

## **Zhen Ding Reported Its Operating Results for the First Three Quarters of 2024. It Expects 4Q24 Performance to Reach the Peak of the Year.**

Zhen Ding Technology Holding Limited (Ticker: 4958), a global leading PCB manufacturer, today hosted an investor conference and announced its consolidated financial results for the first three quarters of 2024. Cumulative revenue for the first three quarters of 2024 was NT\$115,531 million, reaching the second highest for the same period. Net income was NT\$6,855 million, net income to parent was NT\$4,816 million, and EPS was NT\$5.08.

According to Chairman Charles Shen, Zhen Ding's revenue for the first three quarters of 2024 increased by 19.1% YoY. All four major product applications delivered double-digit YoY growth, with Mobile Communication, IC Substrate, and Automotive/Server/Base Station reaching record highs for the same period. As the product mix was further optimized and capacity utilization increased, gross margin for the first three quarters of 2024 was 18.2%, and operating margin reached 5.2%. For the fourth quarter, it will still be the peak season for customers' new product shipments, and Zhen Ding expects its performance in the fourth quarter to reach the peak of the year. The company maintains its target of delivering double-digit revenue growth this year.

Chairman Shen expects that AI applications will account for around 45% of Zhen Ding's consolidated revenue this year, with the revenue contribution further increasing next year. That said, as hardware spec requirements for AI smartphones become higher and higher, this drives changes in product designs and materials, and increases design complexity for PCBs. As a result, the company is positive on the PCB content growth opportunity for new smartphone models launching next year. In addition, Zhen Ding is actively broadening its reach across various AI applications. For AI servers, it not only has offered samples for customers' next-generation products, but also actively engages with customers for future generation products. Its optical products have entered mass production and started contributing to revenue, and it has also provided samples of high-end products to customers for qualifications.

In terms of IC substrates, Chairman Shen highlighted that Zhen Ding's IC substrate revenue has set new quarterly records for four consecutive quarters since the fourth quarter of last year and is expected to maintain high growth this year and next year. Its ABF substrate business has benefited from strong demand for advanced packaging, with capacity utilization continuing to increase. Next year, the company plans to begin mass production of next-generation products for HPC and AI customers. For BT substrates, with rising orders from new customers and new products, the business will continue to grow next year.

Chairman Shen believes that AI will continue to fuel robust demand for high-end products. In response, Zhen Ding plans to convert its Kaohsiung plant into an AI-focused center, providing design and

manufacturing capacity for high-end AI products to cater to the rising global demand. Additionally, the first phase of the new fab in Prachinburi, Thailand is scheduled for equipment installation by the end of this year, followed by trial production in 1H25, and small-scale mass production in 2H25. This facility will provide high-end server, automotive, and optical module products. With an increasingly complete global capacity footprint, Zhen Ding is expected to achieve record-breaking operational performance next year.

Unit: NT\$ million, except for EPS

Period	1Q-3Q24	1Q-3Q23	YoY
Revenue	115,531	97,002	+19.1%
Gross Profit	20,990	15,781	+33.0%
Operating Profit	6,032	2,905	+107.6%
Net Income	6,855	4,362	+57.1%
Net Income to Parent	4,816	2,685	+79.4%
EPS (NT\$)	5.08	2.84	+78.9%
Gross Margin	18.2%	16.3%	+1.9ppts
Operating Margin	5.2%	3.0%	+2.2ppts
Net Margin	5.9%	4.5%	+1.4ppts

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 variety of products, including flexible printed circuit board (FPC) and surface mount assembly (SMA), substrate-like PCBs (SLP), high-density interconnect (HDI) PCBs, ultra-thin Mini LED board, 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. For more detailed information, please visit the company website: [www.zdtco.com](http://www.zdtco.com).

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