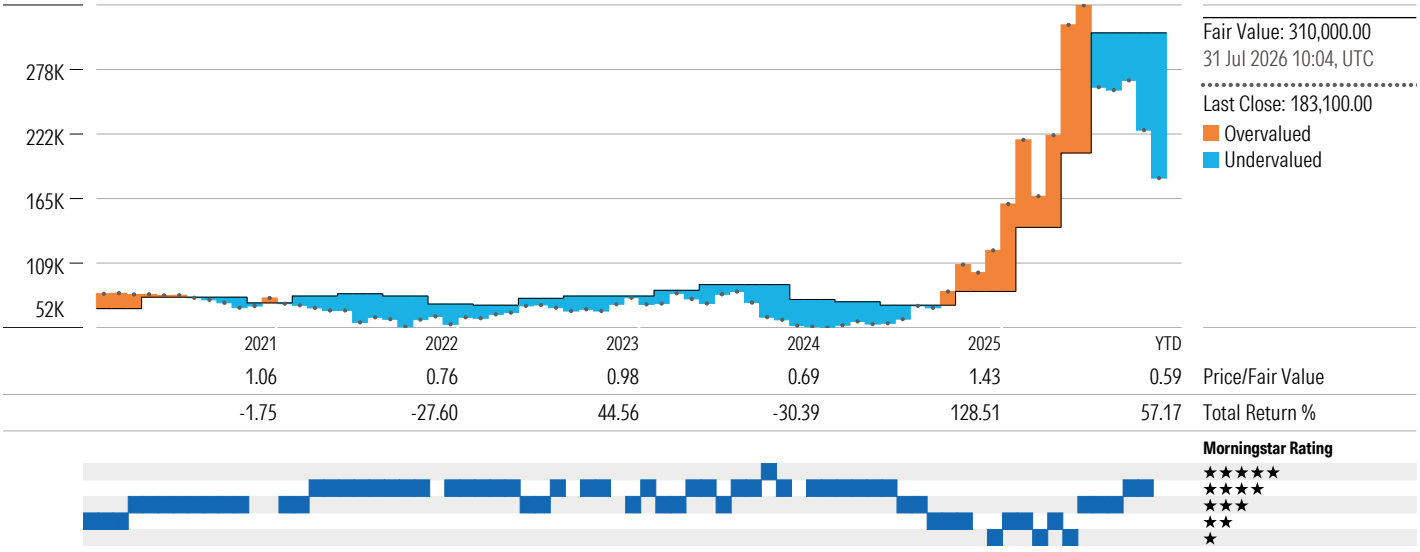
© Morningstar 2026. All Rights Reserved. Unless otherwise provided in a separate agreement, you may use this report only in the country in which its original distributor is based. The information, data, analyses and opinions presented herein do not constitute investment advice; are provided solely for informational purposes and therefore are not an offer to buy or sell a security; and are not warranted to be correct, complete or accurate. The opinions expressed are as of the date written and are subject to change without notice. Except as otherwise required by law, Morningstar shall not be responsible for any trading decisions, damages or other losses resulting from, or related to, the information, data, analyses or opinions or their use. The information contained herein is the proprietary property of Morningstar and may not be reproduced, in whole or in part, or used in any manner, without the prior written consent of Morningstar. Investment research is produced and issued by subsidiaries of Morningstar, Inc. To order reprints, call +1 312-696-6100. To license the research, call +1 312-696-6869. Please see important disclosures at the end of this report.

MORNINGSTAR®

SanDisk Corp Ordinary Shares SNDK ★★★★ 20 Nov 2026 22:20, UTC

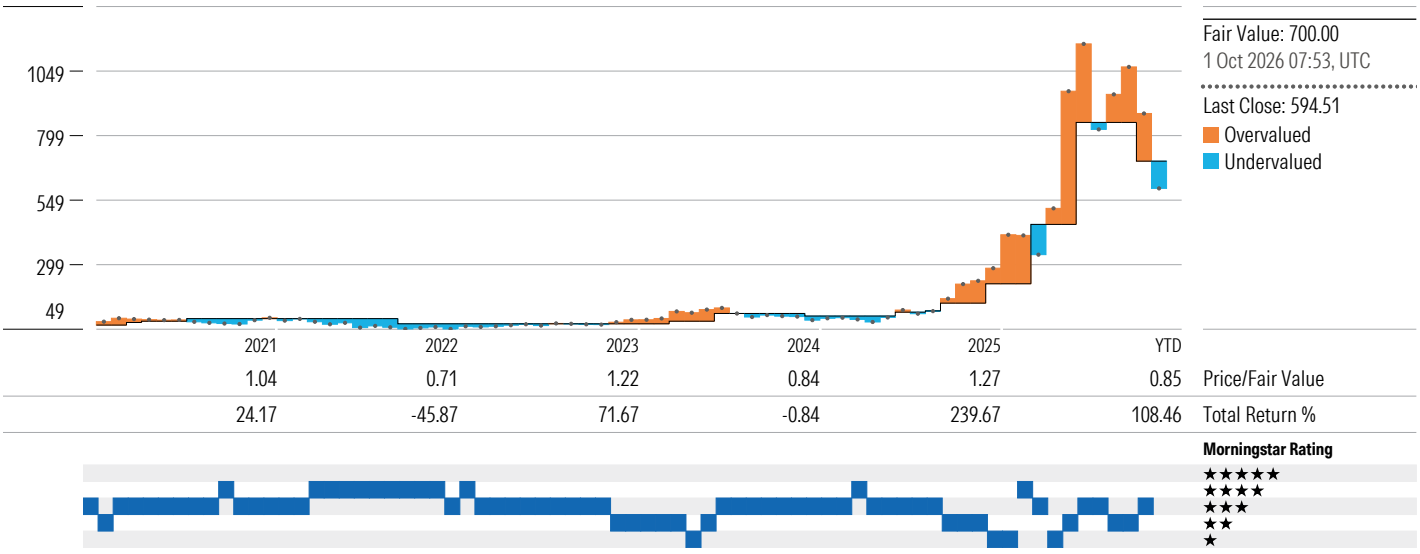
Competitors Price vs. Fair Value

Samsung Electronics Co Ltd 005930



Total Return % as of 20 Nov 2026. Last Close as of 20 Nov 2026. Fair Value as of 31 Jul 2026 10:04, UTC.

Micron Technology Inc MU



Total Return % as of 20 Nov 2026. Last Close as of 20 Nov 2026. Fair Value as of 1 Oct 2026 07:53, UTC.

© Morningstar 2026. All Rights Reserved. Unless otherwise provided in a separate agreement, you may use this report only in the country in which its original distributor is based. The information, data, analyses and opinions presented herein do not constitute investment advice; are provided solely for informational purposes and therefore are not an offer to buy or sell a security; and are not warranted to be correct, complete or accurate. The opinions expressed are as of the date written and are subject to change without notice. Except as otherwise required by law, Morningstar shall not be responsible for any trading decisions, damages or other losses resulting from, or related to, the information, data, analyses or opinions or their use. The information contained herein is the proprietary property of Morningstar and may not be reproduced, in whole or in part, or used in any manner, without the prior written consent of Morningstar. Investment research is produced and issued by subsidiaries of Morningstar, Inc. To order reprints, call +1 312-696-6100. To license the research, call +1 312-696-6869. Please see important disclosures at the end of this report.

MORNINGSTAR®

SanDisk Corp Ordinary Shares SNDK ★★★★ 20 Nov 2026 22:20, UTC

Last Price	Fair Value Estimate	Price/FVE	Market Cap	Economic Moat™	Equity Style Box	Uncertainty	Capital Allocation
79.24 USD 20 Nov 2026	110.00 USD 20 Nov 2026 16:00, UTC	0.72	90.20 USD Bil 20 Nov 2026	None	Large Value	Very High	Standard

Morningstar Valuation Model Summary

Financials as of 20 Nov 2026

Fiscal Year, ends 30 Jun	Actual 2024	2025	2026	Forecast 2027	2028	2029	2030	2031
Revenue (USD Mil)	6,663	7,355	20,248	50,057	64,869	66,928	44,909	25,867
Operating Income (USD Mil)	-444	507	12,468	39,696	51,157	49,959	29,858	14,170
EBITDA (USD Mil)	-244	-1,214	12,538	40,426	51,917	50,719	30,670	15,050
Adjusted EBITDA (USD Mil)	-87	852	12,849	40,818	52,233	51,075	31,070	15,490
Net Income (USD Mil)	-672	-1,641	11,433	36,399	42,888	41,383	24,402	11,537
Adjusted Net Income (USD Mil)	-502	434	10,986	34,503	43,144	41,679	24,742	11,897
Free Cash Flow To The Firm (USD Mil)	-186	-1,145	10,443	30,431	41,839	42,187	27,572	14,591
Weighted Average Diluted Shares Outstanding (Mil)	1,152	1,160	1,240	1,152	1,152	1,152	1,152	1,152
Earnings Per Share (Diluted) (USD)	-0.58	-1.41	9.22	31.60	37.23	35.92	21.18	10.02
Adjusted Earnings Per Share (Diluted) (USD)	-0.44	0.37	8.86	29.95	37.45	36.18	21.48	10.33
Dividends Per Share (USD)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00

Margins & Returns as of 20 Nov 2026

	3 Year Avg	Actual 2024	2025	2026	Forecast 2027	2028	2029	2030	2031	5 Year Avg
Operating Margin %	11.8	-6.7	6.9	61.6	79.3	78.9	74.7	66.5	54.8	70.8
EBITDA Margin %	—	-3.7	-16.5	61.9	80.8	80.0	75.8	68.3	58.2	—
Adjusted EBITDA Margin %	—	-1.3	11.6	63.5	81.5	80.5	76.3	69.2	59.9	73.5
Net Margin %	8.0	-10.1	-22.3	56.5	72.7	66.1	61.8	54.3	44.6	59.9
Adjusted Net Margin %	17.5	-7.5	5.9	54.3	68.9	66.5	62.3	55.1	46.0	59.8
Free Cash Flow To The Firm Margin %	11.1	-2.8	-15.6	51.6	60.8	64.5	63.0	61.4	56.4	61.2

Growth & Ratios as of 20 Nov 2026

	3 Year CAGR	Actual 2024	2025	2026	Forecast 2027	2028	2029	2030	2031	5 Year CAGR
Revenue Growth %	49.3	9.5	10.4	175.3	147.2	29.6	3.2	-32.9	-42.4	5.0
Operating Income Growth %	—	-65.7	-214.2	2359.2	218.4	28.9	-2.3	-40.2	-52.5	2.6
EBITDA Growth %	-273.3	-84.6	397.5	-1132.8	222.4	28.4	-2.3	-39.5	-50.9	31.6
Adjusted EBITDA Growth %	-368.9	-86.8	-1079.3	1408.1	217.7	28.0	-2.2	-39.2	-50.1	3.8
Earnings Per Share Growth %	—	-68.6	142.5	-751.8	242.7	17.8	-3.5	-41.0	-52.7	1.7
Adjusted Earnings Per Share Growth %	—	-59.0	-185.8	2270.6	238.0	25.1	-3.4	-40.6	-51.9	1.7

Valuation as of 20 Nov 2026

	Actual 2024	2025	2026	Forecast 2027	2028	2029	2030	2031
Price/Earning	—	—	—	2.6	2.1	2.2	3.7	7.7
Price/Sales	—	0.9	16.6	1.8	1.4	1.3	2.0	3.5
Price/Book	—	—	—	2.5	1.4	0.9	0.8	0.8
Price/Cash Flow	—	—	—	—	—	—	—	—
EV/EBITDA	—	8.5	25.9	2.1	1.6	1.7	2.7	5.5
EV/EBIT	—	14.3	26.7	2.1	1.7	1.7	2.9	6.0
Dividend Yield %	—	—	—	—	—	—	—	—
Dividend Payout %	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Free Cash Flow Yield %	—	—	—	—	—	—	—	—

Operating Performance / Profitability as of 20 Nov 2026

Fiscal Year, ends 30 Jun	Actual 2024	2025	2026	Forecast 2027	2028	2029	2030	2031
ROA %	-5.0	-12.6	50.8	84.8	59.1	39.2	20.2	9.4
ROE %	-6.1	-17.8	72.7	98.0	66.0	42.9	22.0	10.3
ROIC %	-4.9	9.2	88.1	207.5	206.1	181.8	111.9	60.9

© Morningstar 2026. All Rights Reserved. Unless otherwise provided in a separate agreement, you may use this report only in the country in which its original distributor is based. The information, data, analyses and opinions presented herein do not constitute investment advice; are provided solely for informational purposes and therefore are not an offer to buy or sell a security; and are not warranted to be correct, complete or accurate. The opinions expressed are as of the date written and are subject to change without notice. Except as otherwise required by law, Morningstar shall not be responsible for any trading decisions, damages or other losses resulting from, or related to, the information, data, analyses or opinions or their use. The information contained herein is the proprietary property of Morningstar and may not be reproduced, in whole or in part, or used in any manner, without the prior written consent of Morningstar. Investment research is produced and issued by subsidiaries of Morningstar, Inc. To order reprints, call +1 312-696-6100. To license the research, call +1 312-696-6869. Please see important disclosures at the end of this report.

MORNINGSTAR®

SanDisk Corp Ordinary Shares SNDK ★★★★ 20 Nov 2026 22:20, UTC

Last Price	Fair Value Estimate	Price/FVE	Market Cap	Economic Moat™	Equity Style Box	Uncertainty	Capital Allocation
79.24 USD 20 Nov 2026	110.00 USD 20 Nov 2026 16:00, UTC	0.72	90.20 USD Bil 20 Nov 2026	None	Large Value	Very High	Standard

Financial Leverage (Reporting Currency)	Actual			Forecast				
Fiscal Year, ends 30 Jun	**2024**	**2025**	**2026**	**2027**	**2028**	**2029**	**2030**	**2031**
Debt/Capital %	—	23.7	0.1	0.0	0.0	0.0	0.0	0.0
Assets/Equity	1.2	1.4	1.4	1.2	1.1	1.1	1.1	1.1
Net Debt/EBITDA	-2.7	-0.5	-0.4	-0.6	-1.0	-1.6	-3.3	-7.0
Total Debt/EBITDA	-11.3	2.4	0.0	0.0	0.0	0.0	0.0	0.0
EBITDA/ Net Interest Expense	-2.5	8.4	-20.5	-18.7	522.3	510.8	310.7	154.9

Forecast Revisions as of 20 Nov 2026	2027		2028		2029	
Prior data as of 29 Oct 2026	**Current**	**Prior**	**Current**	**Prior**	**Current**	**Prior**
Fair Value Estimate Change (Trading Currency)	—	871.59	—	—	—	—
Revenue (USD Mil)	50,057	50,057	64,869	64,869	66,928	65,442
Operating Income (USD Mil)	39,696	39,877	51,157	51,722	49,959	48,752
EBITDA (USD Mil)	40,818	40,999	52,233	52,797	51,075	49,868
Net Income (USD Mil)	34,503	34,660	43,144	43,618	41,679	40,677
Earnings Per Share (Diluted) (USD)	31.60	245.41	37.23	324.44	35.92	326.29
Adjusted Earnings Per Share (Diluted) (USD)	29.95	232.68	37.45	326.36	36.18	328.68
Dividends Per Share (USD)	0.00	0.00	0.00	0.00	0.00	0.00

Key Valuation Drivers as of 20 Nov 2026

Cost of Equity %	10.7
Pre-Tax Cost of Debt %	4.5
Weighted Average Cost of Capital %	10.7
Long-Run Tax Rate %	—
Stage II EBI Growth Rate %	5.0
Stage II Investment Rate %	50.0
Perpetuity Year	20

Additional estimates and scenarios available for download at https://pitchbook.com/.

Discounted Cash Flow Valuation as of 20 Nov 2026

	USD Mil
Present Value Stage I	111,774
Present Value Stage II	928
Present Value Stage III	1,424
Total Firm Value	**114,126**
Cash and Equivalents	4,762
Debt	0
Other Adjustments	0
Equity Value	**118,888**
Projected Diluted Shares	1,127
Fair Value per Share (—)	**—**

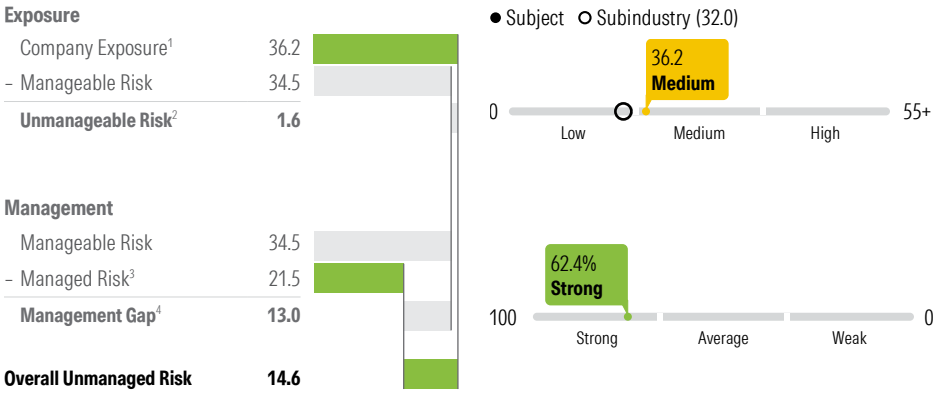
© Morningstar 2026. All Rights Reserved. Unless otherwise provided in a separate agreement, you may use this report only in the country in which its original distributor is based. The information, data, analyses and opinions presented herein do not constitute investment advice; are provided solely for informational purposes and therefore are not an offer to buy or sell a security; and are not warranted to be correct, complete or accurate. The opinions expressed are as of the date written and are subject to change without notice. Except as otherwise required by law, Morningstar shall not be responsible for any trading decisions, damages or other losses resulting from, or related to, the information, data, analyses or opinions or their use. The information contained herein is the proprietary property of Morningstar and may not be reproduced, in whole or in part, or used in any manner, without the prior written consent of Morningstar. Investment research is produced and issued by subsidiaries of Morningstar, Inc. To order reprints, call +1 312-696-6100. To license the research, call +1 312-696-6869. Please see important disclosures at the end of this report.

MORNINGSTAR®

SanDisk Corp Ordinary Shares SNDK ★★★★ 20 Nov 2026 22:20, UTC

Last Price	Fair Value Estimate	Price/FVE	Market Cap	Economic Moat™	Equity Style Box	Uncertainty	Capital Allocation
79.24 USD 20 Nov 2026	110.00 USD 20 Nov 2026 16:00, UTC	0.72	90.20 USD Bil 20 Nov 2026	None	Large Value	Very High	Standard

ESG Risk Rating Breakdown



- Exposure represents a company's vulnerability to ESG risks driven by their business model
- Exposure is assessed at the Subindustry level and then specified at the company level
- Scoring ranges from 0-55+ with categories of low, medium, and high-risk exposure

- Management measures a company's ability to manage ESG risks through its commitments and actions
- Management assesses a company's efficiency on ESG programs, practices, and policies
- Management score ranges from 0-100% showing how much manageable risk a company is managing

ESG Risk Rating



ESG Risk Ratings measure the degree to which a company's value is impacted by environmental, social, and governance risks, by evaluating the company's ability to manage the ESG risks it faces.

ESG Risk Rating is of Nov 20, 2026. Highest Controversy Level is as of Nov 08, 2026. Sustainalytics Subindustry: Technology Hardware. Sustainalytics provides Morningstar with company ESG ratings and metrics on a monthly basis and as such, the ratings in Morningstar may not necessarily reflect current Sustainalytics' scores for the company. For the most up to date rating and more information, please visit: sustainalytics.com/esg-ratings/.

1. A company's Exposure to material ESG issues 2. Unmanageable Risk refers to risks that are inherent to a particular business model that cannot be managed by programs or initiatives 3. Managed Risk = Manageable Risk multiplied by a Management score of 62.4% 4. Management Gap assesses risks that are not managed, but are considered manageable

Peer Analysis 20 Nov 2026

Peers are selected from the company's Sustainalytics-defined Subindustry and are displayed based on the closest market cap values

Company Name	Exposure			Management			ESG Risk Rating		
SanDisk Corp	36.2 | Medium	0	55+	62.4 | Strong	100	0	14.6 | Low	0	40+
Micron Technology Inc	51.2 | Medium	0	55+	69.7 | Strong	100	0	18.4 | Low	0	40+
Samsung Electronics Co Ltd	37.5 | Medium	0	55+	71.9 | Strong	100	0	12.4 | Low	0	40+
—	— | —	0	55+	— | —	100	0	— | —	0	40+
—	— | —	0	55+	— | —	100	0	— | —	0	40+

Morningstar Sustainalytics ESG ratings are issued in accordance with the EU ESG Ratings Regulation (2024/3005). For regulatory disclosures related to Morningstar Sustainalytics ESG ratings, please see Morningstar Sustainalytics Ratings Transparency.

© Morningstar 2026. All Rights Reserved. Unless otherwise provided in a separate agreement, you may use this report only in the country in which its original distributor is based. The information, data, analyses and opinions presented herein do not constitute investment advice; are provided solely for informational purposes and therefore are not an offer to buy or sell a security; and are not warranted to be correct, complete or accurate. The opinions expressed are as of the date written and are subject to change without notice. Except as otherwise required by law, Morningstar shall not be responsible for any trading decisions, damages or other losses resulting from, or related to, the information, data, analyses or opinions or their use. The information contained herein is the proprietary property of Morningstar and may not be reproduced, in whole or in part, or used in any manner, without the prior written consent of Morningstar. Investment research is produced and issued by subsidiaries of Morningstar, Inc. To order reprints, call +1 312-696-6100. To license the research, call +1 312-696-6869. Please see important disclosures at the end of this report.

MORNINGSTAR®

Appendix

Historical Morningstar Rating

SanDisk Corp Ordinary Shares SNDK 20 Nov 2026 06:00, UTC

Dec 2026	Nov 2026	Oct 2026	Sep 2026	Aug 2026	Jul 2026	Jun 2026	May 2026	Apr 2026	Mar 2026	Feb 2026	Jan 2026
—	★★★★	★★	★★	★★	★★★	★	★★	★★	★★★	★★★	★★★
Dec 2025	Nov 2025	Oct 2025	Sep 2025	Aug 2025	Jul 2025	Jun 2025	May 2025	Apr 2025	Mar 2025	Feb 2025	Jan 2025
★	★	★	★	★★	★★	—	—	—	—	—	—
Dec 2024	Nov 2024	Oct 2024	Sep 2024	Aug 2024	Jul 2024	Jun 2024	May 2024	Apr 2024	Mar 2024	Feb 2024	Jan 2024
—	—	—	—	—	—	—	—	—	—	—	—
Dec 2023	Nov 2023	Oct 2023	Sep 2023	Aug 2023	Jul 2023	Jun 2023	May 2023	Apr 2023	Mar 2023	Feb 2023	Jan 2023
—	—	—	—	—	—	—	—	—	—	—	—
Dec 2022	Nov 2022	Oct 2022	Sep 2022	Aug 2022	Jul 2022	Jun 2022	May 2022	Apr 2022	Mar 2022	Feb 2022	Jan 2022
—	—	—	—	—	—	—	—	—	—	—	—
Dec 2021	Nov 2021	Oct 2021	Sep 2021	Aug 2021	Jul 2021	Jun 2021	May 2021	Apr 2021	Mar 2021	Feb 2021	Jan 2021
—	—	—	—	—	—	—	—	—	—	—	—

Samsung Electronics Co Ltd 005930 20 Nov 2026 06:00, UTC

Dec 2026	Nov 2026	Oct 2026	Sep 2026	Aug 2026	Jul 2026	Jun 2026	May 2026	Apr 2026	Mar 2026	Feb 2026	Jan 2026
—	★★★★	★★★★	★★★	★★★	★★★	★	★★	★	★★	★★	★
Dec 2025	Nov 2025	Oct 2025	Sep 2025	Aug 2025	Jul 2025	Jun 2025	May 2025	Apr 2025	Mar 2025	Feb 2025	Jan 2025
—	★★	★★	★★	★★★	★★★	★★★★	★★★★	★★★★	★★★★	★★★★	★★★★
Dec 2024	Nov 2024	Oct 2024	Sep 2024	Aug 2024	Jul 2024	Jun 2024	May 2024	Apr 2024	Mar 2024	Feb 2024	Jan 2024
—	★★★★	★★★★★	★★★★	★★★★	★★★	★★★★	★★★★	★★★	★★★	★★★★	★★★
Dec 2023	Nov 2023	Oct 2023	Sep 2023	Aug 2023	Jul 2023	Jun 2023	May 2023	Apr 2023	Mar 2023	Feb 2023	Jan 2023
—	★★★★	★★★★	—	★★★★	★★★	★★★	★★★★	★★★★	★★★★	★★★★	★★★★
Dec 2022	Nov 2022	Oct 2022	Sep 2022	Aug 2022	Jul 2022	Jun 2022	May 2022	Apr 2022	Mar 2022	Feb 2022	Jan 2022
—	★★★★	★★★★	★★★★	★★★★	★★★★	★★★★	★★★★	★★★★	★★★	★★★	—
Dec 2021	Nov 2021	Oct 2021	Sep 2021	Aug 2021	Jul 2021	Jun 2021	May 2021	Apr 2021	Mar 2021	Feb 2021	Jan 2021
—	★★★	★★★	★★★	★★★	★★★	★★★	★★★	★★★	★★	★★	★★

Micron Technology Inc MU 20 Nov 2026 06:00, UTC

Dec 2026	Nov 2026	Oct 2026	Sep 2026	Aug 2026	Jul 2026	Jun 2026	May 2026	Apr 2026	Mar 2026	Feb 2026	Jan 2026
—	★★★	★★	★★	★★★	★★★	★★	★	★★★	★★★★	★	★
Dec 2025	Nov 2025	Oct 2025	Sep 2025	Aug 2025	Jul 2025	Jun 2025	May 2025	Apr 2025	Mar 2025	Feb 2025	Jan 2025
★★	★★	★★	★★★	★★★	★★★	★★★	★★★	★★★★	★★★	★★★	★★★
Dec 2024	Nov 2024	Oct 2024	Sep 2024	Aug 2024	Jul 2024	Jun 2024	May 2024	Apr 2024	Mar 2024	Feb 2024	Jan 2024
★★★	★★★	★★★	★★★	★★★	★★★	★★	★	★★	★★	★★	★★
Dec 2023	Nov 2023	Oct 2023	Sep 2023	Aug 2023	Jul 2023	Jun 2023	May 2023	Apr 2023	Mar 2023	Feb 2023	Jan 2023
★★	★★★	★★★	★★★	★★★	★★★	★★★	★★★	★★★	★★★	★★★★	★★★
Dec 2022	Nov 2022	Oct 2022	Sep 2022	Aug 2022	Jul 2022	Jun 2022	May 2022	Apr 2022	Mar 2022	Feb 2022	Jan 2022
★★★★	★★★★	★★★★	★★★★	★★★★	★★★★	★★★★	★★★★	★★★★	★★★	★★★	★★★
Dec 2021	Nov 2021	Oct 2021	Sep 2021	Aug 2021	Jul 2021	Jun 2021	May 2021	Apr 2021	Mar 2021	Feb 2021	Jan 2021
★★★	★★★	★★★★	★★★	★★★	★★★	★★★	★★★	★★★	★★★	★★	★★★

© Morningstar 2026. All Rights Reserved. Unless otherwise provided in a separate agreement, you may use this report only in the country in which its original distributor is based. The information, data, analyses and opinions presented herein do not constitute investment advice; are provided solely for informational purposes and therefore are not an offer to buy or sell a security; and are not warranted to be correct, complete or accurate. The opinions expressed are as of the date written and are subject to change without notice. Except as otherwise required by law, Morningstar shall not be responsible for any trading decisions, damages or other losses resulting from, or related to, the information, data, analyses or opinions or their use. The information contained herein is the proprietary property of Morningstar and may not be reproduced, in whole or in part, or used in any manner, without the prior written consent of Morningstar. Investment research is produced and issued by subsidiaries of Morningstar, Inc. To order reprints, call +1 312-696-6100. To license the research, call +1 312-696-6869. Please see important disclosures at the end of this report.

MORNINGSTAR®

Research Methodology for Valuing Companies

Overview

At the heart of our valuation system is a detailed projection of a company's future cash flows, resulting from our analysts' research. Analysts create custom industry and company assumptions to feed income statement, balance sheet, and capital investment assumptions into our globally standardized, proprietary discounted cash flow, or DCF, modeling templates. We use scenario analysis, indepth competitive advantage analysis, and a variety of other analytical tools to augment this process. Moreover, we think analyzing valuation through discounted cash flows presents a better lens for viewing cyclical companies, high-growth firms, businesses with finite lives (e.g., mines), or companies expected to generate negative earnings over the next few years. That said, we don't dismiss multiples altogether but rather use them as supporting cross-checks for our DCF-based fair value estimates. We also acknowledge that DCF models offer their own challenges (including a potential proliferation of estimated inputs and the possibility that the method may miss shortterm market-price movements), but we believe these negatives are mitigated by deep analysis and our longterm approach.

Morningstar's equity research group ("we," "our") believes that a company's intrinsic worth results from the future cash flows it can generate. The Morningstar Rating for stocks identifies stocks trading at a discount or premium to their intrinsic worth—or fair value estimate, in Morningstar terminology. Five-star stocks sell for the biggest risk adjusted discount to their fair values, whereas 1-star stocks trade at premiums to their intrinsic worth.

Four key components drive the Morningstar rating: (1) our assessment of the firm's economic moat, (2) our estimate of the stock's fair value, (3) our uncertainty around that fair value estimate and (4) the current market price. This process ultimately culminates in our singlepoint star rating.

1. Economic Moat

The concept of an economic moat plays a vital role not only in our qualitative assessment of a firm's long-term investment potential, but also in the actual calculation of our fair value estimates. An economic moat is a structural feature that allows a firm to sustain excess profits over a long period of time. We define economic profits as returns on invested capital (or ROIC) over and above our estimate of a firm's cost of capital, or weighted average cost of capital (or WACC). Without a moat, profits are more susceptible to competition. We have identified five sources of economic moats: intangible assets, switching costs, network effect, cost advantage, and efficient scale.

Companies with a narrow moat are those we believe are more likely than not to achieve normalized excess returns for at least the next 10 years. Wide-moat companies are those in which we have very high confidence that excess returns will remain for 10 years, with excess returns more likely than not to remain for at least 20 years. The longer a firm generates economic profits, the higher its intrinsic value. We believe low-quality, no-moat companies will see their normalized returns gravitate toward the firm's cost of capital more quickly than companies with moats.

When considering a company's moat, we also assess whether there is a substantial threat of value destruction, stemming from risks related to ESG, industry disruption, financial health, or other idiosyncratic issues. In this context, a risk is considered potentially value destructive if its occurrence would eliminate a firm's economic profit on a cumulative or midcycle basis. If we deem the probability of occurrence sufficiently high, we would not characterize the company as possessing an economic moat.

2. Estimated Fair Value

Combining our analysts' financial forecasts with the firm's economic moat helps us assess how long returns on invested capital are likely to exceed the firm's cost of capital. Returns of firms with a wide economic moat rating are assumed to fade to the perpetuity period over a longer period of time than the returns of narrow-moat firms, and both will fade slower than no-moat firms, increasing our estimate of their intrinsic value.

Our model is divided into three distinct stages:

Stage I: Explicit Forecast

In this stage, which can last five to 10 years, analysts make full financial statement forecasts, including items such as revenue, profit margins, tax rates, changes in workingcapital accounts, and capital spending. Based on these projections, we calculate earnings before interest, after taxes (EBI) and the net new investment (NNI) to derive our annual free cash flow forecast.

Stage II: Fade

The second stage of our model is the period it will take the company's return on new invested capital—the return on capital of the next dollar invested ("RONIC")—to decline (or rise) to its cost of capital. During the Stage II period, we use a formula to approximate cash flows in lieu of explicitly modeling the income statement, balance sheet, and cash flow statement as we do in Stage I. The length of the second stage depends on the strength of the company's economic moat. We forecast this period to last anywhere from one year (for companies with no economic moat) to 10–15 years or more (for wide-moat companies). During this period, cash flows are forecast using four assumptions: an average growth rate for EBI over the period, a normalized investment rate, average return on new invested capital (RONIC), and the number of years until perpetuity, when excess returns cease. The investment rate and return on new invested capital decline until a perpetuity value is calculated. In the case of firms that do not earn their cost of capital, we assume marginal ROICs rise to the firm's cost of capital (usually attributable to less reinvestment), and we may truncate the second stage.

Stage III: Perpetuity

Once a company's marginal ROIC hits its cost of capital, we calculate a continuing value, using a standard perpetuity formula. At perpetuity, we assume that any growth or decline or investment in the business neither creates nor destroys value and that any new investment provides a return in line with estimated WACC.

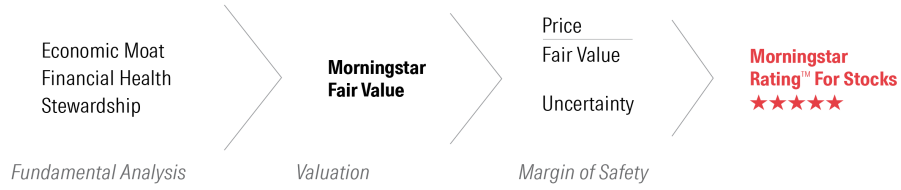
Because a dollar earned today is worth more than a dollar earned tomorrow, we discount our projections of cash flows in stages I, II, and III to arrive at a total present value of expected future cash flows. Because we are modeling free cash flow to the firm—representing cash available to provide a return to all capital providers—we discount future cash flows using the WACC, which is a weighted average of the costs of equity, debt, and preferred stock (and any other funding sources), using expected future proportionate long-term, market-value weights.

3. Uncertainty Around That Fair Value Estimate

Morningstar's Uncertainty Rating is designed to capture the range of potential outcomes for a company's intrinsic value. This rating is used to assign the margin of safety required before investing, which in turn explicitly drives our stock star rating system. The Uncertainty Rating is aimed at identifying the confidence we should have in assigning a fair value estimate for a given stock.

Our Uncertainty Rating is meant to take into account anything that can increase the potential dispersion of future

Morningstar Equity Research Star Rating Methodology



© Morningstar 2026. All Rights Reserved. Unless otherwise provided in a separate agreement, you may use this report only in the country in which its original distributor is based. The information, data, analyses and opinions presented herein do not constitute investment advice; are provided solely for informational purposes and therefore are not an offer to buy or sell a security; and are not warranted to be correct, complete or accurate. The opinions expressed are as of the date written and are subject to change without notice. Except as otherwise required by law, Morningstar shall not be responsible for any trading decisions, damages or other losses resulting from, or related to, the information, data, analyses or opinions or their use. The information contained herein is the proprietary property of Morningstar and may not be reproduced, in whole or in part, or used in any manner, without the prior written consent of Morningstar. Investment research is produced and issued by subsidiaries of Morningstar, Inc. To order reprints, call +1 312-696-6100. To license the research, call +1 312-696-6869. Please see important disclosures at the end of this report.

MORNINGSTAR®

Research Methodology for Valuing Companies

outcomes for the intrinsic value of a company, and anything that can affect our ability to accurately predict these outcomes. The rating begins with a suggested rating produced by a quantitative process based on the trailing 12-month standard deviation of daily stock returns. An analyst overlay is then applied, with analysts using the suggested rating, historical rating data, and their own knowledge of the company to inform them as they make the final Uncertainty Rating decision. Ultimately, the rating decision rests with the analyst. Analysts take into account many characteristics when making their final decision, including cyclical factors, operational and financial factors such as leverage, company-specific events, ESG risks, and anything else that might increase the potential dispersion of future outcomes and our ability to estimate those outcomes.

Our recommended margin of safety—the discount to fair value demanded before we'd recommend buying or selling the stock—widens as our uncertainty of the estimated value of the equity increases. The more uncertain we are about the potential dispersion of outcomes, the greater the discount we require relative to our estimate of the value of the firm before we would recommend the purchase of the shares. In addition, the Uncertainty Rating provides guidance in portfolio construction based on risk tolerance.

Our Uncertainty Ratings are: Low, Medium, High, Very High, and Extreme.

	Margin of Safety	
Qualitative Analysis Uncertainty Ratings	★★★★★Rating	★Rating
Low	20% Discount	25% Premium
Medium	30% Discount	35% Premium
High	40% Discount	55% Premium
Very High	50% Discount	75% Premium
Extreme	75% Discount	300% Premium

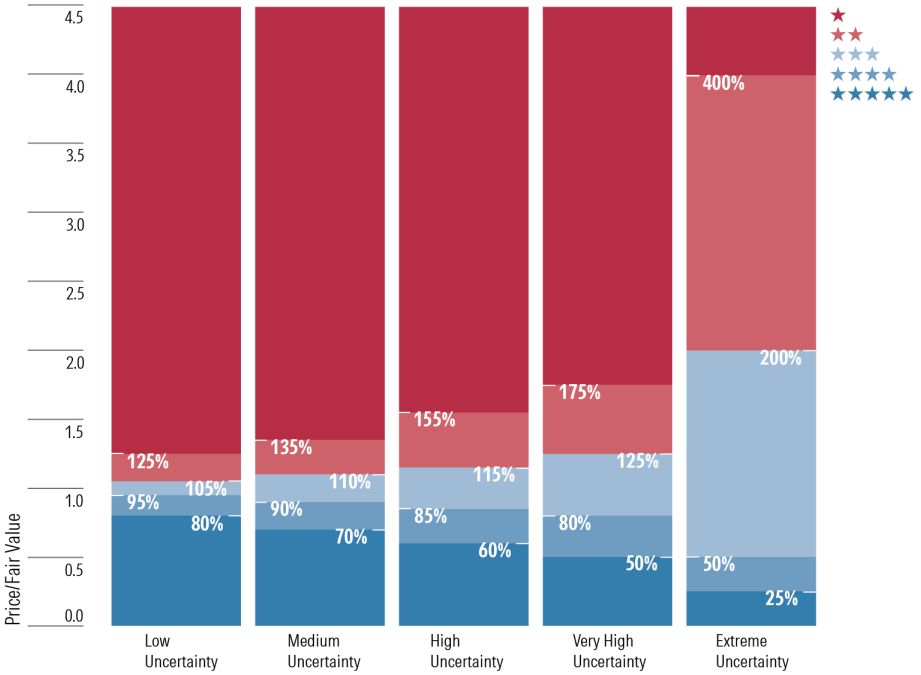
Our uncertainty rating is based on the interquartile range, or the middle 50% of potential outcomes, covering the 25th percentile–75th percentile. This means that when a stock hits 5 stars, we expect there is a 75% chance that the intrinsic value of that stock lies above the current market price. Similarly, when a stock hits 1 star, we expect there is a 75% chance that the intrinsic value of that stock lies below the current market price.

4. Market Price

The market prices used in this analysis and noted in the report come from exchange on which the stock is listed which we believe is a reliable source.

For more details about our methodology, please go to https://shareholders.morningstar.com

Morningstar Equity Research Star Rating Methodology



Morningstar Star Rating for Stocks

Once we determine the fair value estimate of a stock, we compare it with the stock's current market price on a daily basis, and the star rating is automatically re-calculated at the market close on every day the market on which the stock is listed is open. Our analysts keep close tabs on the companies they follow, and, based on thorough and ongoing analysis, raise or lower their fair value estimates as warranted.

Please note, there is no predefined distribution of stars. That is, the percentage of stocks that earn 5 stars can fluctuate daily, so the star ratings, in the aggregate, can serve as a gauge of the broader market's valuation. When there are many 5-star stocks, the stock market as a whole is more undervalued, in our opinion, than when very few companies garner our highest rating.

We expect that if our base-case assumptions are true the market price will converge on our fair value estimate over time generally within three years (although it is impossible to predict the exact time frame in which market prices may adjust).

Our star ratings are guideposts to a broad audience and individuals must consider their own specific investment goals, risk tolerance, tax situation, time horizon, income needs, and complete investment portfolio, among other factors.

The Morningstar Star Ratings for stocks are defined below:

★★★★★ We believe appreciation beyond a fair risk adjusted return is highly likely over a multiyear time frame. Scenario analysis developed by our analysts indicates that the current market price represents an excessively pessimistic outlook, limiting downside risk and maximizing upside potential.

★★★★ We believe appreciation beyond a fair risk-adjusted return is likely.

★★★ Indicates our belief that investors are likely to receive a fair risk-adjusted return (approximately cost of equity).

★★ We believe investors are likely to receive a less than fair risk-adjusted return.

★ Indicates a high probability of undesirable risk-adjusted returns from the current market price over a multiyear time frame, based on our analysis. Scenario analysis by our analysts indicates that the market is pricing in an excessively optimistic outlook, limiting upside potential and leaving the investor exposed to Capital loss.

Other Definitions

Last Price: Price of the stock as of the close of the market of the last trading day before date of the report.

Capital Allocation Rating: Our Capital Allocation (or Stewardship) Rating represents our assessment of the quality of management's capital allocation, with particular emphasis on the firm's balance sheet, investments,

© Morningstar 2026. All Rights Reserved. Unless otherwise provided in a separate agreement, you may use this report only in the country in which its original distributor is based. The information, data, analyses and opinions presented herein do not constitute investment advice; are provided solely for informational purposes and therefore are not an offer to buy or sell a security; and are not warranted to be correct, complete or accurate. The opinions expressed are as of the date written and are subject to change without notice. Except as otherwise required by law, Morningstar shall not be responsible for any trading decisions, damages or other losses resulting from, or related to, the information, data, analyses or opinions or their use. The information contained herein is the proprietary property of Morningstar and may not be reproduced, in whole or in part, or used in any manner, without the prior written consent of Morningstar. Investment research is produced and issued by subsidiaries of Morningstar, Inc. To order reprints, call +1 312-696-6100. To license the research, call +1 312-696-6869. Please see important disclosures at the end of this report.

MORNINGSTAR®

Research Methodology for Valuing Companies

and shareholder distributions. Analysts consider companies' investment strategy and valuation, balance sheet management, and dividend and share buyback policies. Corporate governance factors are only considered if they are likely to materially impact shareholder value, though either the balance sheet, investment, or shareholder distributions. Analysts assign one of three ratings: "Exemplary", "Standard", or "Poor". Analysts judge Capital Allocation from an equity holder's perspective. Ratings are determined on a forward looking and absolute basis. The Standard rating is most common as most managers will exhibit neither exceptionally strong nor poor capital allocation.

Capital Allocation (or Stewardship) analysis published prior to Dec. 9, 2020, was determined using a different process. Beyond investment strategy, financial leverage, and dividend and share buyback policies, analysts also considered execution, compensation, related party transactions, and accounting practices in the rating.

Capital Allocation Rating: Our Capital Allocation (or Stewardship) Rating represents our assessment of the quality of management's capital allocation, with particular emphasis on the firm's balance sheet, investments, and shareholder distributions. Analysts consider companies' investment strategy and valuation, balance sheet management, and dividend and share buyback policies. Corporate governance factors are only considered if they are likely to materially impact shareholder value, though either the balance sheet, investment, or shareholder distributions. Analysts assign one of three ratings: "Exemplary", "Standard", or "Poor". Analysts judge Capital Allocation from an equity holder's perspective. Ratings are determined on a forward looking and absolute basis. The Standard rating is most common as most managers will exhibit neither exceptionally strong nor poor capital allocation.

Capital Allocation (or Stewardship) analysis published prior to Dec. 9, 2020, was determined using a different process. Beyond investment strategy, financial leverage, and dividend and share buyback policies, analysts also considered execution, compensation, related party transactions, and accounting practices in the rating.

Sustainalytics ESG Risk Rating Assessment: The ESG Risk Rating Assessment is provided by Sustainalytics; a Morningstar company.

Sustainalytics' ESG Risk Ratings measure the degree to which company's economic value at risk is driven by environment, social and governance (ESG) factors.

Sustainalytics analyzes over 1,300 data points to assess a company's exposure to and management of ESG risks. In other words, ESG Risk Ratings measures a company's unmanaged ESG Risks represented as a quantitative score. Unmanaged Risk is measured on an open-ended scale starting at zero (no risk) with lower scores representing less unmanaged risk and, for 95% of cases, the unmanaged ESG Risk score is below 50.

Based on their quantitative scores, companies are grouped into one of five Risk Categories (negligible, low, medium, high, severe). These risk categories are absolute, meaning that a 'high risk' assessment reflects a comparable degree of unmanaged ESG risk across all subindustries covered.

The ESG Risk Rating Assessment is a visual representation of Sustainalytics ESG Risk Categories on a 1 to 5 scale. Companies with Negligible Risk = 5 Globes, Low Risk = 4, Medium Risk = 3 Globes, High Risk = 2 Globes, Severe Risk = 1 Globe. For more information, please visit sustainalytics.com/esg-ratings/

Ratings should not be used as the sole basis in evaluating a company or security. Ratings involve unknown risks and uncertainties which may cause our expectations not to occur or to differ significantly from what was expected and should not be considered an offer or solicitation to buy or sell a security.

Risk Warning

Please note that investments in securities are subject to market and other risks and there is no assurance or guarantee that the intended investment objectives will be achieved. Past performance of a security may or may not be sustained in future and is no indication of future performance. A security investment return and an investor's principal value will fluctuate so that, when redeemed, an investor's shares may be worth more or less than their original cost. A security's current investment performance may be lower or higher than the investment performance noted within the report. Morningstar's Uncertainty Rating serves as a useful data point with respect to sensitivity analysis of the assumptions used in our determining a fair value price.

General Disclosure

Unless otherwise provided in a separate agreement, recipients accessing this report may only use it in the country in which the Morningstar distributor is based. Unless stated otherwise, the original distributor of the report is Morningstar Research Services LLC, a U.S.A. domiciled financial institution.

This Report is for informational purposes, should not be the sole piece of information used in making an investment decision, and has no regard to the specific investment objectives, financial situation or particular needs of any specific recipient. This publication is intended to provide information to assist investors in making their own investment decisions, not to provide investment advice to any specific investor. Therefore, investments discussed herein may not be suitable for all investors; investors must exercise their own independent judgment as to the suitability of such investments and recommendations in the light of their own investment objectives, experience, taxation status and financial position. Morningstar encourages Report recipients to read all relevant issue documents (e.g., prospectus) pertaining to the security concerned, including without limitation, information relevant to its investment objectives, risks, and costs before making an investment decision and when deemed necessary, to seek the advice of a financial, legal, tax, and/or accounting professional. The information, data, analyses and opinions presented herein are not warranted to be accurate, correct, complete or timely. Unless otherwise provided in a separate agreement, neither Morningstar, Inc. or the Equity Research Group represents that the report contents meet all of the presentation and/or disclosure standards applicable in the jurisdiction the recipient is located.

Except as otherwise required by law or provided for in a separate agreement, the analyst, Morningstar, Inc. and the Equity Research Group and their officers, directors and employees shall not be responsible or liable for any trading decisions, damages or other losses resulting from, or related to, the information, data, analyses or opinions within the report.

The Report and its contents are not directed to, or intended for distribution to or use by, any person or entity who is a citizen or resident of or located in any locality, state, country or other jurisdiction where such distribution, publication, availability or use would be contrary to law or regulation or which would subject Morningstar, Inc. or its affiliates to any registration or licensing requirements in such jurisdiction.

Where this report is made available in a language other than English and in the case of inconsistencies between the English and translated versions of the report, the English version will control and supersede any ambiguities associated with any part or section of a report that has been issued in a foreign language. Neither the analyst, Morningstar, Inc., or the Equity Research Group guarantees the accuracy of the translations.

This report may be distributed in certain localities, countries and/or jurisdictions ("Territories") by independent third parties or independent intermediaries and/or distributors ("Distributors"). Such Distributors are not acting as agents or representatives of the analyst, Morningstar, Inc. or the Equity Research Group. In Territories where a Distributor distributes our report, the Distributor is solely responsible for complying with all applicable regulations, laws, rules, circulars, codes and guidelines established

© Morningstar 2026. All Rights Reserved. Unless otherwise provided in a separate agreement, you may use this report only in the country in which its original distributor is based. The information, data, analyses and opinions presented herein do not constitute investment advice; are provided solely for informational purposes and therefore are not an offer to buy or sell a security; and are not warranted to be correct, complete or accurate. The opinions expressed are as of the date written and are subject to change without notice. Except as otherwise required by law, Morningstar shall not be responsible for any trading decisions, damages or other losses resulting from, or related to, the information, data, analyses or opinions or their use. The information contained herein is the proprietary property of Morningstar and may not be reproduced, in whole or in part, or used in any manner, without the prior written consent of Morningstar. Investment research is produced and issued by subsidiaries of Morningstar, Inc. To order reprints, call +1 312-696-6100. To license the research, call +1 312-696-6869. Please see important disclosures at the end of this report.

Research Methodology for Valuing Companies

by local and/or regional regulatory bodies, including laws in connection with the distribution third-party research reports.

Conflicts of Interest

- No interests are held by the analyst with respect to the security subject of this investment research report.
- Morningstar, Inc. may hold a long position in the security subject of this investment research report that exceeds 0.5% of the total issued share capital of the security. To determine if such is the case, please click http://msi.morningstar.com and http://mdi.morningstar.com
- Analysts' compensation is derived from Morningstar, Inc.'s overall earnings and consists of salary, bonus and in some cases restricted stock.
- Neither Morningstar, Inc. or the Equity Research Group receives commissions for providing research nor do they charge companies to be rated.
- Morningstar's overall earnings are generated in part by the activities of the Investment Management and Research groups, and other affiliates, who provide services to product issuers.
- Morningstar employees may not pursue business and employment opportunities outside Morningstar within the investment industry (including but not limited to, working as a financial planner, an investment professional or investment professional representative, a broker-dealer or broker-dealer agent, a financial writer, reporter, or analyst) without the approval of Morningstar's Legal and if applicable, Compliance teams.
- Neither Morningstar, Inc. or the Equity Research Group is a market maker or a liquidity provider of the security noted within this report.
- Neither Morningstar, Inc. or the Equity Research Group has been a lead manager or co-lead manager over the previous 12-months of any publicly disclosed offer of financial instruments of the issuer.
- Morningstar, Inc.'s investment management group does have arrangements with financial institutions to provide portfolio management/investment advice some of which an analyst may issue investment research reports on. However, analysts do not have authority over Morningstar's investment management group's business arrangements nor allow employees from the investment management group to participate or influence the analysis or opinion prepared by them.
- Morningstar, Inc. is a publicly traded company (Ticker Symbol: MORN) and thus a financial institution the security of which is the subject of this report may own more than 5% of Morningstar, Inc.'s total outstanding shares. Please access Morningstar, Inc.'s proxy statement, "Security Ownership of Certain Beneficial Owners and Management" section https://shareholders.morningstar.com/investor-relations/financials/sec-filings/default.aspx
- Morningstar, Inc. may provide the product issuer or its related entities with services or products for a fee and on an arms' length basis including software products and licenses, research and consulting services, data services, licenses to republish our ratings and research in their promotional material, event sponsorship and website advertising.

Further information on Morningstar, Inc.'s conflict of interest policies is available from http://global.morningstar.com/equitydisclosures. Also, please note analysts are subject to the CFA Institute's Code of Ethics and Standards of Professional Conduct.

Risk Warning Please note that investments in securities are subject to market and other risks and there is no assurance or guarantee that the intended investment objectives will be achieved. Past performance of a security may or may not be sustained in future and is no indication of future performance. A security's investment return and an investor's principal value will fluctuate so that, when redeemed, an investor's shares may be worth more or less than their original cost. A security's current investment performance may be lower or higher than the investment performance noted within the report. For investments in foreign markets there are further risks, generally based on exchange rate changes or changes in political and social conditions.

For more information about Morningstar's methodologies, please visit global.morningstar.com/equitydisclosures

For a list of securities which the Equity Research Group currently covers and provides written analysis on please contact your local Morningstar office. In addition, for historical analysis of securities covered, including their fair value estimate, please contact your local office.

For recipients in Australia: This Report has been issued and distributed in Australia by Morningstar Australasia Pty Ltd (ABN: 95 090 665 544; ASFL: 240892). Morningstar Australasia Pty Ltd is the provider of the general advice ('the Service') and takes responsibility for the production of this report. The Service is provided through the research of investment products.

To the extent the Report contains general advice it has been prepared without reference to an investor's objectives, financial situation or needs. Investors should consider the advice in light of these matters and, if applicable, the relevant Product Disclosure Statement before making any decision to invest. Refer to our Financial Services Guide (FSG) for more information at http://www.morningstar.com.au/fsg.pdf

For recipients in New Zealand: This report has been issued and distributed by Morningstar Australasia Pty Ltd and/or Morningstar Research Ltd (together 'Morningstar'). This report has been prepared and is intended for distribution in New Zealand to wholesale clients only and has not been prepared for use by New Zealand retail clients (as those terms are defined in the Financial Markets Conduct Act 2013).The information, views and any recommendations in this material are provided for general information purposes only, and solely relate to the companies and investment opportunities specified within. Our reports do not take into account any particular investor's financial situation, objectives or appetite for risk, meaning no representation may be implied as to the suitability of any financial product mentioned for any particular investor. We recommend seeking financial advice before making any investment decision.

For recipients in Hong Kong: The Report is distributed by Morningstar Investment Management Asia Limited, which is regulated by the Hong Kong Securities and Futures Commission to provide services to professional investors only. Neither Morningstar Investment Management Asia Limited, nor its representatives, are acting or will be deemed to be acting as an investment professional to any recipients of this information unless expressly agreed to by Morningstar Investment Management Asia Limited.

For recipients in India: This investment research is issued by Morningstar Investment Adviser India Private Limited. Morningstar Investment Adviser India Private Limited is registered with SEBI as a Portfolio Manager (registration number INP000006156) and as a Research Entity (registration number INH000008686). Morningstar Investment Adviser India Private Limited has not been the subject of any disciplinary action by SEBI or any other legal/regulatory body. Morningstar Investment Adviser India Private Limited is a wholly owned subsidiary of Morningstar Investment Management LLC. In India, Morningstar Investment Adviser India Private Limited has one associate, Morningstar India Private Limited, which provides data-related services, financial data analysis, and software development. The research analyst has not served as an officer, director, or employee of the fund company within the last 12 months, nor have they or their associates engaged in market-making activity for the fund company.The ESG-related information, methodologies, tool, ratings, data and opinions contained or reflected herein are not directed to or intended for use or distribution to India-based clients or users and their distribution to Indian resident individuals or entities is not permitted, and Morningstar/Sustainalytics accepts no responsibility or liability whatsoever for the actions of third parties in this respect.

*The Conflicts of Interest disclosure above also applies to relatives and associates of Manager Research Analysts in

© Morningstar 2026. All Rights Reserved. Unless otherwise provided in a separate agreement, you may use this report only in the country in which its original distributor is based. The information, data, analyses and opinions presented herein do not constitute investment advice; are provided solely for informational purposes and therefore are not an offer to buy or sell a security; and are not warranted to be correct, complete or accurate. The opinions expressed are as of the date written and are subject to change without notice. Except as otherwise required by law, Morningstar shall not be responsible for any trading decisions, damages or other losses resulting from, or related to, the information, data, analyses or opinions or their use. The information contained herein is the proprietary property of Morningstar and may not be reproduced, in whole or in part, or used in any manner, without the prior written consent of Morningstar. Investment research is produced and issued by subsidiaries of Morningstar, Inc. To order reprints, call +1 312-696-6100. To license the research, call +1 312-696-6869. Please see important disclosures at the end of this report.

MORNINGSTAR®

Research Methodology for Valuing Companies

India # The Conflicts of Interest disclosure above also applies to associates of Manager Research Analysts in India. The terms and conditions on which Morningstar Investment Adviser India Private Limited offers Investment Research to clients, varies from client to client, and are detailed in the respective client agreement.

For recipients in Japan: The Report is distributed by Ibbotson Associates Japan, Inc., which is regulated by Financial Services Agency, for informational purposes only. Neither Ibbotson Associates Japan, Inc., nor its representatives, are acting or will be deemed to be acting as an investment professional to any recipients of this information.

For recipients in Singapore: The Report is intended for Institutional Investor audiences and is distributed by Morningstar Investment Adviser Singapore Pte. Limited, which is licensed by the Monetary Authority of Singapore to provide financial advisory services in Singapore. Morningstar Investment Adviser Singapore Pte. Limited is the entity responsible for the creation and distribution of the research services described in this Report.

This content is provided for informational purposes only and may be shared or redistributed by Institutional Investors to their clients or other permitted persons, subject to obtaining the appropriate licence from Morningstar. Redistribution of this content is subject to any applicable conditions or limitations, including those agreed commercially or contractually with Morningstar. The person who shares or redistributes this content shall be solely responsible for compliance with all relevant legal and regulatory obligations in the jurisdictions in which the material is made available.

Investors should consult a financial adviser regarding the suitability of any investment product, taking into account their specific investment objectives, financial situation or particular needs, before making any investment decision.

Morningstar, Inc., and its affiliates rely on certain exemptions (Financial Advisers Regulations, Section 27(1)(e), Section 32B and 32C) to provide its investment research to recipients in Singapore.

For recipients in Korea: The report is distributed by Morningstar Korea Ltd., which has filed to the Financial Services Committee, for informational purposes only. Neither Morningstar Korea Ltd. nor its representatives are acting or will be deemed to be acting as an investment advisor to any recipients of this information.

© Morningstar 2026. All Rights Reserved. Unless otherwise provided in a separate agreement, you may use this report only in the country in which its original distributor is based. The information, data, analyses and opinions presented herein do not constitute investment advice; are provided solely for informational purposes and therefore are not an offer to buy or sell a security; and are not warranted to be correct, complete or accurate. The opinions expressed are as of the date written and are subject to change without notice. Except as otherwise required by law, Morningstar shall not be responsible for any trading decisions, damages or other losses resulting from, or related to, the information, data, analyses or opinions or their use. The information contained herein is the proprietary property of Morningstar and may not be reproduced, in whole or in part, or used in any manner, without the prior written consent of Morningstar. Investment research is produced and issued by subsidiaries of Morningstar, Inc. To order reprints, call +1 312-696-6100. To license the research, call +1 312-696-6869. Please see important disclosures at the end of this report.

MORNINGSTAR®