臻鼎科技控股
Zhen Ding Tech. Holding

Zhen Ding Technology Holding (4958 TT)

1Q25 Financial Results

May 13th, 2025

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Safe Harbor Notice

- Zhen Ding Technology Holding's statements of its current expectations are forward looking statements subject to significant risks and uncertainties and actual results may differ materially from those contained in the forward-looking statements.
- Except as required by law, we undertake no obligation to update any forward-looking statement, whether as a result of new information, future events, or otherwise.

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1Q25 Financial Results

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1Q25 Financial Results

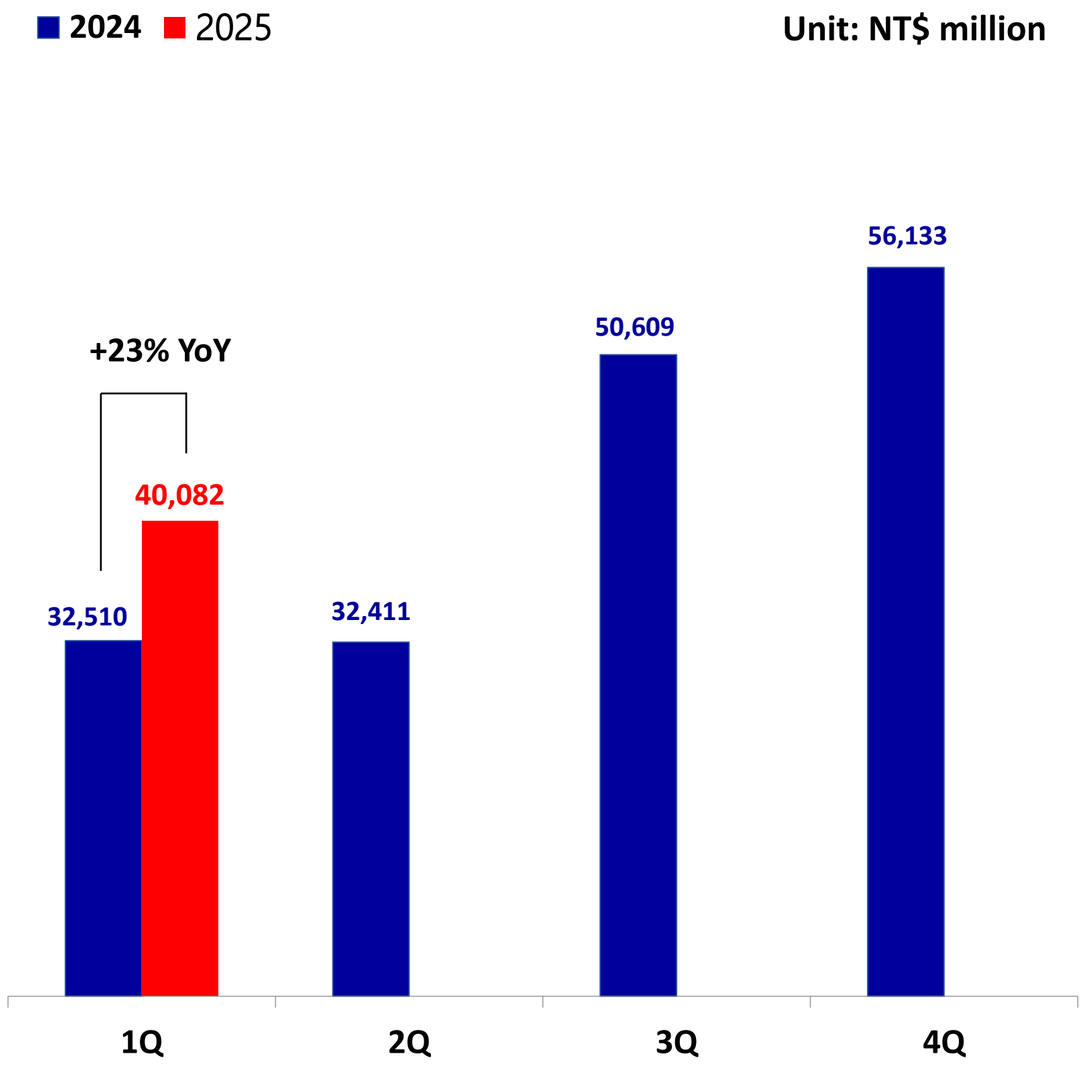
Unit: NT$ million, unless otherwise stated

	1Q25	1Q24	YoY (%)
Revenue	40,082	32,510	+23.3%
Gross Profit	5,885	5,337	+10.3%
Gross Margin	**14.7%**	**16.4%**	**-1.7ppts**
Operating Expense	4,829	4,594	+5.1%
Operating Profit	1,056	743	+42.2%
Operating Margin	**2.6%**	**2.3%**	**+0.3ppts**
Non-Operating Income/Expense	401	755	-46.9%
Net Income	1,025	1,436	-28.6%
Net Margin	**2.6%**	**4.4%**	**-1.8ppts**
Net Income to Parent	632	977	-35.3%
EPS (NT$) (1)	**0.66**	**1.03**	
R&D Expense	2,563	2,634	-2.7%
Depreciation and Amortization	4,739	4,231	+12.0%
Cash Inflow Generated from Operations	11,144	8,257	+35.0%
Cash and Cash Equivalents (2)	85,879	72,995	+17.7%
ROE(%) (3)	**2.7%**	**4.2%**	-1.5ppts

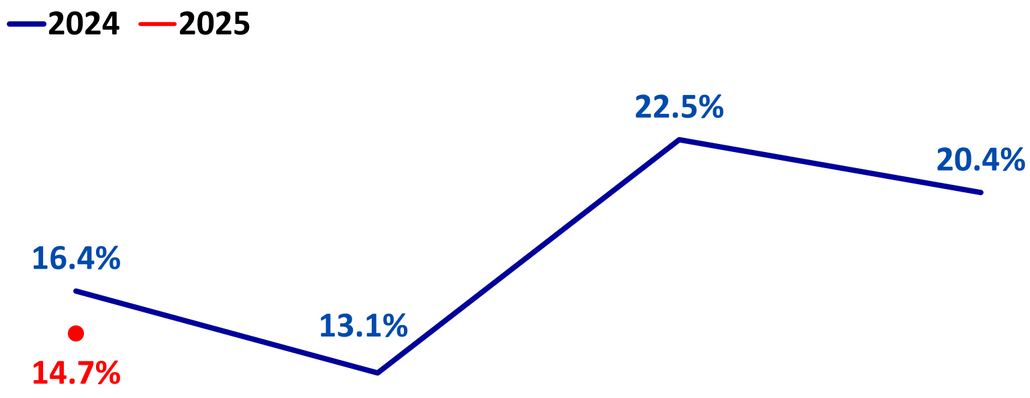
Note：(1) Weighted Average Shares outstanding as of 1Q25 : 954,559 thousand shares (actual issuance 956,652 thousand shares, with 2,093 thousand shares held in treasury (2) Including current financial assets at amortized cost (time deposits, etc.) (3) ROE is annualized data calculated based on the average of equity attributable to owners of parent

Quarterly Operation Results

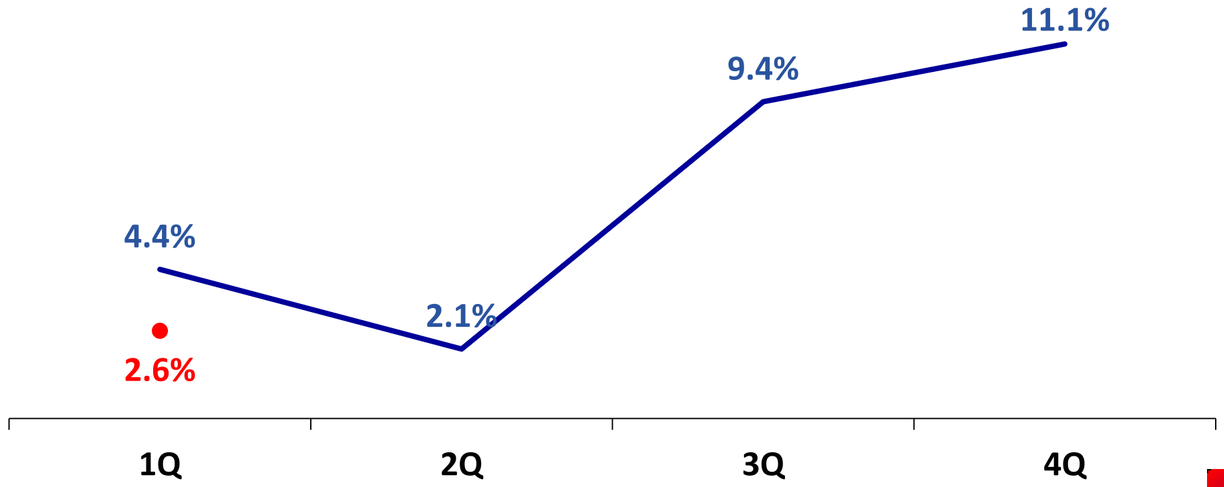
Revenue



Gross Margin (%)

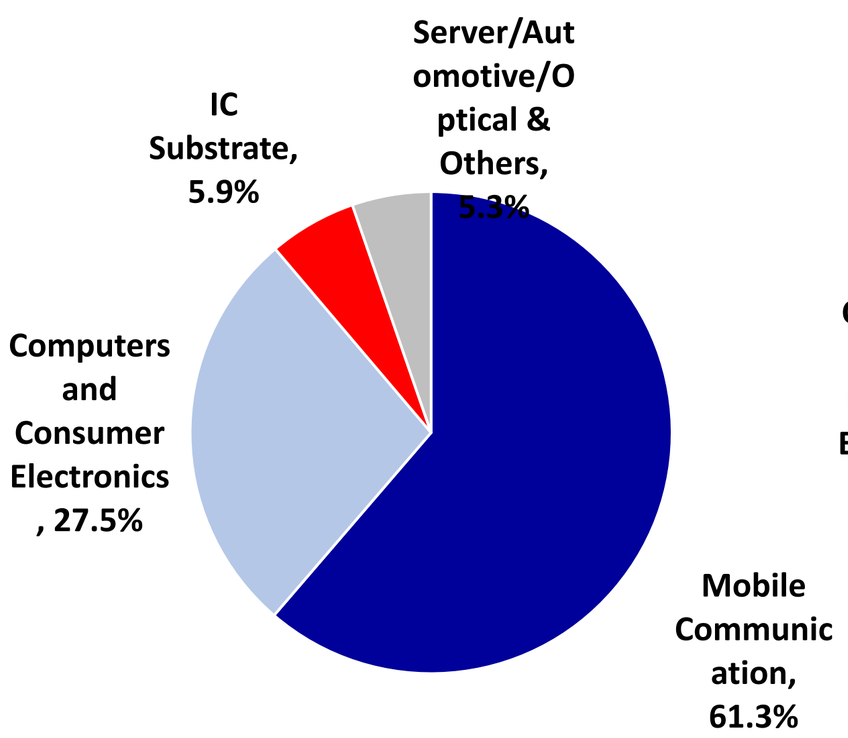


Net Margin (%)

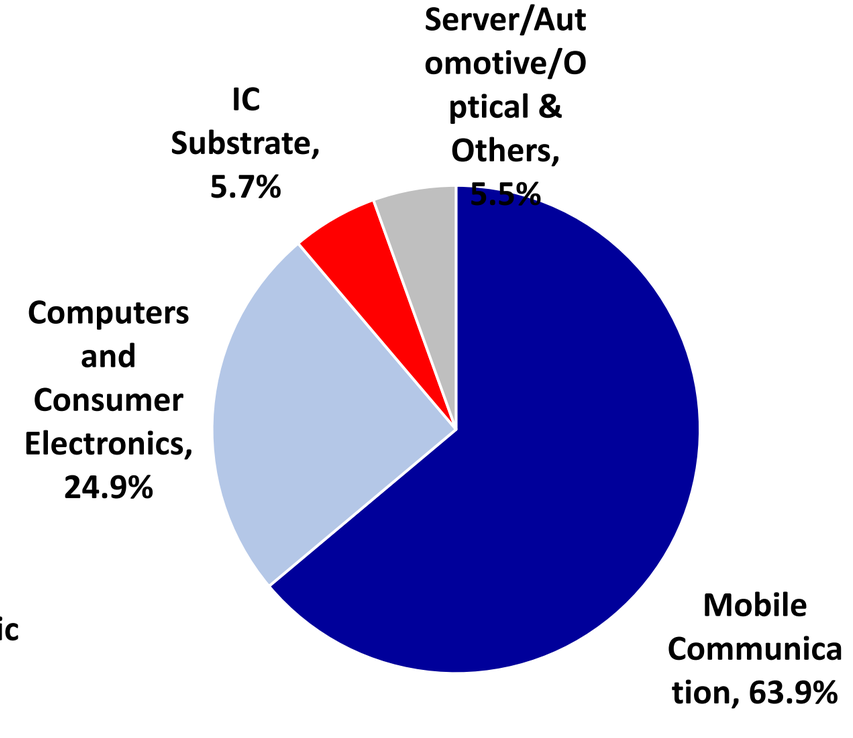


Revenue Breakdown – By Applications

1Q25 Revenue NT$40.1bn



1Q24 Revenue NT$32.5bn



Applications	1Q25 Revenue YoY%
Mobile Communication	+18.4%
Computers and Consumer Electronics	+36.2%
IC Substrate	+27.2%
Automotive/Server/Optical & Others	+18.1%

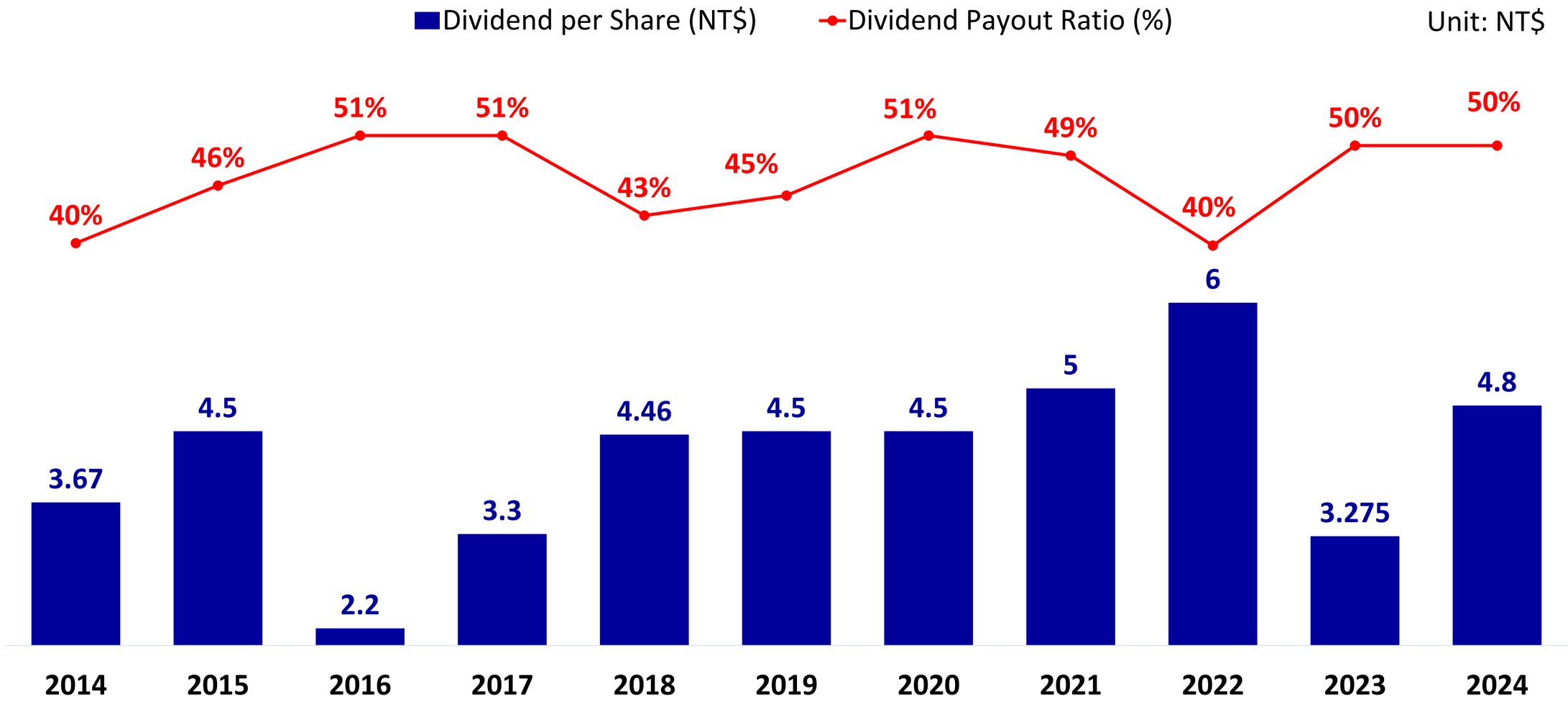
Consolidated Balance Sheet and Key Indices

Unit: NT$ million

	2025-3-31		2024-3-31		Change	
	Amount	%	Amount	%	Amount	%
Cash and Cash Equivalents [2]	85,879	32.3%	72,995	30.0%	12,884	+2.3ppts
Notes & Accounts Receivable	22,676	8.5%	20,856	8.6%	1,820	-0.1ppts
Inventories	16,780	6.3%	15,858	6.5%	922	-0.2ppts
Property, Plant and Equipment [3]	115,397	43.4%	110,806	45.5%	4,591	-2.1ppts
Total Assets	**265,744**	**100.0%**	**243,283**	**100.0%**	**22,461**	
Debt	58,910	22.2%	54,143	22.3%	4,766	-0.1ppts
Notes & Accounts Payable	40,893	15.4%	33,230	13.7%	7,663	+1.7ppts
Total Liabilities	**114,757**	**43.2%**	**104,632**	**43.0%**	**10,125**	**+0.2ppts**
Total Equity	**150,987**	**56.8%**	**138,652**	**57.0%**	**12,335**	**-0.2ppts**
Key Indices						
A/R Turnover Days	60		70		(10)	
Inventory Turnover Days	49		57		(8)	
Current Ratio (x)	1.75		1.82		(0.07)	
PPE Turnover (x) [4]	1.40		1.18		(0.22)	

Note：(1) Weighted Average Shares outstanding as of 1Q25 : 954,559 thousand shares (actual issuance 956,652 thousand shares, with 2,093 thousand shares held in treasury (2) Including current financial assets at amortized cost (time deposits, etc.) (3) PPE includes investment property (4) PPE Turnover = annualized net revenue / average net property, plant and equipment

Maintain High Dividend Payout Ratios; Share Business Success With Shareholders



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2015-2024 Financial Summary

Unit: NT$ million

Period	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Revenue	85,738	82,393	109,238	117,913	120,068	131,279	155,022	171,356	151,398	171,664
Gross Profit	16,427	12,542	17,833	26,061	27,222	26,584	30,537	39,888	27,459	32,461
Net Income	7,731	3,456	6,772	11,536	12,402	11,508	13,694	20,535	9,432	13,096
Net Income to Parent	7,731	3,456	5,172	8,448	8,685	8,095	9,651	14,197	6,189	9,180
Depreciation & Amortization	4,850	5,295	5,679	6,820	7,955	8,405	11,875	14,638	16,323	17,749
EPS (NT$)	9.80	4.29	6.43	10.50	9.93	8.90	10.21	15.02	6.55	9.67
DPS (NT$)	4.50	2.20	3.30	4.46	4.50	4.50	5.00	6.00	3.275	4.80
Payout Ratio (%)	46%	51%	51%	43%	45%	51%	49%	40%	50%	50%
Cash and Cash Equivalents*	31,572	30,241	33,296	49,154	43,071	46,775	35,179	57,599	65,970	79,830
Property, Plant and Equipment	32,074	32,262	36,681	41,913	46,243	68,177	86,073	104,814	109,965	113,462
Capital	8,047	8,047	8,047	8,047	9,022	9,470	9,470	9,470	9,470	9,567
ROE (%)	20.82%	8.59%	14.49%	17.30%	14.72%	11.84%	12.59%	16.67%	7.10%	9.15%
Debt Ratio (%)	53.70%	59.72%	55.33%	44.25%	35.41%	42.56%	42.01%	42.87%	44.67%	42.85%

* Including current financial assets at amortized cost (time deposits, etc.)

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Company Strategy

Business Review and Outlook

1 1Q25 revenue increased by 23.3% YoY, setting a new record for the same period, while operating profit grew over 40% YoY.

In 1Q25, we delivered double-digit revenue growth across all four major applications including Mobile Communications, Computer and Consumer Electronics, Server/Automotive/Optical, and IC substrates, demonstrating strong competitiveness of our diversified product portfolio across key application markets.

With stringent control of OPEX, operating margin rose by 0.3 percentage points YoY to 2.6%, and operating profit grew by 42.2%, reflecting ongoing improvements in operational efficiency.

2 Aim to achieve another record-high revenue in 2025, with operational resilience to navigate policy changes and market volatility.

The direct impact of US tariff on Zhen Ding is limited. We will continue to closely monitor end-market demand and flexibly allocate global capacity to ensure operational agility.

With rising demand for edge AI devices (e.g., AI smartphones, smart glasses, humanoid robots, and intelligent vehicles), along with new orders in high-end applications including AI servers, optical, and IC substrates, revenue across all four major applications is expected to grow this year.

3 Global capacity expansion is on track, with the phase 1 of the Thailand fab entering trial production as scheduled on May 8.

We have global production sites in Mainland China, Thailand, Kaohsiung, and India, laying a solid foundation to mitigate international trade risks.

Phase 1 of the Thailand fab began trial production on May 8, serving demand for high-end server, automotive, and optical applications. Groundbreaking for the phase 2 fab also took place on the same day.

Capacity expansion for high-end ABF substrates and RPCBs at the Kaohsiung AI Park is progressing as planned. Contribution to overall performance from the Thailand and Kaohsiung sites is expected to gradually materialize from 2026-2027.

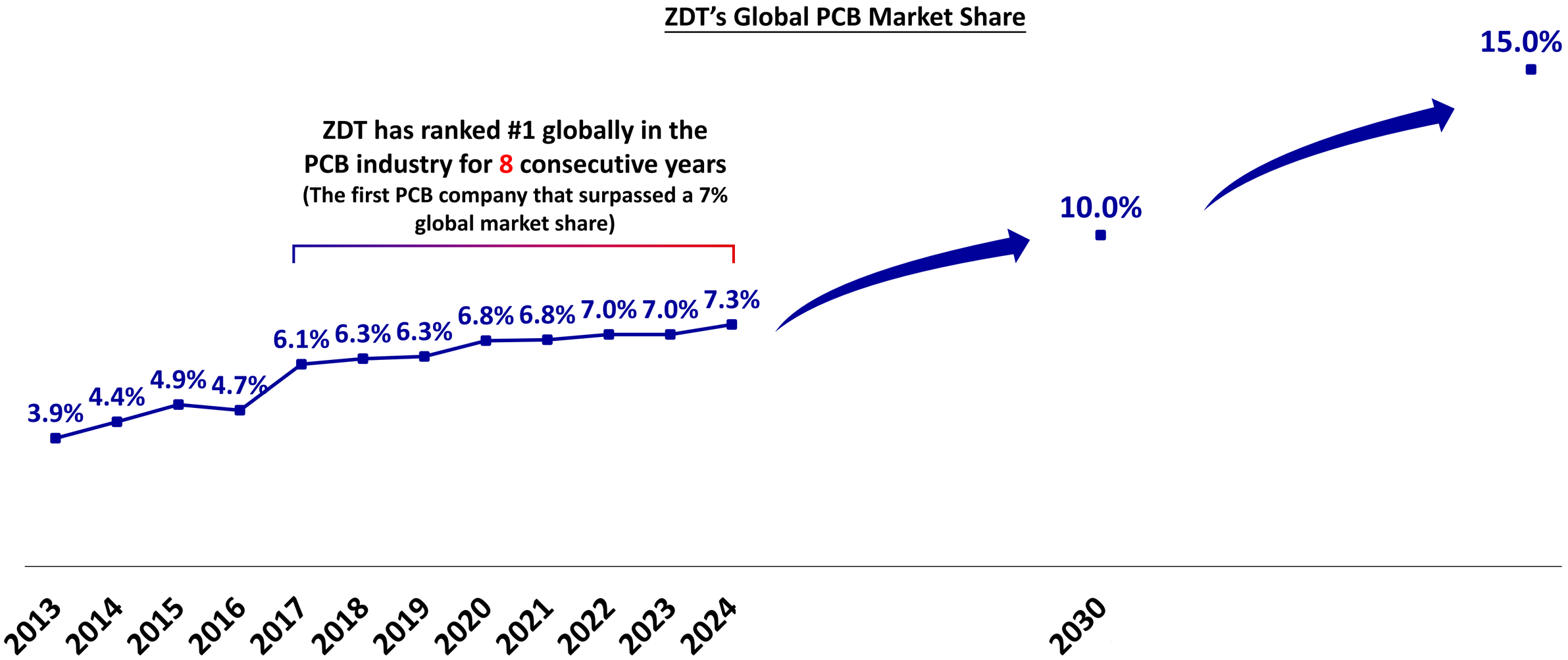
4 Actively invest in advanced technologies, partnering with global clients to co-develop new products and technologies for the next 1–2 years.

For foldable and wearable devices, we leverage dynamic bending FPC modules and ultra-long FPC assemblies to become a key supplier for foldable smartphones, AR/VR devices, and AI glasses.

For AI servers, we offer advanced HDI solutions that support GPU modules and high-speed transmission interfaces, meeting the demands of high-performance computing.

For optical, we provide advanced mSAP designs targeting the 800G/1.6T upgrade cycle, and work closely with customers to develop next-generation 3.2T solutions.

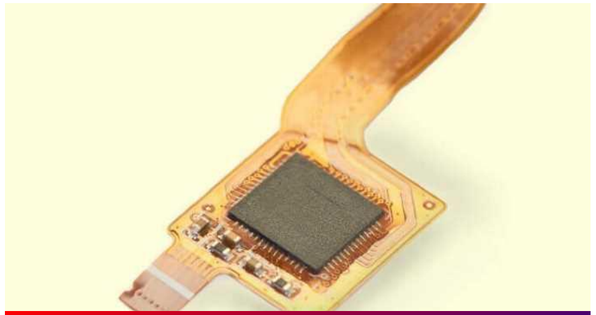
Strive to Further Grow Our Presence in the Global PCB Market



Sustained Growth Across All Four Product Lines

IC Substrate

2030 Target **Global Top 5**

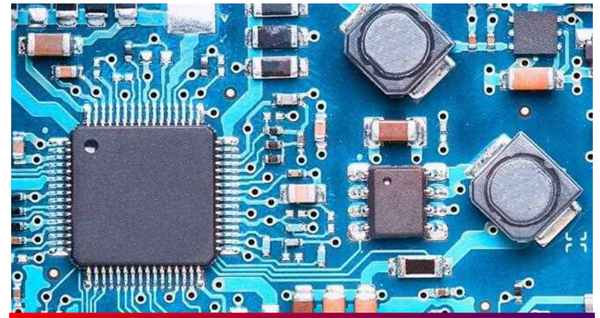


Flexible Printed Circuit (FPC)

2030 Target **Maintain Global #1**

High Density Interconnect (HDI)

2030 Target **Global #1**



Rigid PCB (RPCB)

2030 Target **Global Top 10**

Deepening collaboration with customers and supply chain partners to deliver above-industry-average revenue and profit growth

Rising Design Complexity in Edge AI Devices is Accelerating PCB Demand

We continue working closely with leading global customers to develop high-end products featuring high precision and high density, reinforcing our leadership in edge AI applications.

AI Smartphone/Tablet/PC

- AI development accelerates the upgrade of PCB specifications.
- We work closely with leading global customers to co-develop high-value products, including foldable smartphones.

Smart Glasses/VR/AR

- Demand for related products is projected to multiply in 2025.
- We collaborate with leading global customers to develop new products, maintaining our position as a key supplier.

Humanoid Robot

- Humanoid robots have high technical requirements for PCBs, primarily used in core functions such as the main control system, sensor modules, power management, and joint actuators.

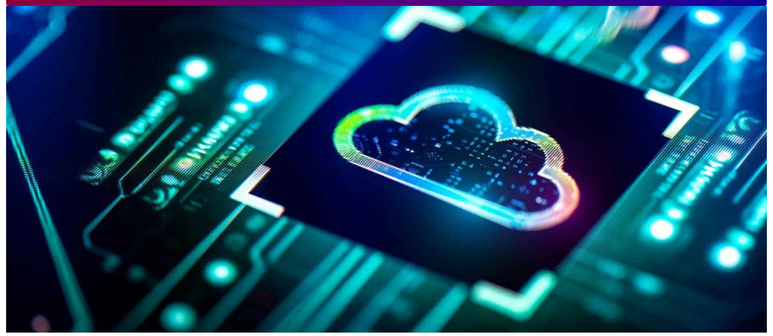
Wearable Devices

- AI functions are gradually being integrated into wearable devices, with 'light, thin, and compact' as the main R&D direction. This drives hardware specification upgrades and fuels growing demand from customers for high-layer count and fine-line products.

Aim to Secure More High-end Customer Orders in Servers, Automotive, and Optical Applications to Increase Market Share

New capacity in Thailand is coming online in 2025. It is well-positioned to meet rising demand in high-growth applications including servers, automotive, and optical.

AI Server



- We have successfully expanded from general-purpose servers into AI servers. With the expertise in key manufacturing processes, we have secured stable AI server orders to drive revenue growth.
- Actively expand collaborations with customers on projects for Intel, AMD, and ASIC-based architectures.
- Support the AI ASIC product development plans of our two major cloud customers.

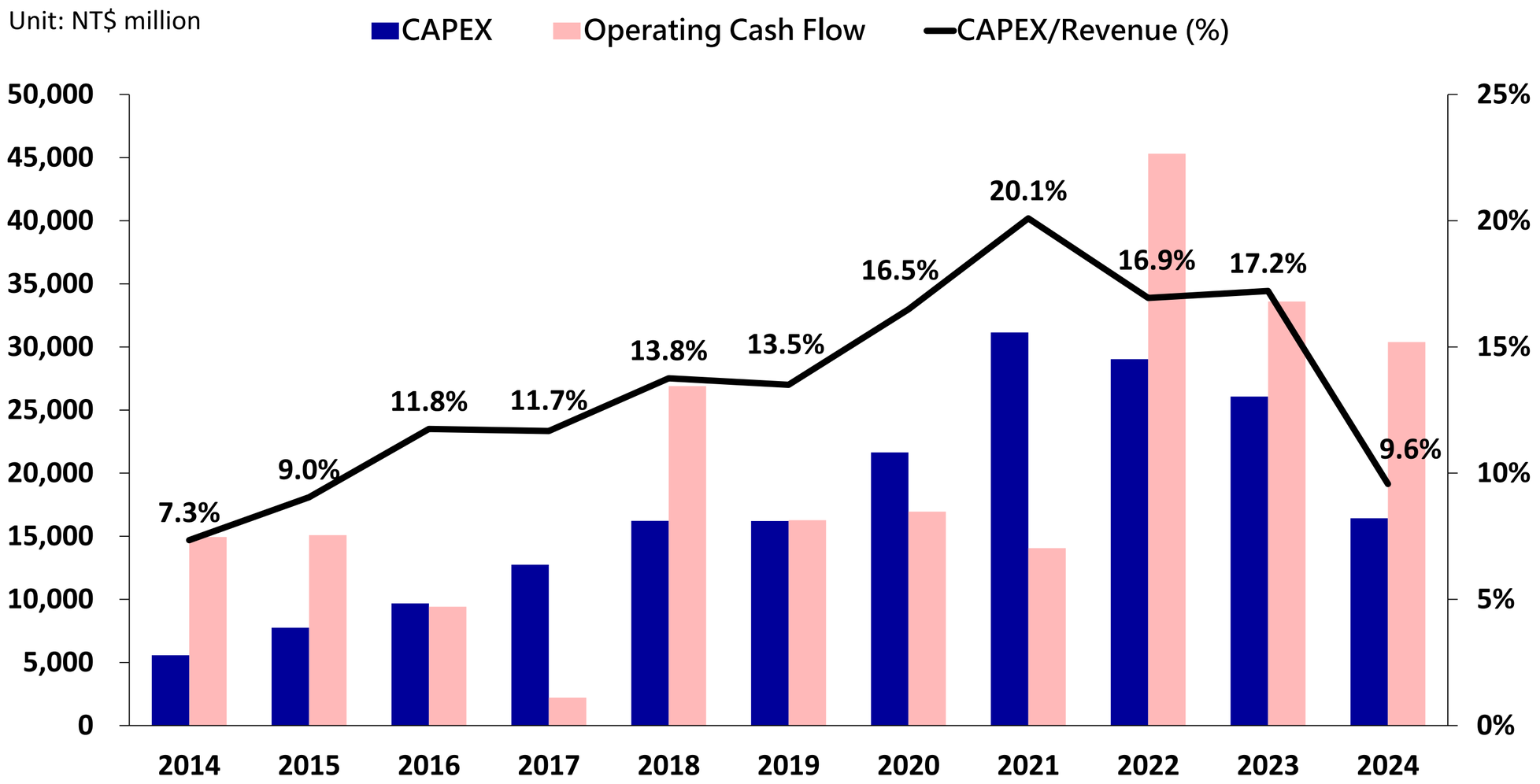
Optical

- After passing customer qualifications last year, our optical products entered mass production. This year, we are focusing on high-end 800G/1.6T mSAP designs, aiming to secure more customers and orders, while 3.2T products have also entered the R&D and design phase.
- As AI continues to evolve, the demand for high-end products is primarily driven by mSAP technology. This trend is expected to sustain strong growth over the next 3 to 5 years.

Automotive

- Actively expand our presence in high-end high-layer-count HDI products for autonomous driving, with ADAS domain control motherboards and high-end sensors entering mass production.
- For EV related products, shipments of battery-related products continue to grow.
- For automotive connectivity, we are working closely with customer to develop products, with high-end SLP applications emerging.

With Strong Cash Flow, We Prudently Manage CAPEX, Ensuring Stability in the Face of Macroeconomic Changes



Global Production Footprint Continues to Expand, with Benefits Expected to Materialize Starting in 2026-2027

Capacity Expansion Plan

Mainland China

- In 2025, we will expand capacity for automotive and energy storage FPCs and collaborate with customers to build up high-end capacity to de-bottlenecks.

Thailand Prachinburi Park

- Phase 1 fab began equipment installation in Feb, with trial production on May 8 and small-scale volume production expected in the second half of the year. Groundbreaking for the phase 2 fab also took place on May 8.
- Phase 1 capacity focuses on high-end server, automotive, and optical applications, providing high-end RPCB and HDI products.

Kaohsiung AI Park

- To invest NT$8bn in equipment to establish a full-process FCBGA mass production facility for advanced packaging.
- To invest NT$2bn in equipment to build HDI+HLC PCB production capacity.
- FPC production lines have entered trial production.

Strategy to Enhance Operational Efficiency

- Each fab will implement smart manufacturing and digital transformation in phases to improve operational efficiency, increase per capita productivity, and further enhance overall profitability.

- Manufacturing mid-to-high-end RPCB/HDI products for servers, automotive, and optical, which will help improve gross margins.
- Actively allocating resources and developing new products, aiming to secure more Tier-1 customers after production capacity comes online.

- Plan to manufacture ultra-high-end products (30L–80L).
- Customer qualifications are expected to begin gradually in early 2026.

EPS + ESG – Improvement of ESG Ratings

Corporate Governance Evaluation Ranking

Ranked between 6% to 20% in the 2024 Corporate Governance Evaluation for listed companies and **re-selected for inclusion in the TWSE Corporate Governance 100 Index.**

S&P Global ESG Rating

In 2024, our S&P ESG Score improved to 78 and was **selected as the only PCB company in the S&P Global Sustainability Yearbook** for the third consecutive year.

Sustainalytics ESG Risk Rating

Our latest Sustainalytics ESG Risk Ratings was 15.7, classified as **low risk.**

ISS ESG Rating

ISS has upgraded our ESG Rating from "C" to "C+," granting Zhen Ding **"Prime" status.**

CDP

In 2024, we received an **'A' leadership** rating for water security, marking a one-notch improvement from last year. Additionally, we achieved a 'B' rating from CDP for climate change.

FTSE Russell ESG Rating

Our FTSE Russell ESG Rating reached 4.4 (out of 5) and ranked in the **5th place among all listed companies in Taiwan.**

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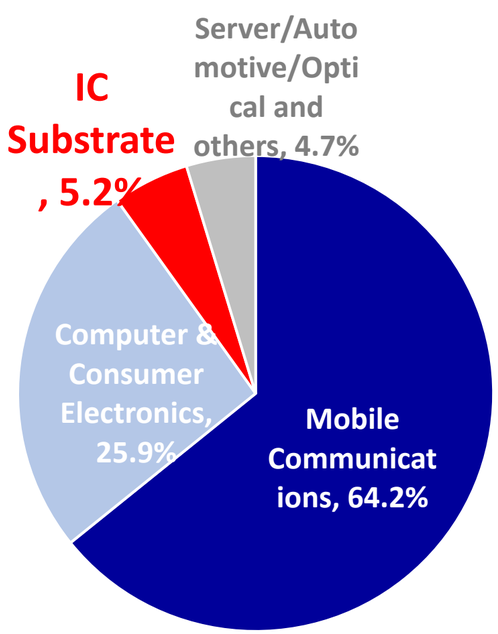
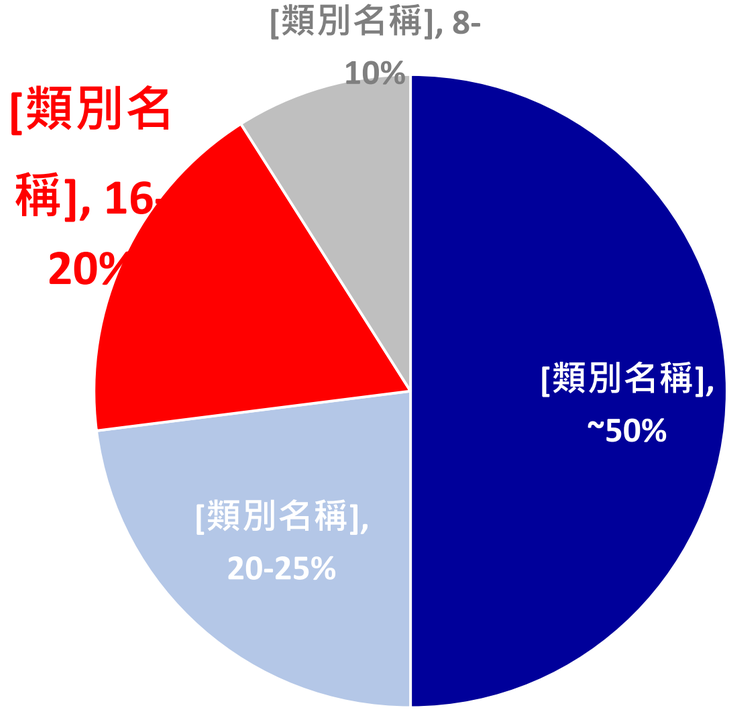
Advanced Technologies to Fuel Rapid Growth in IC Substrates

Steadily Advancing IC Substrate Business to Drive Increasing Revenue Contribution

ZDT: 2024 Revenue Breakdown by Applications



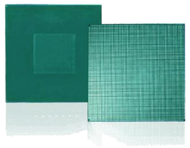
ZDT: 2030 Target Revenue Breakdown by Applications



Embracing 'China for China' Demand, While Expanding the Outside China Customer Base with Advanced Packaging ABF Substrates

ZDT's IC Substrate Revenue Trend

Shenzhen ABF fab entered mass production



Yield rates of mid-to-large-size ABF substrates are on par with Tier 1 players.

Embrace 'China for China' demand from both domestic and Western customers. ABF substrate capacity utilization exceeded 40% by year-end. In 2024, ZDT ranked #12 globally in IC substrates.

'China for China' demand continues to grow. We target ABF substrate capacity utilization to surpass 80% by year-end.

Replicating the success of the Shenzhen ABF fab at the Kaohsiung AI Park to provide advanced packaging ABF substrates for global customers.

SZ fab to breakeven and turn profitable

Kaohsiung fab: Equipment installation and customer qualification

1Q22 2Q22 3Q22 4Q22 1Q23 2Q23 3Q23 4Q23 1Q24 2Q24 3Q24 4Q24 1Q25 2Q25 3Q25 4Q25 1Q26 2Q26 3Q26 4Q26

In 2023, over 130 ABF substrate samples were delivered, and progressively passed customer qualifications.

2024 IC substrate revenue increased by 75.6% YoY, significantly outperforming the industry average growth

Target to Rank among the Top Five Global IC Substrate Manufacturers by 2030

Focus on High-end Demand

- With the industry's most advanced IC substrate production base, we focus on meeting the high-end demands of customers.
- The rapid development of AI, HPC, and advanced packaging technologies continues to drive demand for high-end ABF substrates, particularly for large-size (70mm × 70mm and above) and high-layer-count (16 layers and above) products.
- We continue developing ABF substrates for new technology platforms, which may contribute to revenue in the second half of the year once customer qualification is

Connect with the Semiconductor Supply Chain

- Actively engage with semiconductor industry organizations and collaborate closely with the supply chain to explore market opportunities in emerging technologies.

Replicate China Experience at Kaohsiung AI Park

- Our Mainland China ABF fab is highly recognized by customers for its high quality, yield, and efficiency, with capacity utilization steadily increasing.
- We will replicate the successful experience from Mainland China and establish a full-process advanced packaging FCBGA mass production site at the Kaohsiung AI Park, focusing on developing key semiconductor customers in Asia, the U.S, and Europe.
- We are the first PCB manufacturer to establish a presence in Taiwan's Science Park, meeting high standards in both technology and environmental p

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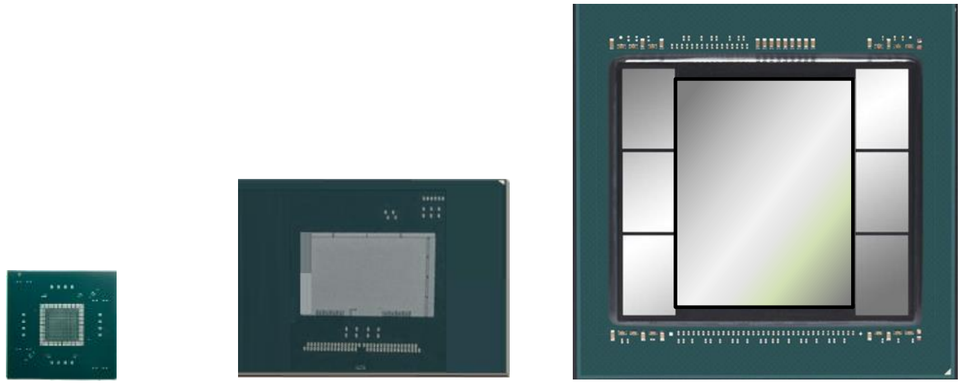
ZDT's ABF Substrate Technology Capabilities are On Par with Tier 1 Players; We Actively Secure Global Leading Semiconductor Customers

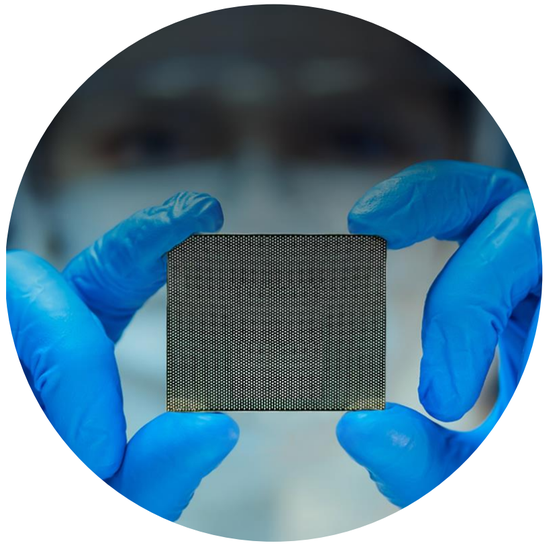
ABF Substrate Development Trends

High layer counts, **Large** body size, **Flat** surface,
Accurate production precision



	2005	2020	2026	
Body Size (mm)	31 x 31	75 x 60	120 x 140+	x20+
Layer count (L)	6	20	28+	x4+
Bump Count	1K	100K	300k+ ~ 500k+	x300+

Our technology capabilities have reached an industry-leading level



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Thank You