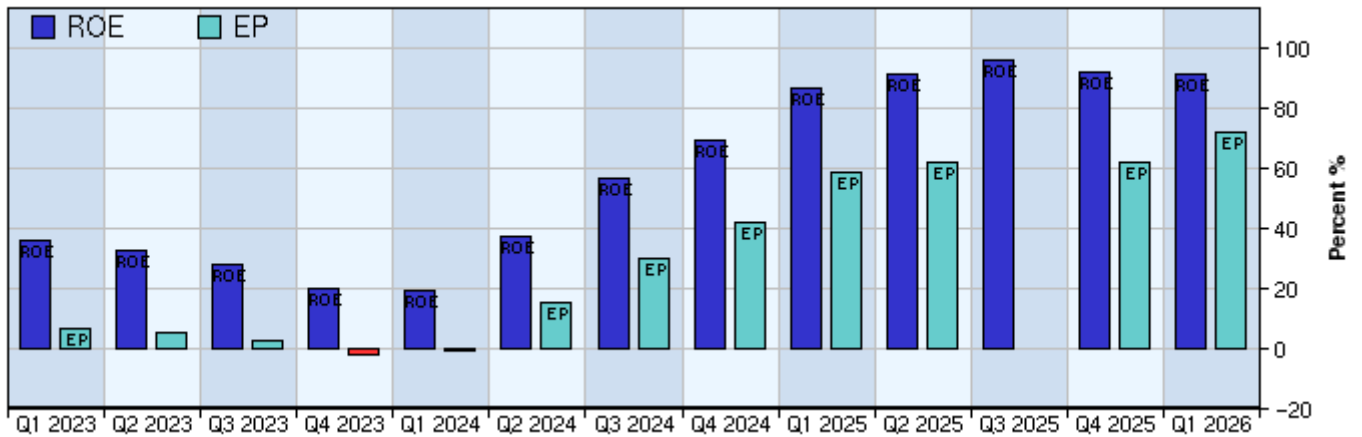


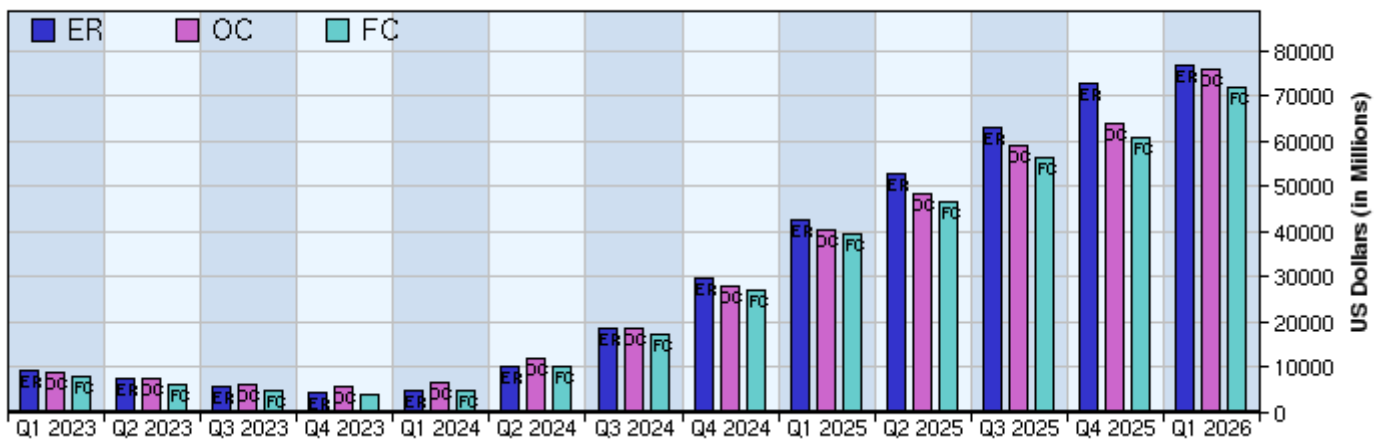
# McLean Equity Research

## Shareholder Value



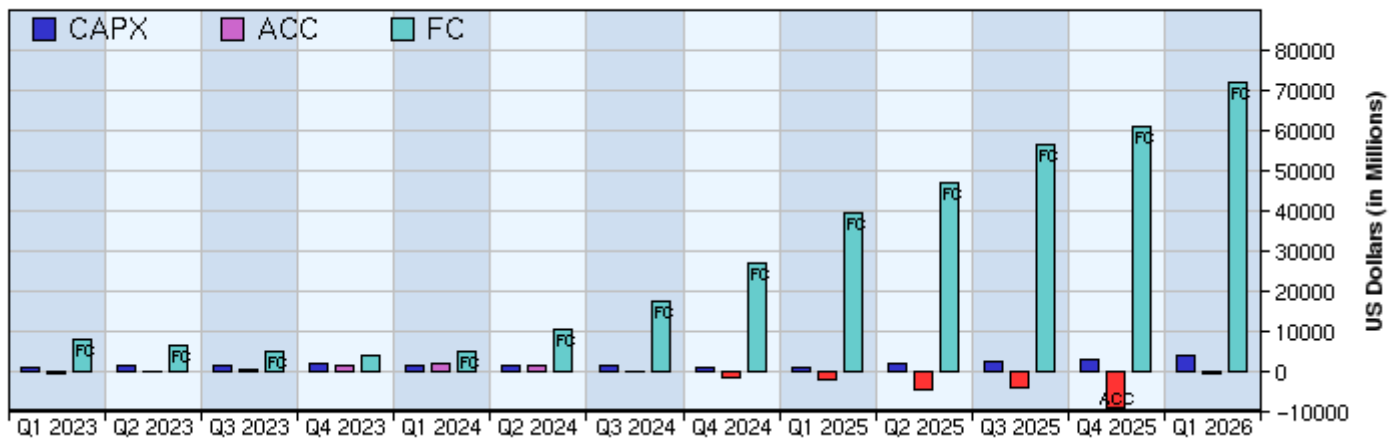
- This chart shows if a company is earning both an accounting profit (ROE) and an Owner Earnings (OE).
- OE is our proprietary metric used to determine if a company is currently adding to shareholder value.
- At McLean Equity Research, we believe the distinction between making an investment versus speculation is whether or not a company is creating shareholder value.
- The chart shows a positive trend to creating shareholder value.

## Cash Flow



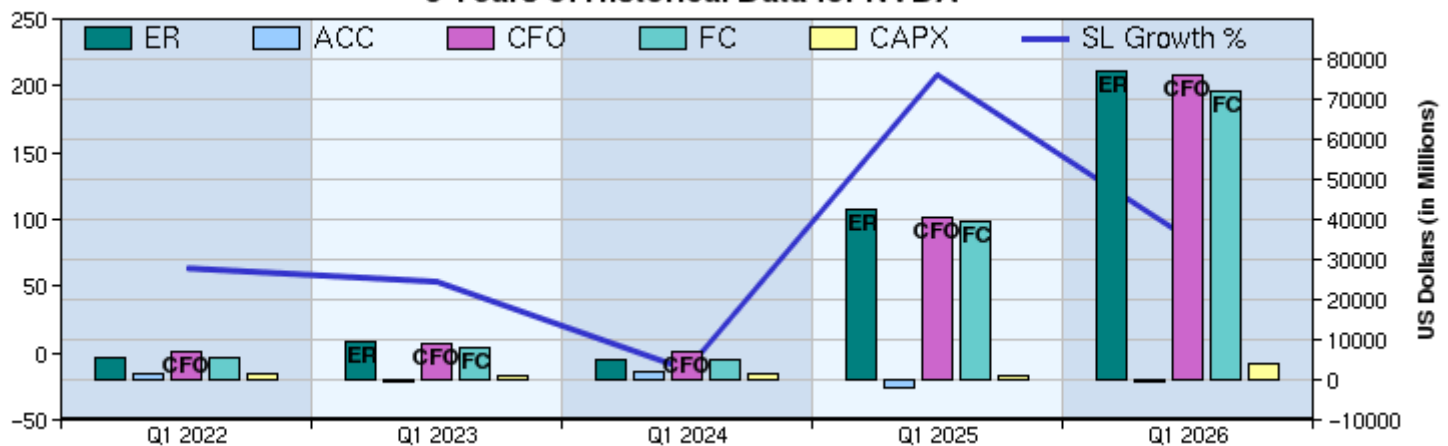
- McLean Equity Research has found that earnings backed by significant cash flows tend to be more consistent and sustainable than non-cash earnings.
- To measure earnings quality, McLean Equity Research pays close attention to cash received as a result of the companies core business.
- Generally, cash flow from operations shortfall relative to operational income indicates poor quality of earnings.
- Cash Flow From Operations of \$76,158.0M does not exceed net income of \$76,774.0M.
- Cash Flow From Operations is 1.0 times that of operating income.
- Cash Flow From Operations increased 87.9% year over year to \$76,158.0M in Q1 2026.
- Load Date 05/28/25.

## Free Cash Flow

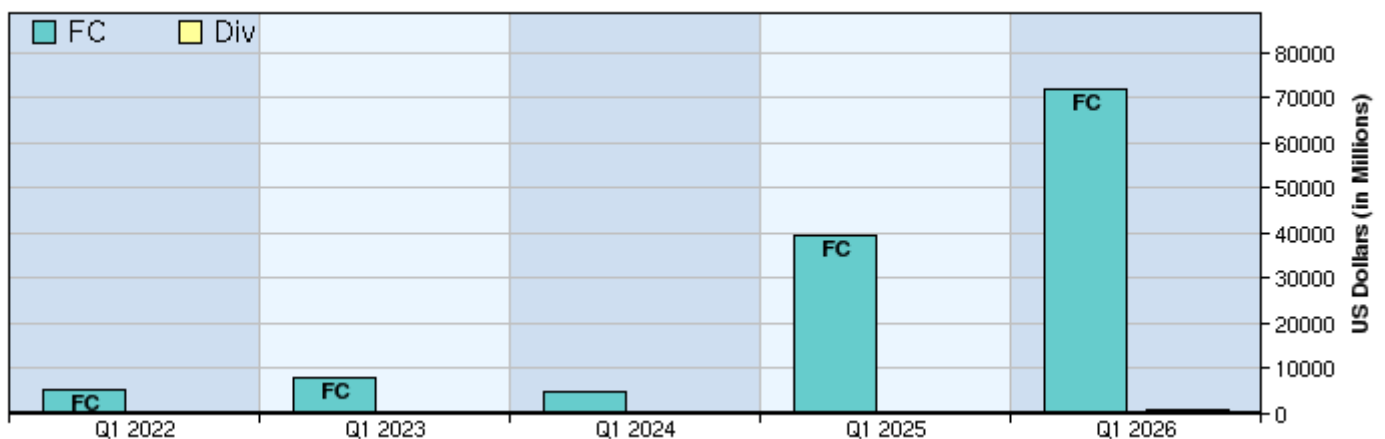


- In this chart, capital expenditures and accruals are compared to free cash flow.
- McLean Equity Research has shown that companies with high levels of free cash tend to outperform in the future.
- Accruals decreased -29.7% year over year to \$-616.0M in Q1 2026.
- Capital expenditures have decreased by -244.0% over the last year while free cash flow has increased by 83.2%.
- Free cash increased 83.2% year over year to \$72,064.0M in Q1 2026.
- This company is generating significant amounts of free cash flow and is clearly self-funding.

## 5 Years of Historical Data for NVDA



## 5 Years of FC & Dividend Data for NVDA



- Current Divident Yield is 0.03%.
- This chart shows a company's ability to pay its dividend. Most investors believe dividends are paid out of net earnings. Not true. Dividends are paid out of free cash. Either a company has enough free cash to pay the dividend or it will have to borrow the money.
- FC Payout Ratio now 73.53 and a year ago 99.83. The higher this ratio, the more likelihood of a dividend increase.

## Semiconductors Industry Analysis & Recommendations

Ticker	Market Cap	Div Yield	RSW	SL / TC	SL / TL	TL / TA	TL / OC	Z Score	EV/IC Ratio	PE	EV/FC Ratio	CROIC	OE%	Risk Analysis	Recom
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NVDA	2,713,195	0.03	0.00	1.61	3.59	0.33	0.54	44.23	41.99	51.40	53.79	78.07	71.85	Conservative	Buy
QCOM	168,603	2.12	0.00	1.00	1.53	0.50	2.15	6.17	4.29	16.52	15.52	27.64	17.63	Conservative	Buy
CRUS	5,287	0.00	0.00	0.97	5.02	0.16	0.85	10.43	2.82	18.38	13.04	21.63	11.34	Conservative	Buy
ARW	5,421	0.00	0.00	3.15	1.80	0.72	14.34	2.27	1.09	18.18	9.74	11.21	8.03	Conservative	Neutral
MPWR	27,753	0.74	0.00	0.73	4.43	0.14	0.68	33.47	10.83	20.24	56.51	19.17	5.48	Conservative	Neutral
NVMI	8,343	0.00	0.00	0.61	1.45	0.33	1.97	9.68	0.00	49.56	0.00	19.67	3.19	Speculative	Neutral
LSCC	7,614	0.00	0.00	0.69	4.22	0.14	0.81	40.91	9.98	140.57	60.35	16.54	2.05	Conservative	Neutral
SWKS	10,163	3.56	0.00	0.57	2.03	0.25	1.27	5.27	1.73	30.77	8.88	19.49	1.94	Conservative	Neutral
RMBS	5,552	0.00	0.00	0.52	2.76	0.16	0.82	16.64	5.73	34.50	28.47	20.12	0.96	Conservative	Neutral
STM	29,002	0.96	0.00	0.60	1.82	0.29	2.46	3.78	0.00	19.45	0.00	13.52	-3.02	Speculative	Neutral
TSM	1,217,801	0.96	0.00	0.53	1.18	0.37	1.34	43.45	0.00	172.65	0.00	15.85	-3.12	Speculative	Neutral
QRVO	6,763	0.00	0.00	0.75	1.46	0.43	4.08	2.53	1.82	153.07	18.58	9.81	-3.48	Speculative	Neutral
ON	14,198	0.00	0.00	0.58	1.28	0.39	2.60	3.58	2.12	39.31	17.27	12.28	-4.85	Speculative	Neutral
AVGO	958,533	0.84	0.00	0.42	0.60	0.58	4.09	6.76	10.13	103.06	61.06	16.58	-7.41	Speculative	Neutral
HIMX	3,295	24.95	0.00	0.63	1.21	0.46	6.46	3.84	0.00	40.96	0.00	7.17	-8.65	Speculative	Neutral
NXPI	48,202	1.75	0.00	0.58	0.78	0.63	6.35	2.80	3.14	25.28	36.25	8.67	-8.70	Speculative	Neutral
MTSI	6,667	0.00	0.00	0.49	1.18	0.37	3.31	6.08	6.06	-118.22	55.14	10.99	-9.52	Speculative	Neutral
TXN	163,527	2.49	0.00	0.55	0.92	0.51	2.82	9.20	7.03	40.91	141.39	4.97	-13.25	Speculative	Neutral
OLED	6,635	1.06	0.00	0.39	3.16	0.11	0.97	21.56	4.26	33.29	43.17	9.86	-15.72	Speculative	Neutral
MU	108,222	0.38	0.00	0.51	1.22	0.35	1.82	4.17	2.15	22.03	75.65	2.84	-16.77	Speculative	Neutral
AMD	167,216	0.00	0.00	0.45	2.03	0.19	3.95	8.14	3.56	100.66	80.31	4.44	-17.92	Speculative	Neutral
UMC	19,670	21.07	0.00	0.51	1.19	0.35	2.07	9.64	0.00	65.25	0.00	1.18	-18.25	Speculative	Neutral
MRVL	53,903	0.32	0.00	0.37	0.97	0.34	3.97	5.05	3.94	-131.89	50.21	7.85	-19.13	Speculative	Neutral
TSEM	5,176	0.00	0.00	0.51	3.36	0.14	0.95	9.62	0.00	25.08	0.00	0.44	-19.20	Speculative	Neutral
MCHP	26,011	2.49	0.00	0.35	0.53	0.54	9.24	2.84	3.47	-7,306.0	57.13	6.08	-22.80	Speculative	Neutral
SITM	3,616	0.00	0.00	0.33	1.28	0.21	4.92	12.24	6.69	-56.01	353.17	-1.90	-32.01	Speculative	Neutral
ADI	98,535	1.55	0.00	0.23	0.80	0.26	3.20	5.51	3.01	66.76	38.63	7.80	-35.18	Speculative	Neutral
INTC	98,630	2.22	0.00	0.34	0.57	0.48	8.96	1.14	0.85	-5.02	10.40	-8.20	-37.71	Speculative	Neutral

\* Glossary of Terms is on the next page.

