



Wah Lee Industrial Corp. (3010.TT)
FY2024 Management Report
March 19, 2025

Company Basic Information

Closing Price (03/19/2025)	NT\$106.5
52 WK High	NT\$157.0
52 WK Low	NT\$106.5
Book Value/share	NT\$86.9
Shares on Issue (M)	259.4
Market Cap (USD M)	880
QFII Holding (%)	9.4
Monthly Avg Daily Turn	NT\$100M

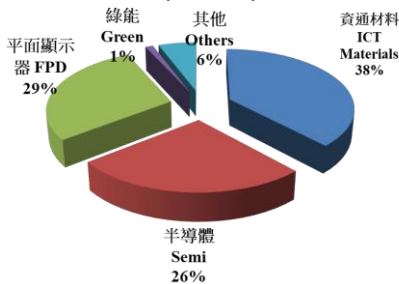
Key Financial Indicators

	2022	2023	2024
ROE	15.0%	11.9%	11.3%
Debt/Asset	62.0%	59.0%	53.0%
Cash Conversion Days	76.0	81.8	72.3

3010 WL Price Chart (1 yr)



Product Mix (FY2024)



Wah Lee Consolidated Entities include Wah Lee Taiwan and subsidiaries in China, Singapore, Thailand, Vietnam, and Indonesia.

IR Contact
Eric Lin
+886-2-2715-2087 ext.22061
eric.lin@wahlee.com

FY2024 Consolidated Results Announcement

Wah Lee's FY2024 sales reached NT\$80,031 million, a 19.8% YoY growth after the inventory digestion among customers and boosted by the prevalent AI related demands across the sectors.

- **Information Communication Technology 21.29% YoY growth:** ICT sector's FY24 sales reached NT\$30,487 million and has posted a strong growth from the low basis a year ago. To be particularly noticed is that the demands of engineering plastics and PCB consumable raw materials applied in AI servers/switches have boosted the related sales, including CPU/GPU/HBM(High Bandwidth Memory) sockets, connectors, dry films for high-end PCBs and low Dk/Low Df CCLs.
- **Semiconductor 22.95% YoY growth:** FY24 semi sector sales was NT\$21,085 million. Wah Lee provides photoresist, slurry, and advanced packaging material to foundry customer's 5/3 nm nodes and CoWoS packaging process. Specialty gases are also provided to semi and other industries. Wah Lee has started to export specialty gases to the leading foundry's Japan and US expansion plants which will have good growth potential in the future.
- **FPD 19.42% YoY growth:** The FPD FY24 sales reached NT\$22,944 million and showed a strong recovery from last year because electronic whiteboard sales has returned to its growth track. Large screen LCD TV demands also showed growth and drove the sales of our optical sheets/films such as light guide sheets and polarizer sheets.
- **Green Energy 37.06% YoY decline:** The Chinese EV and EV battery markets have become very competitive and the price erosions of EVs and batteries and its upstream raw materials were overwhelmingly serious. Chinese government phased out their EV subsidy policy also played a role in the decline of the green energy sector.

FY2024 EPS: NT\$8.89, cash dividend: NT\$5.0/share

FY2024 consolidated sales totaled NT\$80,031M. FY24 gross profit was NT\$5,958M with gross margin of 7.44% because of the product mix changes. FY24 operating expense ratio was 4.11%, which was lower than the 4.53% a year ago as the major opex item was the salaries and bonuses of employees and the larger sales number enjoyed the economies of scale. FY24 operating margin was 3.33% and operating profit was NT\$2,666M. FY24 non-operating profit was NT\$608M. Pretax profit totaled NT\$3,274M. FY24 after tax and minority profit was NT\$2,253M. The outstanding common shares of the company as of the end of 2024 grew to 259,436,800 shares from 236,239,200 shares as of the end of 2023 because of the conversion of convertible bonds into stocks. The dilution effect was about 9.82%. FY24 EPS was NT\$8.89 and the board has approved a cash dividend of NT\$5.0/share on March 12th, 2025.



2025 Outlook

Despite rising global challenges—including climate change, geopolitical conflicts, and potential tariff wars introduced by President Trump—we remain confident in achieving strong sales growth in 2025. We anticipate high single-digit growth, with the potential to reach low double digits.

Wah Lee's sustained growth is driven by its critical role in the technology manufacturing supply chain. As an exclusive supplier of essential raw materials across multiple technology sectors, Wah Lee benefits directly from the continued advancement of major technological trends.

For instance:

- AI servers require increasing amounts of high-end engineering plastics for motherboard sockets to accommodate the growing number of ICs.
- Advanced semiconductor manufacturing nodes demand more high-performance chemicals, with leading foundries expanding capacity at an unprecedented rate.
- Next-generation communication devices, including 400G and 800G switches and LEO (Low Earth Orbit) satellites, rely on low-dk/low-df CCLs (Copper Clad Laminates) across all PCB layers.
- HPC (High-Performance Computing) devices in data centers operated by major Cloud Service Providers (CSPs) require PCBs produced using HDI (High-Density Interconnect) technology, leveraging Wah Lee's Dry Film for photo exposure processes.

These examples highlight Wah Lee's integral role in technological advancements. With its technical expertise and strategic positioning, Wah Lee is well-equipped to navigate global challenges and sustain its growth trajectory.

Operating Result (M)	2022	2023	2024	1Q22	2Q22	3Q22	4Q22	1Q23	2Q23	3Q23	4Q23	1Q24	2Q24	3Q24	4Q24
Total Rev	73,570	66,782	80,031	19,510	18,336	19,149	16,575	14,378	16,167	19,019	17,218	17,251	21,154	21,413	20,213
Gross Profit	5,567	5,526	5,958	1,558	1,428	1,438	1,143	1,094	1,510	1,548	1,374	1,321	1,503	1,622	1,512
Operating Profit	2,643	2,502	2,666	802	697	704	440	431	749	699	623	558	690	818	600
After Tax Profit	2,485	2,114	2,253	768	657	737	323	289	689	712	423	433	581	712	527
Shares Outstanding	236.02	236.24	259.44	236.02	236.02	236.02	236.02	236.02	236.02	236.02	236.24	250.70	259.35	259.44	259.44
EPS (NTD)	10.53	8.96	8.89	3.26	2.78	3.12	1.37	1.22	2.92	3.02	1.80	1.80	2.30	2.77	2.02
Operating Result (%)															
GP Margin	7.6%	8.3%	7.4%	8.0%	7.8%	7.5%	6.9%	7.6%	9.3%	8.1%	8.0%	7.7%	7.1%	7.6%	7.5%
OP Margin	3.6%	3.7%	3.3%	4.1%	3.8%	3.7%	2.7%	3.0%	4.6%	3.7%	3.6%	3.2%	3.3%	3.8%	3.0%
AT Profit Margin	3.4%	3.2%	2.8%	3.9%	3.6%	3.8%	1.9%	2.0%	4.3%	3.7%	2.5%	2.5%	2.7%	3.3%	2.6%
Growth % YoY															
Sales YoY	4.3%	-9.2%	19.8%	19.8%	8.7%	2.1%	-10.9%	-26.3%	-11.8%	-0.7%	3.9%	20.0%	30.8%	12.6%	17.4%
GP YoY	-7.0%	-0.7%	7.8%	8.3%	-4.5%	-8.5%	-22.6%	-29.8%	5.7%	7.6%	20.2%	20.7%	-0.5%	4.8%	10.0%
OP YoY	-14.0%	-5.3%	6.6%	10.5%	-8.0%	-12.4%	-43.9%	-46.3%	7.5%	-0.7%	41.6%	29.5%	-7.9%	17.0%	-3.7%
AT Profit YoY	-12.6%	-14.9%	6.6%	28.6%	2.5%	-12.5%	-57.7%	-62.4%	4.9%	-3.4%	31.0%	49.8%	-15.7%	0.0%	24.6%

Safe Harbor Notice

Wah Lee Industrial Corp. (the Company) has made forward-looking statements in this report. The forward-looking statements contain information regarding, among other things, the Company's financial condition, future expansion plans and business strategies. The Company has based these forward-looking statements on its current expectations and projections about future events. Although the Company believes that these expectations and projections are reasonable, such forward-looking statements are inherently subject to risks, uncertainties and assumptions about it. The Company undertakes no obligation to publicly update or revise any forward-looking statements whether as a result of new information, future events or otherwise. In light of these risks, uncertainties and assumptions, the forward-looking events discussed in this report might not occur and the actual result could differ materially from those anticipated in these forward-looking statements.