



## Greenland Technologies Holding Corporation Reports Third Quarter 2020 Results

November 23, 2020

HOWELL, N.J., Nov. 23, 2020 /PRNewswire/ — Greenland Technologies Holding Corporation (NASDAQ:[GTEC](#)) (“Greenland”), a technology developer and manufacturer of forklift transmission and drivetrain systems, today announced financial results for the third quarter ended September 30, 2020.

### Highlights (3Q 2020 compared to 3Q 2019)

- **38% Increase in Revenue**
- **70% Expansion of Gross Profit**
- **390 Basis Improvement in Gross Margin**
- **122% Increase in Income from Operations**

Raymond Wang, CEO of Greenland Technologies Holding Corporation, commented, “We are pleased with the strong growth of our business and significant expansion of gross profit and income from operations. COVID-19 has continued to affect business and manufacturing activities worldwide, with government mandated shutdowns complicating production and logistics. While we implemented a temporary suspension of manufacturing activities for most of February, we were able to restart and rebound as we moved through the year. Given the uncertain market environment, however, we made the strategic decision to delay the launch of our robotic cargo carriers. We believe this segment represents a major, long-term growth opportunity for the Company and we are committed to moving forward with this new product line. We expect our robotic cargo carriers will serve as a multi-year driver of our revenue growth and expansion of profitability due to the acceleration underway in companies seeking to implement higher levels of automation in all areas of their operations in an effort to reduce human operator exposure to COVID-19 and to avoid costly shutdowns.”

Jing Jin, CFO of Greenland Technologies Holding Corporation, said, “Our operations team has done an excellent job working with our supply chain to secure inventory, while trying to reduce the impact COVID-19 has had on higher costs and lower component availability. We ended the third quarter of 2020 in a stronger financial position, with an improved balance sheet, enabling us to invest in the growth opportunities that will help us achieve our long-term financial targets, as we work to build increased value for the Company and shareholders.”

### **Third Quarter 2020 Results**

Greenland’s revenue was approximately \$16.52 million for the three months ended September 30, 2020, representing an increase of approximately \$4.57 million, or 38.2%, as compared to approximately \$11.95 million for the three months ended September 30, 2019. The year over year increase reflects ongoing customer demand growth and the fulfillment of backlog orders from the first quarter of 2020 when the Company implemented a COVID-19 related shutdown.

The total cost of goods sold was approximately \$13.12 million for the three months ended September 30, 2020, representing an increase by approximately \$3.17 million, or 31.9%, as compared to approximately \$9.95 million for the three months ended September 30, 2019. The year over year increase was due to the Company’s higher sales volume.

The Company’s gross profit was approximately \$3.40 million for the three months ended September 30, 2020, representing an increase by approximately \$1.40 million, or 69.8%, as compared to approximately \$2.00 million for the three months ended September 30, 2019. Gross margin was approximately 20.6% and 16.7%, respectively, for the three months ended September 30, 2020 and for the three months ended September 30, 2019.

Income from operations for the three months ended September 30, 2020 was approximately \$2.24 million, representing an increase of approximately \$1.23 million, as compared to approximately \$1.01 million for the three months ended September 30, 2019.

Net income was approximately \$0.46 million for the three months ended September 30, 2020, representing an increase of approximately \$0.22 million, as compared to approximately \$0.24 million for the three months ended September 30, 2019.

### **Business Outlook**

Looking forward, Mr. Wang, CEO of Greenland Technologies Holding Corporation, continued, “Despite near term uncertainties related to COVID-19, we are very positive about the Company’s outlook for growth and profit expansion given our differentiated market position, track record of execution and innovation, large and growing global demand, and our robust financial position. Equally important, we are well under way in our product roadmap, including robotic cargo carriers and lithium battery powered innovations, to meet the growing long-term demand from customers seeking clean energy solutions, longer battery life, lower maintenance and overall improved performance.”

### **About Greenland Technologies Holding Corporation**

Greenland Technologies Holding Corporation (NASDAQ: [GTEC](#)) is a developer and a manufacturer of transmission and drivetrain systems for material handling machineries and electric vehicles, as well as electric forklift trucks. The Company’s clean energy lithium battery systems require less maintenance, charge faster, operate more efficiently and last significantly longer than lead acid power. For more information visit [www.gtec-tech.com](http://www.gtec-tech.com).

### **Forward-Looking Statements**

This press release contains statements that may constitute “forward-looking statements.” Such statements reflect Greenland’s current views with respect to future events and are subject to such risks and uncertainties, many of which are beyond the control of Greenland, including those set forth in the Risk Factors section of Greenland’s Annual Report on Form 10-K and Definitive Proxy Statement on Schedule 14A filed with the Securities and Exchange Commission (“SEC”). Copies are available on the SEC’s website, [www.sec.gov](http://www.sec.gov). Words such as “expect,” “estimate,” “project,” “budget,”

“forecast,” “anticipate,” “intend,” “plan,” “may,” “will,” “could,” “should,” “believes,” “predicts,” “potential,” “continue,” and similar expressions are intended to identify such forward-looking statements. These forward-looking statements include, without limitation, Greenland’s expectations with respect to future performance. In addition, there is uncertainty about the further spread of the COVID-19 virus or the occurrence of another wave of cases and the impact it may have on the Company’s operations, the demand for the Company’s products, global supply chains and economic activity in general. Should one or more of these risks or uncertainties materialize, or should assumptions underlying the forward-looking statements prove incorrect, actual results may vary materially from those described herein as intended, planned, anticipated or expected. Statements contained in this news release regarding past trends or activities should not be taken as a representation that such trends or activities will continue in the future. Greenland does not intend and does not assume any obligation to update these forward-looking statements, other than as required by law.