廣發証券(香港)經紀有限公司
GF SECURITIES (HONG KONG) BROKERAGE LIMITED

Overseas
Technology

PTFE Adoption:
Reshape the High-End Materials Landscape

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What's new

Nvidia showcased its NVLink PTFE board prototype for the first time at OCP Global Summit 2026, highlighting seven supply-chain partners: Taiflex (8039 TT), Flexium (6269 TT), TTM Technologies (TTMI US), 3 leading Chinese PCB manufacturers, and 1 leading Chinese CCL supplier. We believe this development reinforces our previous view that PTFE remains the most promising material solution for the VR300 NVL576 switch board, offering the best balance between electrical performance and MP feasibility.

Comments

PTFE hybrid remains the preferred solution: As highlighted in our Oct. 5 report, we continue to favor the PTFE hybrid solution for the VR300 NVL576 switch board among the various options, given its optimal balance between electrical performance and MP feasibility. While pure PTFE remains challenging to process, particularly in lamination and drilling, leading PCB manufacturers have achieved encouraging yields with hybrid structures that combine PTFE signal layers with M9 materials in non-signal layers.

We like PTFE's long-term adoption potential: PTFE applications in high-frequency and high-speed interconnects could extend beyond switch boards. The IEC has published a standard on PTFE-filled CCL, led by the leading Chinese CCL company, highlighting the material's relevance to broader circuit-board applications. Our checks also suggest that PTFE materials have entered the testing phase for other applications, including compute boards. We therefore remain positive on PTFE's long-term adoption across a broader range of high-end PCB applications.

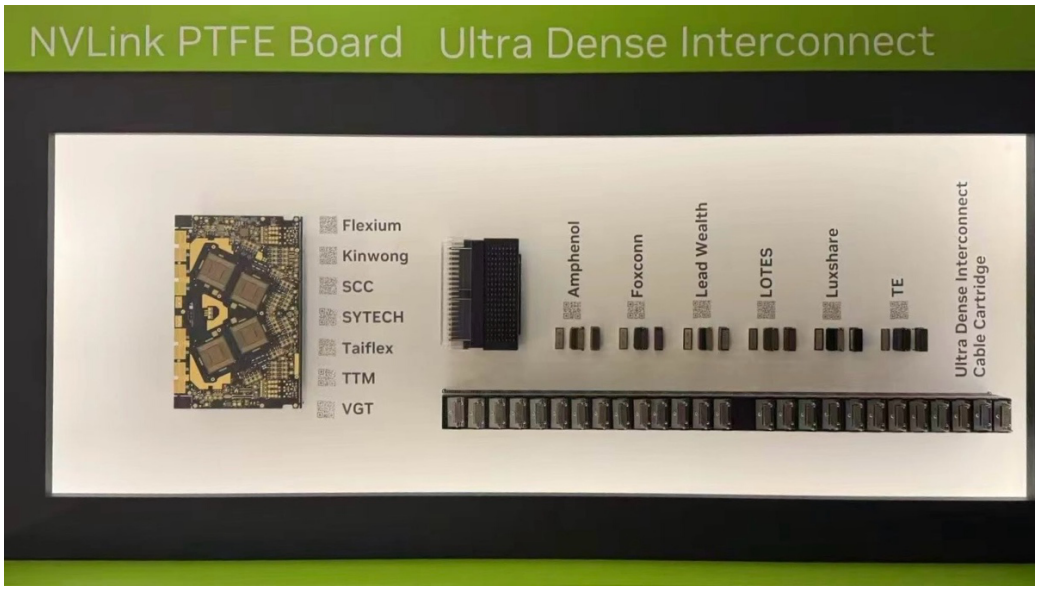
Limited near-term impact on conventional resin materials, but long-term substitution risks warrant attention: Under the current PTFE hybrid design, we expect 8–12 out of 32 layers to adopt PTFE for signal transmission, accounting for less than 50% of the total CCL resin content value. Over the longer term, we expect a potential shift toward pure PTFE solutions as improvements in processing technology enable commercially viable MP yields, reducing the need for hybrid structures. This could gradually increase substitution risks for conventional high-end PCB resin materials, including PPO and HC resin.

Favor PTFE-exposed suppliers with proven technical and manufacturing capabilities: We remain positive on PTFE-related opportunities, particularly suppliers with strong R&D capabilities, proven MP expertise, and established customer qualifications. In CCL, we favor **Taiflex (8039 TT)** and leading Chinese CCL supplier for their PTFE material capabilities and supply-chain exposure. Among the **five Nvidia-announced PCB suppliers, we favor the leading Chinese PTFE PCB supplier**, given its advanced hybrid PTFE processing capabilities and encouraging yields. For CCL suppliers that have yet to enter the PTFE supply chain, we recommend monitoring progress in developing, while remaining alert to potential market-share losses in their conventional product portfolios.

Risks

1) AI demand slowing down; 2) Geo-political risks; 3) Competition.

Figure 1: NVLink PTFE Board



Sources: OCP Global Summit 2026, GF Securities (Hong Kong) Brokerage.

Rating definitions Benchmark: Hang Seng Index (Hong Kong)

Company ratings	**Buy**	Stock expected to outperform benchmark by more than 10%
	Hold	Expected stock relative performance ranges between -10% and 10%
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