

## 【Wah Lee 2026Q1 Revenue and Gross Profit Both Reach Record Highs】

High-tech materials and equipment supplier Wah Lee Industrial Corp. (3010) announced its financial results for the first quarter of 2026. Benefiting from the rapid expansion of artificial intelligence applications and surging demand for AI servers, high-performance computing (HPC), and advanced semiconductors, the semiconductor and electronic materials supply chain experienced strong growth. As a result, all three profit margins improved simultaneously, delivering outstanding results.

First-quarter revenue reached NT\$21.84 billion, a record high, representing a year-on-year increase of 17.4%. Benefiting from an optimized product mix, gross profit climbed to NT\$1.78 billion, up 27.7% year-on-year and also setting a new quarterly record. Thanks to effective expense control, operating profit reached NT\$836 million, up 53.3% year-on-year and marking the company's second-highest level in history. Earnings per share (EPS) were NT\$2.47, an annual increase of 27.3%.

Driven by the dual engines of semiconductors and PCBs, Wah Lee's April revenue surpassed NT\$8 billion in a single month for the first time, setting a historical monthly high. As customer order momentum remains strong, capacity expansion continues, and raw material prices rise, institutional investors are optimistic that the company's operational momentum will remain robust, with full-year performance expected to stay at a high level.

In recent years, Wah Lee has continued strengthening supply chain stability through mergers, acquisitions, and joint venture strategies. The company also established a joint venture plant in Yunlin with Japanese photoresist giant JSR Corporation to jointly expand into advanced electronic material manufacturing. The product lineup includes the most advanced semiconductor photoresists. Through capacity expansion, the venture aims to alleviate the current supply shortage while simultaneously promoting localized production of critical materials, further enhancing the resilience of Taiwan's semiconductor supply chain.

Amid geopolitical tensions and global supply chain restructuring trends, this

strategic layout effectively addresses customers' localization needs, strengthens long-term partnerships, shortens delivery lead times, lowers transportation costs, and reduces carbon emissions, achieving a win-win outcome in supply chain efficiency and sustainable development.

JSR has also launched the "Advanced Planarization Process Solutions Joint Research Center" in Taiwan, establishing a top-tier laboratory dedicated to the R&D, testing, and verification of CMP (chemical mechanical planarization) slurry solutions. The center focuses on advanced process requirements and strengthens material evaluation and technical service capabilities. Through localization of the supplier's R&D resources, Wah Lee, as a key distributor, is able to respond more quickly to customer needs, deepen collaboration with suppliers, and further enhance the added value of its overall services.

Driven by demand for AI servers and HPC chips from major customers, the ABF substrate market remains in tight supply-demand balance, with the industry entering a high-growth cycle. Foreign institutional investors estimate that the supply gap for ABF substrates will continue through 2028. Meanwhile, dry film — a key material required for high-end substrates — remains in short supply. The joint venture factory established in Taiwan by Wah Lee and its supplier has already completed its expansion project. Once customer certification is approved, the new capacity is expected to enter the market in the second half of the year, helping ease the supply shortage.

In addition, as next-generation AI chips evolve toward larger packaging sizes and higher layer-count designs, and as applications such as AI NPUs, GPUs, HBM, and ASICs rapidly expand, demand for high-end substrate materials has increased significantly. The high-resolution dry film sold by Wah Lee has already entered the supply chains of several major customers and secured key orders, with related product revenue maintaining high double-digit growth.

In the PCB market, Wah Lee has not only expanded into AI server boards and optical communication module boards, but has also actively entered the low-earth-orbit (LEO) satellite sector. Its customer is a global leading supplier of PCB boards for LEO satellites, mainly supplying equipment for ground receiving stations of internationally recognized satellite operators. Since satellite circuit

boards must withstand extreme temperatures, vibration resistance, and long-term stable operation, material and process requirements are exceptionally stringent. Wah Lee's high-resolution dry film has already entered the core supply chain. As customers expand production capacity in Thailand, Wah Lee is simultaneously deepening its Southeast Asian presence. With global LEO satellite deployment and capital expenditures increasing, demand for related materials continues to rise, becoming another important growth driver.

Meanwhile, global cloud service providers (CSPs) continue increasing investment in AI infrastructure, rapidly boosting demand for high-end chips used in AI training and inference. This has led to shortages in the high-end copper clad laminate (CCL) market. With strong support from an upstream supplier, Wah Lee has successfully entered the supply chains of leading global server and networking PCB manufacturers, with end customers including several major international CSP operators.

Its primary customers focus on high-layer-count and highly technically dense PCB products capable of meeting demanding specifications such as low signal loss and high-speed transmission. Supported by strong demand for AI servers and 800G switches, as well as rising prices of upstream fiberglass cloth and copper foil raw materials, prices for high-end CCL products have continued to increase. Benefiting from simultaneous growth in both price and volume alongside fully loaded orders, first-quarter CCL revenue recorded more than a doubling in growth.

As AI servers, advanced substrates, and high-speed computing applications continue expanding rapidly, demand in the PCB equipment market is also heating up. Exposure machines, drilling machines, inspection machines, and integrated dry and wet process solutions have all become core procurement items for PCB manufacturers aggressively expanding production capacity. Benefiting from strong market demand, Wah Lee's performance in products and services across these four major equipment categories has all recorded substantial growth.