

Zhen Ding Technology Holding Held 2022 AGM

Zhen Ding Technology Holding Limited (Ticker: 4958), a leading global PCB manufacturer, held its 2022 AGM today. According to Zhen Ding, being the largest global PCB manufacturer, it will continue to drive stable growth and further increase its global market share. Specifically, with its aggressive expansion plan in the IC substrate business, it maintains its goal to become one of the top five IC substrate suppliers in the world by 2030. In addition, Zhen Ding emphasizes that, although the supply chain and logistics have been affected by the lockdown policy in China since April, it has actively taken actions and responded with flexibility. The company remains optimistic about the overall business outlook this year, and is confident to achieve double-digit growth in both consolidated revenue and net income.

For the full year of 2021, Zhen Ding's consolidated revenue increased by 18.09% YoY to NT\$155,022 million, and consolidated net income increased by 19.00% YoY to NT\$13,694 million, both setting record highs. Over a five-year period from 2016-2021, the compound annual growth rate (CAGR) for its consolidated revenue and consolidated net income reached 13.48% and 31.70%, respectively. Benefiting from the One ZDT strategy, Zhen Ding's product applications have become more diversified. The revenue contribution from Mobile Communication declined from 71.7% in 2020 to 61.5% in 2021, while the contribution from the remaining three application categories all increased. Computers and Consumer Electronics accounted for 31.0% of revenue in 2021, IC Substrate accounted for 3.3%, and Automotive Radar/Base Station/Server and Others accounted for 4.2%.

According to Zhen Ding, the company will continue to execute its growth plan. Last year, it started the construction of four plants at the same time, including two IC substrate plants (Shenzhen ABF plant and Qinhuangdao BT plant), a FPC plant in Kaohsiung, and a SLP/High-end HDI plant in the Huai'an third park. These plants are expected to enter mass production from this year to next year. In the future, Zhen Ding will not only further strengthen its leading position in the PCB industry, but also put strong emphasis on the IC substrate business for the next 10 years. The company has already signed long-term capacity contracts with a number of important customers. With the new capacity for the 2nd BT plant in Qinhuangdao and the ABF plant in Shenzhen coming online in the third quarter this year and the first quarter next year, respectively, Zhen Ding targets to grow its IC substrate revenue by more than 50% per year in the next four years, demonstrating significant growth momentum.

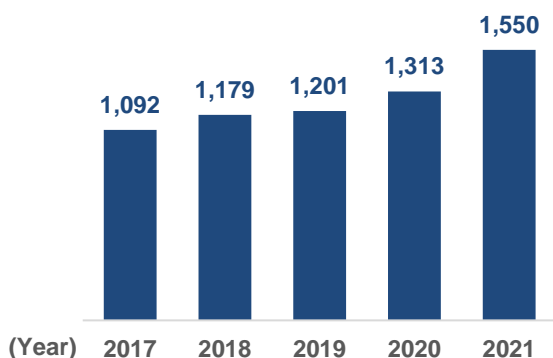
Since Zhen Ding first publicly elaborated its long-term plan in the IC substrate business during its investor conference in March, the capital market has

responded positively, with foreign institutional investors in particular being the most active. Year-to-date, compared to the IC substrate peers which faced net sold by FINIs, Zhen Ding's FINI holding increased by 3.4 percentage points against the trend, and its share price has also climbed to a one-year high.

In the first quarter of 2022, Zhen Ding's consolidated revenue increased by 24.72% YoY to NT\$33,915 million and the consolidated net income increased by 99.56% to NT\$2,775 million, both making record highs for the same period. While the smartphone-related business remained stable in the quarter, computers and consumer electronics segment and IC substrate segment delivered significant annual growth of 91% YoY and 52% YoY, respectively, driven by the increase in new capacity for Mini LED ultra-thin boards and higher utilization rate for IC substrates. As the product mix was further optimized, first quarter gross margin and operating margin both hit record highs for the same period. In the future, Zhen Ding will continue to offer a diversified portfolio of products in various fields under the "One ZDT" strategy, and strive to drive long-term growth.

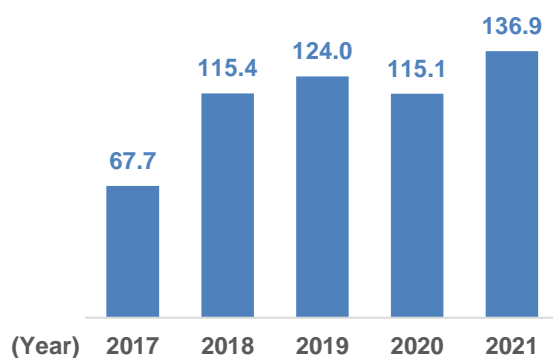
Zhen Ding's Annual Revenue Trend

(NT\$100mn)



Zhen Ding's Annual Net Income Trend

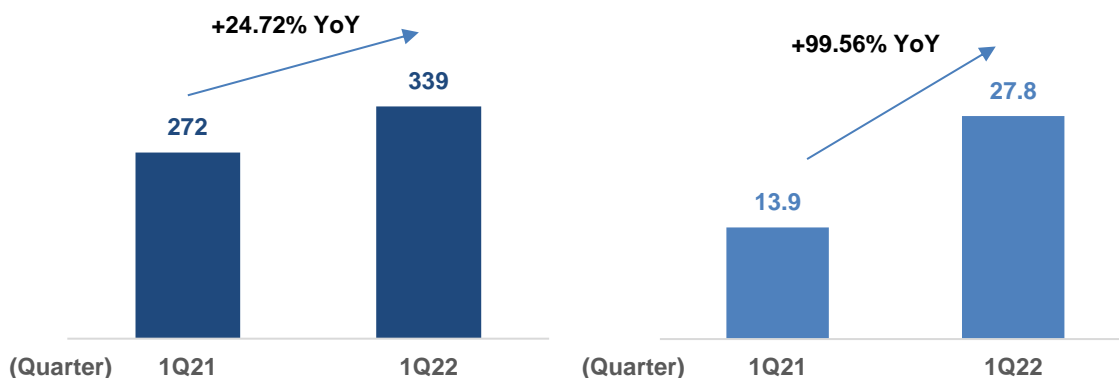
(NT\$100mn)



Unit: NT\$ million, except for EPS

Year	2017	2018	2019	2020	2021
Revenue	109,238	117,913	120,068	131,279	155,022
Gross Profit	17,833	26,061	27,222	26,584	30,537
Net Income	6,772	11,536	12,402	11,508	13,694
Net Income to Parent	5,172	8,448	8,685	8,095	9,651
Depreciation & Amortization	5,679	6,820	7,955	8,405	11,875
EPS (NT\$)	6.43	10.50	9.93	8.90	10.21
DPS (NT\$)	3.30	4.46	4.50	4.50	5.00
Cash	33,296	49,154	43,071	46,775	35,179
Debt Ratio (%)	55.33%	44.25%	35.41%	42.56%	42.01%

ZDT's Quarterly Revenue Comparison (NT\$100mn) **ZDT's Quarterly Net Income Comparison** (NT\$100mn)



Unit: NT\$ million, except for EPS

Quarter	1Q22	1Q21	YoY %
Revenue	33,915	27,193	+24.72%
Gross Profit	6,387	4,752	+34.40%
Net Income	2,775	1,391	+99.56%
Net Income to Parent	1,873	948	+97.57%
EPS (NT\$)	1.98	1.00	+98.00%

* For further details, please visit "[Investors](#)" section on the company website.

About Zhen Ding Technology Holding Limited

Zhen Ding Technology Holding Limited (Taiwan Stock Exchange Ticker: 4958) is engaged in the research, development, production and sales of a wide range of flexible printed circuit boards (FPC) and modules, high-density interconnect (HDI) PCBs, substrate-like PCBs (SLP), Mini LED ultra-thin boards, IC substrate and multi-layer rigid printed circuit boards (RPCB) for a wide range of applications including computer information, consumer electronics, networking, automotive electronics, high-performance computing and medical fields. We provide one-stop shopping for all-round solutions to our customers. For more information, please visit the Company's website: www.zdtco.com.

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