

Zhen Ding Reports Record 1H25 Revenue with Increasing Profits; Poised for Accelerated Growth Across Four Major Applications in 2026.

Zhen Ding Technology Holding Limited (Ticker: 4958), a global leading PCB manufacturer, today held an investor conference and announced its consolidated financial results for the second quarter and first half of 2025. Revenue for the second quarter of 2025 was NT\$38,203 million, up 17.9% YoY, marking a record high for the same period. Net income was NT\$1,387 million, with net income attributable to the parent company of NT\$605 million and EPS of NT\$0.63. For the first half of 2025, revenue totaled NT\$78,285 million, up 20.6% YoY, also setting a record high for the same period. Net income was NT\$2,413 million, up 14.7% YoY; net income attributable to the parent company was NT\$1,237 million and EPS was NT\$1.30.

According to Chairman Charles Shen, Zhen Ding's monthly revenue in the first half of the year set new records for six consecutive months. All four major application segments, including Mobile Communication, Computers & Consumer Electronics, Server/Automotive/Optical, and IC Substrates, achieved YoY growth, with IC Substrates delivering the highest growth rate, in line with the company's previous expectations. Supported by higher capacity utilization and disciplined operating expense control, and despite a NT\$678 million YoY increase in depreciation and amortization, Zhen Ding's 1H25 gross margin rose 1.7 percentage points YoY to 16.5%, and operating margin climbed 4.3 percentage points to 4.4%, reflecting ongoing operational efficiency improvements. In non-operating items, the company recorded a foreign exchange loss of NT\$639 million in 1H25, compared with a foreign exchange gain of NT\$1,195 million in 1H24, representing a difference of NT\$1,834 million. Despite the FX impacts, Zhen Ding still achieved a net income of NT\$2,413 million in the first half, up 14.7% YoY, maintaining solid operating performance.

Looking ahead, Chairman Shen stated that customer inventory buildup for new products is progressing as planned in the second half, and second-half performance is expected to surpass the first half. On a U.S. dollar basis, full-year 2025 revenue growth is projected to exceed the industry average. He further noted that 2026 will be a pivotal growth year for Zhen Ding, supported by strong opportunities in AI smartphones, foldable phones, and AI glasses, together with key customer wins in high-end AI servers and rising demand for IC substrates. Collectively, these drivers are expected to accelerate growth across all four major application segments.

Chairman Shen emphasized that AI will continue to be a core growth engine for the PCB industry, driving demand for higher performance PCBs and spurring product innovation. In response to the rapid evolution of high-end AI server technologies, Zhen Ding is among the few companies capable of providing integrated OAM/UBB technology solutions. The company has mature technologies and

proven mass production capabilities in MSAP, HDI, and HLC, and, by combining these with advanced substrate expertise and deep insights into semiconductor industry trends, is able to co-develop next-generation high-end products with its customers. Zhen Ding's accumulated technical expertise in AI servers and strong capabilities in critical processes have been recognized by key customers. The company is active in both GPU and ASIC platforms, with a strategic focus on Advanced HDI and HLC products. Contributions from new customers and orders are expected to scale up starting next year, with AI servers accounting for a steadily increasing share of revenue.

Regarding IC substrates, Chairman Shen noted that following more than 75% revenue growth in 2024, the segment delivered nearly 35% YoY growth in the first half of 2025. As industry supply-demand dynamics continue to improve, IC substrates are expected to remain Zhen Ding's fastest-growing business among its four major application segments, with a full-year revenue growth target of over 40%. For ABF substrates, sampling demand from AI data center customers has increased significantly. Zhen Ding has the technical capabilities required for high-end applications (body sizes exceeding 120mm and up to 26-28 layers), enabling it to meet the stringent requirements of advanced ABF substrates. For BT substrates, product upgrades in edge AI are driving higher demand for high-end BT substrates, with current capacity utilization at 90% and revenue continuing to grow steadily.

To address increasing customer demand for high-end AI products, Zhen Ding plans to increase its capital expenditures in 2025 and 2026 to over NT\$30 billion each year, with nearly 50% allocated to expanding high-end HDI and HLC capacity to capture related growth opportunities. In China, the company is expanding high-end HDI and HLC capacity for AI products this year, as well as debottlenecking high-end FPC capacity. In Thailand, Fab 1 has been in trial production since May 8 and has already obtained qualifications from major customers in the server and optical sectors, with small-scale mass production expected to begin in 4Q25; construction of Fab 2 is also progressing on schedule. In Kaohsiung AI Park, installation of high-end ABF substrate and HLC+HDI equipment is underway, with trial production planned by year-end. As production efficiencies from the Thailand and Kaohsiung sites ramp up over the next two years, the company maintains a positive outlook for its future operating performance.

Unit: NT\$ million, except for EPS

Period	1H25	1H24	YoY
Revenue	78,285	64,922	+20.6%
Gross Profit	12,896	9,584	+34.6%
Operating Profit	3,481	99	3,415.1%
Net Income	2,413	2,103	+14.7%
Net Income to Parent	1,237	1,463	-15.4%
EPS (NT\$)	1.30	1.55	-16.13%
Gross Margin	16.5%	14.8%	+1.7ppts
Operating Margin	4.4%	0.2%	+4.3ppts
Net Margin	3.1%	3.2%	-0.1ppts

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: 4958) specializes in the research, development, production, and sales of a diversified range of products, including flexible printed circuit board (FPC) and surface mount assembly (SMA), substrate-like PCBs (SLP), high-density interconnect (HDI) PCBs, high-layer-count and high-density (HLC-HDI) boards, multilayer rigid printed circuit boards (RPCB) and IC substrates (ICS). These products are widely used in end products such as computer information, consumer electronics, communications networks, automotive electronics, AI server high-speed computing, optical module and medical applications. The company offers professional one-stop shopping, full-solution services to customer worldwide. According to Prismark's global PCB industry rankings by revenue, Zhen Ding has been ranked the world's largest PCB manufacturer for eight consecutive years, from 2017 to 2024. For more detailed information, please visit the company website: www.zdtco.com.

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