

Dear Fellow Shareholders,

The geopolitical uncertainty has continued to rise in 2019, following a period of profound trade war issues in 2018. Hence economic changes have been pressing on the macro and global electronic device supply chain scenes. It is remarkable how much we have accomplished, not only in terms of financial performance but in our steadfast dedication to help customers worldwide. Our presence in the mega trend of 5G, Internet of Things (IoT), Internet of Vehicles (IoV), Industrial Internet and Artificial Intelligence (AI) are evidenced by our continuous partnerships with top-notch customers who proved that our rich R&D pipeline and fast development cycle for thinner and more efficient products are critical.

We exited 2019 with NT\$ 120,068 million in net revenues, a 1.83% increase, and a net profit of NT\$ 12,402 million (NT\$ 8,685 million attributable to owners of the parent), a 7.5% growth over the previous year. This indicated that we were able to leverage our market share and early mover advantage to weather off the PCB industry volatility in 2019 (see chart below). As a result, we reported a NT\$ 14.18 consolidated earnings per share (NT\$ 9.93 attributable to owners of the parent) for the year 2019.

Unit: US\$mn

PCB Industry Value	2019	2018	YoY%	2017
FPC	12,195	12,395	-1.61%	12,523
HDI	9,008	9,222	-2.32%	8,968
RPCB	31,969	33,225	-3.78%	30,656
ICS	8,139	7,554	7.74%	6,696
<b>Total</b>	<b>61,311</b>	<b>62,396</b>	<b>-1.74%</b>	<b>58,843</b>

Source: Prismark (Feb. 2020)

On top of our commitment to becoming a full-fledged, one-stop service provider, we are also faithfully devoted to building a transparent organization valuing corporate governance and a green manufacturer from purchasing to innovation to benefit our stakeholders. As a team who believes that action speaks louder than words, we are honored that our actions have led us to significantly higher ranks among the Corporate Governance Ranking of all Taiwan Stock Exchange and Taipei Stock Exchange listed companies. In 2016, we were in the top 21% to 35% range and in 2018 and 2019, we were in top 6% to 20%.

However, the flaring pandemic of COVID-19 has resulted in supply chain disruptions including halted productions, raw material shortages and decreased consumption power. We believe that you share our concern of the arrival of a trough as difficult to get out of as the 2008 financial crisis. In a situation like this, we believe that we need an Independent Director who

has strong corporate governance track record and accounting background to provide effective financial and operational oversight so that we could walk out of this macro downturn stronger.

Therefore, in this letter, the re-election of **Chih-Chen Chou** is highlighted because the Board wishes to seek your support in voting for **Chou** again. The Board foresees your concern and has therefore closely evaluated the performances of the said nominated Independent Director and time commitments to identify whether the company should consider searching alternative Independent Directors with the same skillsets.

The Board held a total of twenty (20) sessions since June 2017 – last election cycle – as of this writing and observed the attendances of **Chih-Chen Chou**. We found him present in **100%** on a four-year aggregated basis despite having outside Board positions in other public companies. At the same time, **Chih-Chen Chou** chairs two (2) functional committees of the Company, the Audit Committee and the Remuneration Committee. The table below is our record tracking physical attendances.

Year /Meeting type and Numbers	2017.06.20 ~2017.12.31	2018	2019	2020.1.1 ~2020.4.30
Board Meetings	5	6	7	1
(Attendance Rate)	100%	100%	100%	100%
Audit Committee Meetings	5	5	7	1
(Attendance Rate)	100%	100%	100%	100%
Remuneration Committee Meetings	3	3	3	1
(Attendance Rate)	100%	100%	100%	100%

We also kept a log of **Chih-Chen Chou**'s suggestions and comments during his last tenure and summarized them in the below table. The Board has constantly found his suggestions playing a vital role in risk management.

Board Meeting Date	Resolutions	Suggestions provided by Chih-Chen Chou
2017.09.01	Company's important subsidiary Avary Holding (Shenzhen) Co.,Ltd (formerly known as Fukui Precision (Shenzhen) Co., Ltd.), to issue common stocks for cash for employees and strategic investors	Judging from the valuation and fairness opinion reports, Chou believes that there will be non-cash impacts to the Company. However, considering it is essential to incentivize employees for long term development, Chou suggests to proceed if no negative consequence for shareholder value.
2017.09.01	RMB Common Share (A Share) IPO application of Avary Holding (Shenzhen) Co.,Ltd to Shenzhen Stock Exchange.	While increasing the value and reducing financing costs of Avary Holding (Shenzhen) Co., Ltd through an IPO benefits the shareholders of the parent Company, Chou advised the Board to ensure that the whole process is compliant with the relevant regulations, and to cope with different accounting policies to ensure consistency and coherence of financial reports.

2020.03.10	Company to acquire all outstanding issued shares of Boardtek Electronics Corp. by issuing new shares for a share-swap with Boardtek.	Chou suggests the Company to pay additional attention to recent share price movement and corresponding market chatters or comments. After reviewing third party opinions , Chou agreed on the share-swap ratio.
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In brief, the Board trusts that you see **Chih-Chen Chou** has been playing an active role in various occasions to ensure good governance of the Company. *Therefore, I would urge you to vote 'For', in support of **Chih-Chen Chou** to be re-elected as Independent Director to the Board.*

The Investor Relations officers are available to engage with shareholders should you have any concerns or questions before voting for the AGM proposals. I look forward to seeing you on 19 June 2020.

Investor Relations officer Contacts:

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Yours sincerely,



Chang-Fang Shen

Chairman