臻鼎科技控股
Zhen Ding Tech. Holding

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Zhen Ding Reports Record 1Q26 Revenue and Gross Margin for the Same Period; Strong Momentum in Server/Optical and IC Substrate Businesses Expected to Drive Sustained Revenue and Profit Expansion in the Coming Years

Zhen Ding Technology Holding Limited (Ticker: 4958), a global leading PCB manufacturer, today (12) announced its consolidated financial results for the first quarter of 2026. First quarter revenue reached NT$40,728 million, up 1.6% YoY and setting a record high for the same period. Net income was NT$2,047 million, and net income attributable to the parent company was NT$1,426 million, with EPS of NT$1.33.

According to Zhen Ding, while the first quarter is traditionally a low season for consumer electronics, demand for high-end AI-related applications remained robust, driving structural growth in the company's operations. First quarter revenue again reached a record high for the same period, with server/optical revenue more than doubling YoY, while IC substrate revenue increased by over 60% YoY. Combined, these two businesses accounted for nearly 20% of total revenue in the first quarter, highlighting the company's accelerating shift toward high-end AI-related applications. Benefiting from a more favorable product mix, gross margin reached 21.6% in the first quarter, surpassing the 20% level for the first time during a traditional low season. Operating margin was 6.1%, improving by 3.5 percentage points YoY, reflecting continued enhancement in the company's profitability structure.

Looking ahead, Zhen Ding reiterated that, supported by sustained expansion in demand for advanced AI applications, 2026 is expected to mark the beginning of a new growth cycle for the company. As customer platforms continue to upgrade, demand scales further, and new capacity gradually comes online, both revenue and profitability are expected to maintain a strong growth trajectory over the coming years. Beginning in the second quarter, customers' next-generation AI platforms are expected to gradually enter mass production, driving significant quarter-by-quarter growth in the server/optical business, with full-year revenue expected to be more than double. For the IC substrate business, supported by strong AI computing demand, the company has already established deep collaborations with multiple customers on high-end AI-related products. As demand and order visibility continue to improve, revenue is also expected to increase sequentially throughout the year, with full-year IC substrate revenue targeted to grow by 70%+.

By application segment, in the AI server market, Intelligent HDI (iHDI) and HLC products for both GPU and ASIC customers are expected to gradually enter mass production starting this year. In addition, optical communications is currently one of the company's fastest-growing businesses, primarily driven by customers' transition toward next-generation 1.6T products. This has significantly increased demand for high-end PCB products utilizing MSAP technology. Zhen Ding has world-leading MSAP technology capabilities and, combined with the gradual ramp-up of related capacity, expects this business to deliver multiple-fold revenue growth this year. Customers have also begun reserving 2027 capacity, and the company aims to become the world's largest supplier of high-end optical communication PCBs by 2027.

Regarding IC substrates (Leading Technology), Zhen Ding noted that Shenzhen ABF Fab 1 turned profitable in the first quarter of this year. Given clear customer demand visibility, in addition to the ramp-up of the Kaohsiung ABF facility this year, the company is also advancing installation of Shenzhen ABF Fab 2 to support future AI computing-related demand. Alongside stable contributions from existing customers, the new ABF substrate capacity will also support penetration into major international customers, further accelerating revenue growth momentum. Leading Technology has also initiated plans to apply for listing on the Hong Kong Stock Exchange. Through an independent listing, the company aims to access international capital market resources to accelerate capacity expansion and technology upgrades in high-end applications such as AI servers and high-performance computing, further enhancing its growth potential. Meanwhile, Zhen Ding will maintain a controlling stake in Leading Technology to ensure consistency in overall strategic execution and resource integration.

Zhen Ding emphasized that the company is currently undergoing the largest capacity expansion phase in its history. These investments are based on clear long-term cooperation visibility with several key customers regarding mid- to long-term demand for AI-related applications. Accordingly, the company has further increased its 2026 capital expenditure plan from NT$50 billion+ to NT$80 billion+ to accelerate the build-out of high-end production capacity. Investments will focus on key areas including AI servers, optical communications, IC substrates, and Edge AI, while the company continues to advance the development of its major production bases in Huai'an and Thailand. Among these initiatives, Zhen Ding is expanding Huai'an Tech City with the goal of establishing the world's largest and most technologically advanced single-site PCB manufacturing base. As new capacity gradually comes online and the contribution from high-end products continues to increase, Zhen Ding expects to further strengthen its leadership position within the critical AI supply chain and establish a solid foundation for sustained expansion in both operational scale and profitability in the years ahead.

Unit: NT$ million, except for EPS

Period	1Q26	1Q25	YoY
Revenue	40,728	40,082	*+1.6%*
Gross Profit	8,812	5,885	*+49.7%*
Operating Profit	2,503	1,056	*+137.1%*
Net Income	2,047	1,025	*+99.7%*
Net Income to Parent	1,426	632	*+125.4%*
EPS (NT$)	1.33	0.66	
Gross Margin	21.6%	14.7%	*+6.9ppts*
Operating Margin	6.1%	2.6%	*+3.5ppts*
Net Margin	5.0%	2.6%	*+2.4ppts*

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 of a diversified range of products, including flexible printed circuit board (FPC) and surface mount assembly (SMA), substrate-likes 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 nine consecutive years, from 2017 to 2025. For more detailed information, please visit the company website: www.zdtco.com.

Spokesperson

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