Daiwa Capital Markets
Hong Kong Limited

earnings

29 June 2026

MEMO

Nan Ya Printed Circuit Board Corp (8046 TT)

Share price (29 Jun): **TWD1,080.00** 12-mth rating: **Buy (1)** **Information Technology: Taiwan**

May results released: short-term upside risk

Sheng Cheng
(886) 2 8758 6253
sheng.cheng@daiwacm-cathay.com.tw

Allan Wang
(886) 2 8758 6249
allan.wang@daiwacm-cathay.com.tw

Summary: NY PCB released its May results (for pre-tax profit and net profit) after market hours on 29 June due mainly to recent volatile share price movement. Net profit in May 2026 came in at TWD781m (EPS: TWD1.21), up 534% YoY, with pre-tax profit at TWD977m (pre-tax margin at 22.0%). The May pre-tax margin of 22% compares favourably against 14.3% in 1Q26, coming in ahead of our estimate (19% in 2Q26E). The meaningful sequential margin expansion implies a better margin profile than previously modelled, and we see likely upside to our current forecasts (we will publish our revised estimates in due course). As we expect limited major impact from non-ops and opex in May, we could infer the gross margin in May should have reached to 24-25% (vs. our c.22% in 2Q26E). We view this as a near-term price catalyst.

Based on our understanding (after we published our *note* on 22 June), we believe the price hike magnitude of ABF/BT substrate per quarter should be at ~15%/20-30%, which is even higher than our previous more bullish-than-consensus view already. We suspect the T-glass shortage, substrate capacity shortage, resilient AI server demand, and rising CPU server demand to be key reasons.

We reaffirm our positive view on NYPCB. We have a Buy (1) rating on NYPCB, with our 12-month TP at TWD1,444, based on a PER multiple of 49x applied to our 1-year-forward EPS. Downside risks: weaker-than-expected demand for switches/PCs/smartphones.

What's new:

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What we recommend:

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In the interests of timeliness, this document has not been edited.

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Rating	Percentage of total
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Source: Daiwa

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