華新麗華
WALSIN LIHWA

2026 Second Quarter Investor Conference

August 07, 2026

Safe Harbor Notice

- Walsin's statements of its current expectations are forward looking subject to significant risks and uncertainties, and actual results may differ materially from these forward-looking statements.
- Except as required by law, Walsin assumes no obligation to update any forward-looking statement, whether as a result of new information, future events, or otherwise.

Agenda

- 2Q26 Financial Results
- 3Q26 Outlook
- Q&A

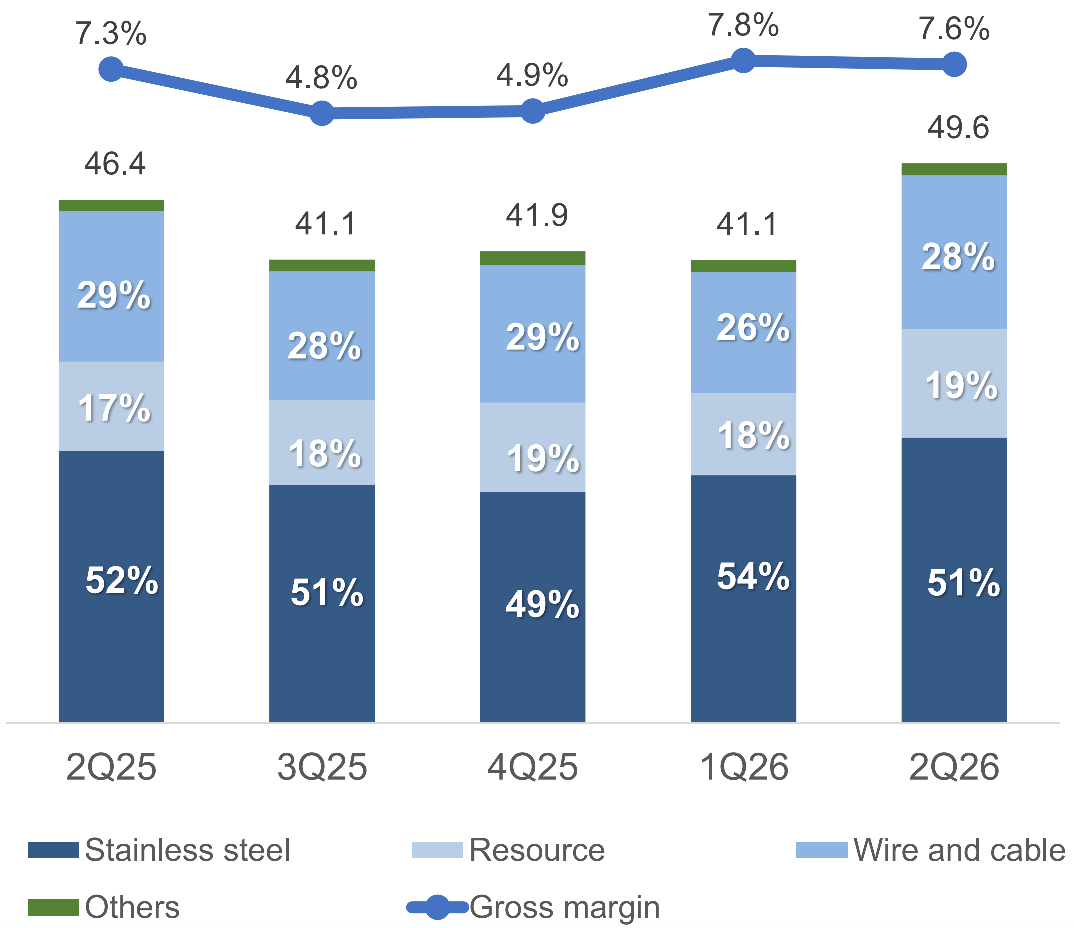
Income Statement

In NT$ billions unless otherwise noted	26Q2	26Q1	25Q2	2Q26 over 1Q26	2Q26 over 2Q25
Operating Revenue	49.6	41.1	46.4	21%	7%
Gross Margin	**7.6%**	**7.8%**	**7.3%**	**(0.2%)**	**0.3%**
Operating Expenses	3	2.6	2.9	14%	5%
Operating Margin	**1.5%**	**1.3%**	**1.1%**	**0.2%**	**0.4%**
Non-Operating Income and Expenses	8.4	3.5	(0.1)	139%	(7483%)
Net Profit Attributable to Owners	9	3.6	0.5	152%	1751%
Profit Margin	**18.2%**	**8.7%**	**1.1%**	**9.5%**	**17.1%**
EPS (NT Dollar)	2.04	0.81	0.12	1.23	1.92
EBITDA[1]	3.4	2.8	27	22%	26%

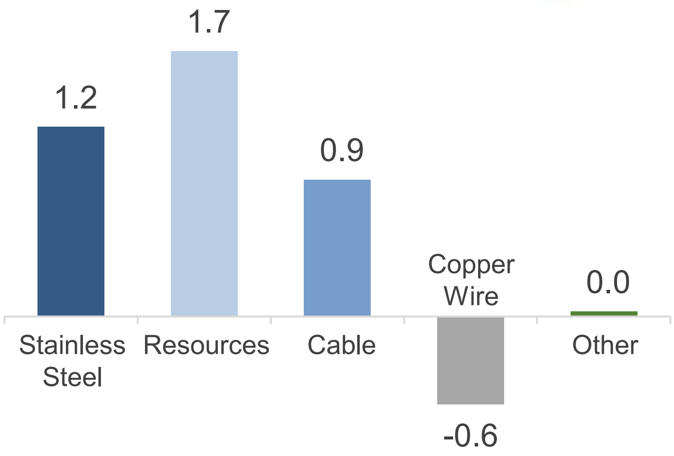
[1] EBITDA= Operating Income + Depreciation+ Amortization + Cash Dividend from Investment under Equity Method

2Q26 Operating Revenue by Business Groups (BG)

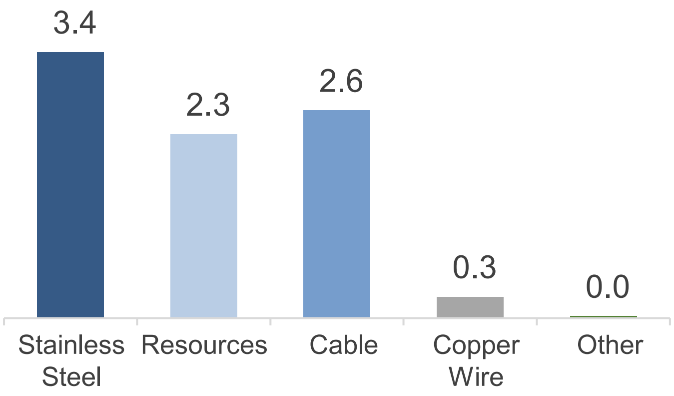
(In NT$ billions)



YoY (2Q26 Over 2Q25)



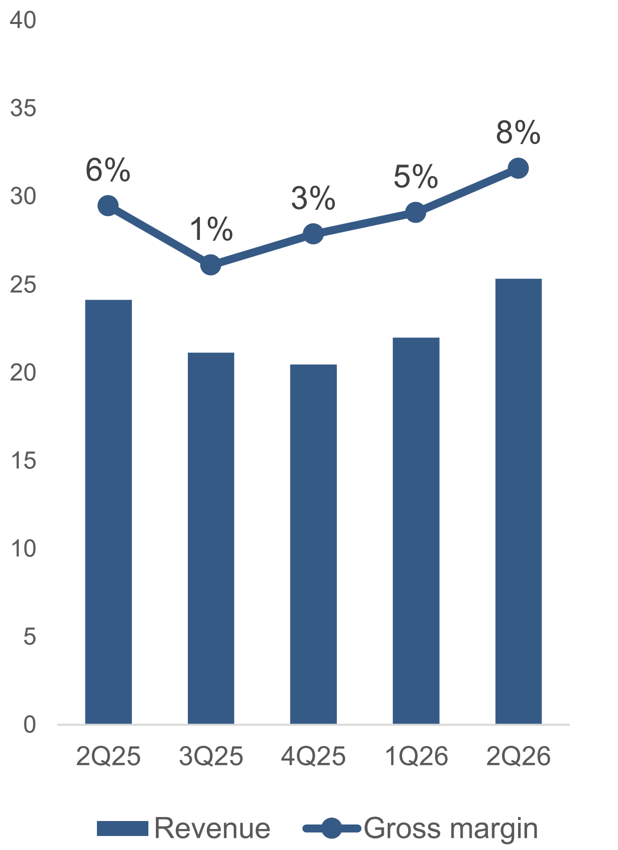
QoQ (2Q26 Over 1Q26)



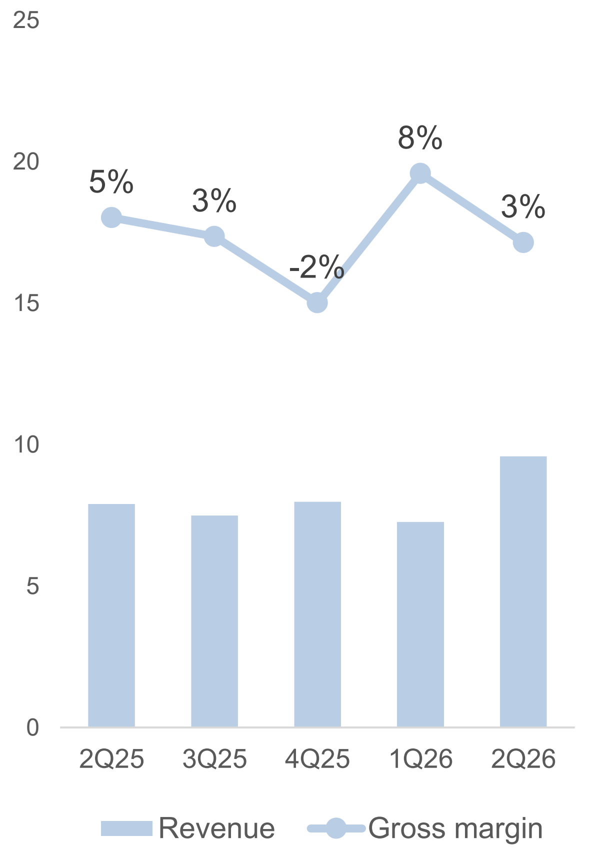
2Q26 Operating Revenue and Gross Margin by BG

(In NT$ billions)

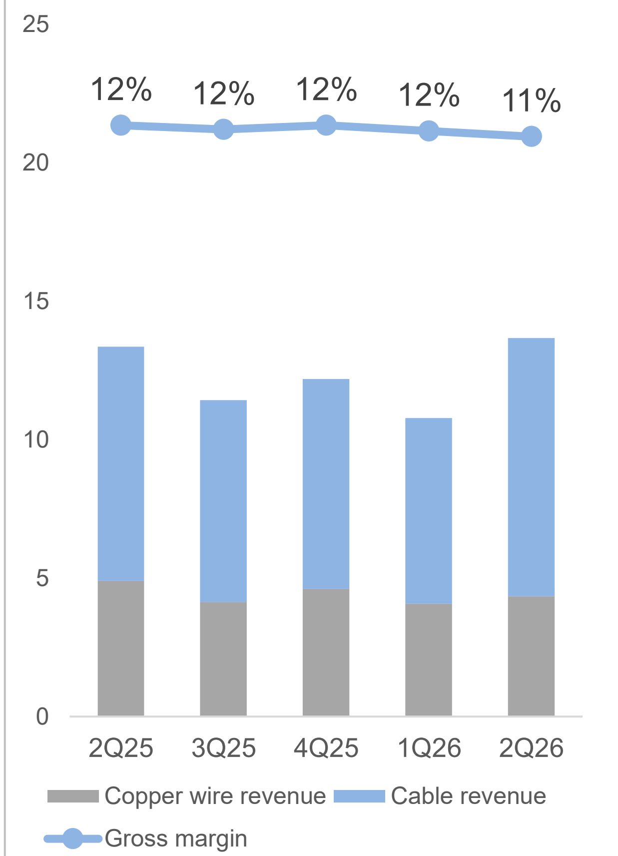
Stainless steel



Resource

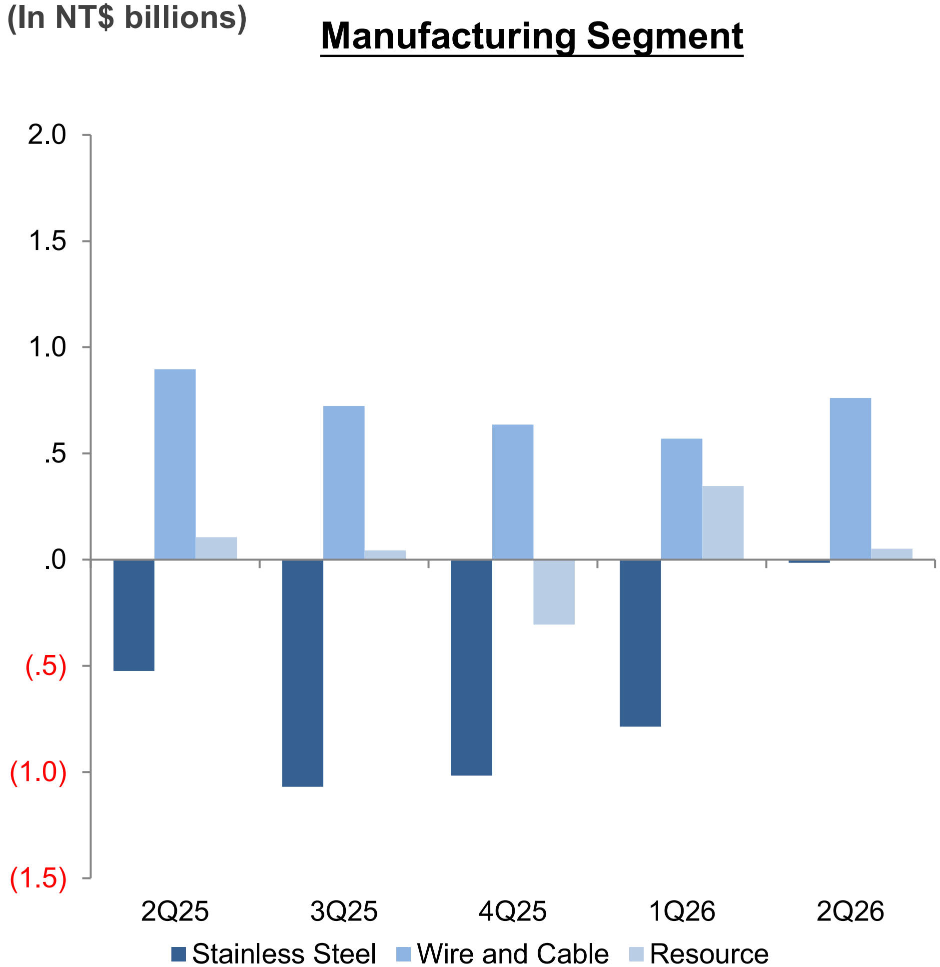


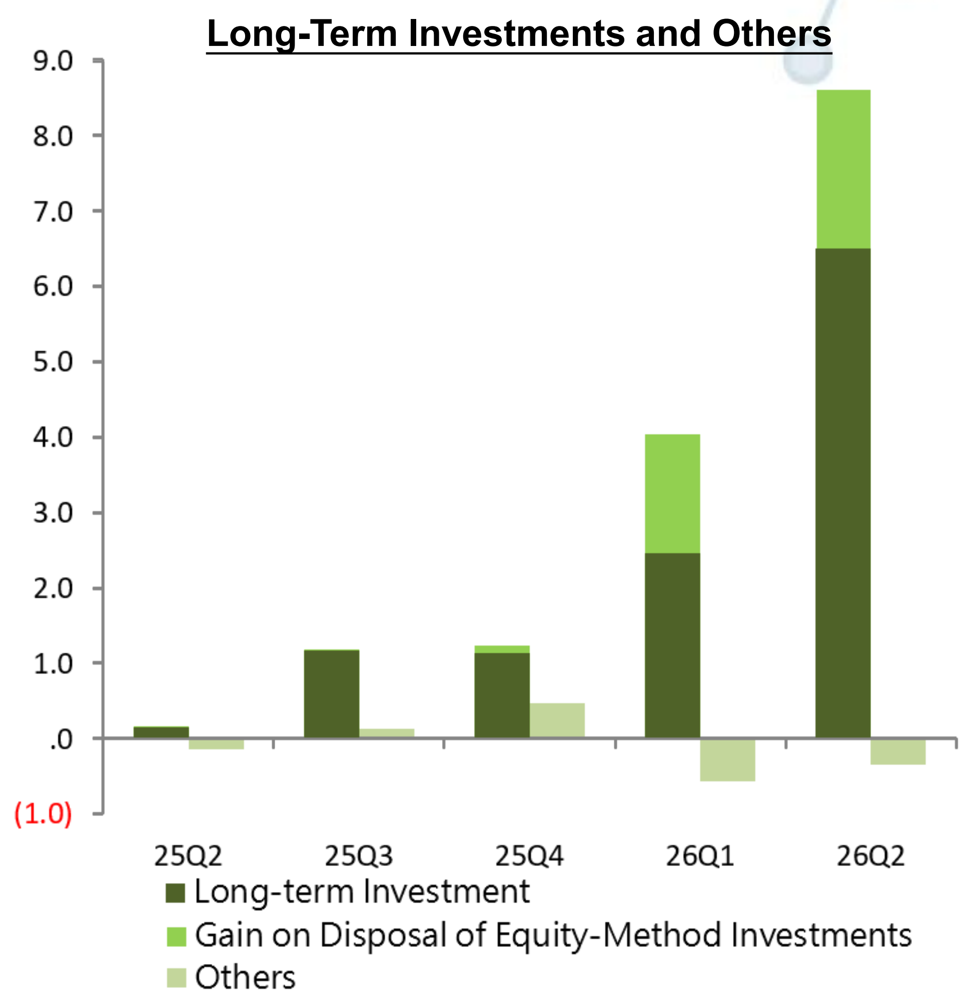
Wire and cable



2Q26 Net Profit by BG

(In NT$ billions)





Balance Sheets & Key Indices

Selected Items from Balance Sheets	26Q2		26Q1		25Q2	
(In NT$ billions)	Amount	%	Amount	%	Amount	%
Cash and cash equivalents	17.7	5%	13.9	5%	15.3	6%
Accounts Receivable	20.5	6%	18.7	6%	16.3	6%
Inventory [1]	47.4	14%	46	15%	45.4	17%
Long-Term Investments	114.3	33%	77.6	25%	56.1	21%
Property, Plant, and Equipment [2]	122.8	35%	122.9	40%	113.7	42%
Total Assets	**350.4**	**100%**	**306.2**	**100%**	**270.5**	**100%**
Current Liabilities	66.4	19%	60.3	20%	47.1	17%
Long-Term Interest-Bearing Debts	53.9	15%	55.5	18%	64	24%
Total Liabilities	**135.9**	**39%**	**131.7**	**43%**	**126.8**	**47%**
Total Shareholders' Equity	**214.5**	**61%**	**174.5**	**57%**	**143.7**	**53%**
Key Indices						
Average Collection Days	**36**		**38**		**33**	
Average Turnover Days	**88**		**100**		**96**	
Current Ratio	**1.5**		**1.5**		**1.9**	
Ratio of Long-Term Capital to Non-Current Assets [3]	**1.1**		**1.1**		**1.2**	

[1] Inventory includes prepayment for purchases
[2] Property, Plant, and Equipment (PPE) includes intangible assets
[3] Ratio of long-term capital to Non-Current Assets = (Total Shareholders' Equity + Non-Current Liabilities) / Non-Current Assets

Cash Flows

(In NT$ billions)	26Q2	26Q1	25Q2
Beginning Balance	**14.1**	**14.2**	**10.9**
Cash used in Operating Activities	1.5	(3.5)	4.3
Capital Expenditure	(1.7)	(1.7)	(3.5)
Acquisition of Long-Term Investments	2.6	2	-
Long and Short-Term Borrowing	1.2	2.6	(0.2)
Capital Increase in Cash	-	-	7.6
Others	0.2	0.5	(3.8)
Ending Balance	**17.9**	**14.1**	**15.3**

Reconciliation of Cash at End of Period	26Q2	26Q1	25Q2
Cash as reported in the balance sheet	17.7	13.9	15.3
Cash included in financial assets designated for hedging	0.2	0.2	-
Ending Balance	**17.9**	**14.1**	**15.3**

3Q26 Outlook

Stainless Steel Business

- In Taiwan, supported by elevated prices of nickel and other raw materials, stainless steel product prices are expected to remain stable. Overall performance is expected to be in line with that of the second quarter.
- In China, supply continues to be constrained under the government's "anti-involution" policy. Elevated raw material prices have also provided support for selling prices, and third-quarter performance is expected to remain stable compared with the second quarter.
- Steeval® continues to execute its brand strategy by focusing on product quality, reliability, and enhanced customer service while deepening its presence in the liquid cooling materials supply chain. Demand is expected to continue growing alongside the expansion of AI data centers.
- In Europe, product prices have increased under the influence of the Carbon Border Adjustment Mechanism (CBAM). The benefits of the EU steel safeguard measures, including reduced import quotas, are expected to be deferred to the fourth quarter due to the summer holiday season in the third quarter. In addition, SMP has signed a long-term agreement with Rolls-Royce, further strengthening the strategic partnership between the two companies and enhancing Walsin's long-term competitiveness in high-performance alloy materials.

Resource Business

As Indonesia continues to limit nickel ore mining permit quotas, nickel pig iron (NPI) production is expected to remain constrained in the third quarter. Overall operating performance is expected to be in line with that of the second quarter.

Wire and Cable Business

Supported by the rapid development of AI applications worldwide, continued expansion of data centers, grid upgrades, and energy infrastructure investment are expected to sustain growth in electricity demand. Overall performance of the wire and cable business is expected to remain in line with that of the second quarter in the third quarter.

AI is expected to be a key driver of global energy demand and infrastructure investment over the next decade. As power transmission and distribution systems are essential infrastructure for the AI era, long-term demand for wire and cable and stainless steel products is expected to continue growing.

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then press 1701007# to join our Q&A session

Thank you

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