



Zhen Ding Reports First Quarter 2020 Financial Results:

Taoyuan, Taiwan, May 8, 2020 -- Zhen Ding Technology Holding Limited (TWSE: 4958) today announced the first quarter 2020 financial results ended March 31, 2020:

- Consolidated revenue was NT\$17,512 million; Net income was NT\$1,264 million (Net income attributable to the parent company was NT\$872 million).
- Net income increased by 99.68% year-over-year (Net income attributable to the parent increased by 128.27% year-over-year).
- EPS was NT\$1.40, up 77.22% year-over-year (EPS attributable to the parent increased was NT\$0.97, up 125.58% year-over-year).

The gross margin was 17.63% for the first quarter 2020, up 1.66 percentage points year-over-year. The year-over-year margin increase were mainly due to optimized product mix and sustained improvements in production yields and reduced cost per unit driven by automation and smart manufacturing. The year-over-year increase in net income for the quarter was primarily due to our continuous efforts on overall operating effectiveness and higher non-operating income from foreign exchange gain and government subsidies.

The Company's Board of Director today approved the issuance of overseas unsecured convertible bonds to fulfill the needs for working capital and repayment of bank loan. The fund raised will further strengthen the company's financial structure and long-term competitive position.

About Zhen Ding Technology Holding

Zhen Ding Technology Holding Limited (TWSE: 4958) was established in 2006. The Company's main investments include Avary Holding (Shenzhen) Co., Limited (SZSE: 002938) and Qi Ding Technology Qinhuangdao Co., Limited. Zhen Ding specializes in printed circuit board ("PCB") and semiconductor related products, with early stage design-in, R&D, manufacturing and sales. The Company's products are used in the wide range of applications for computing, consumer, communications, automotive electronics and medical segments.

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The First Quarter 2020 Financial Summary

Unit: NT\$ million, except for EPS

Period	1Q'20	1Q'19	1Q'20/1Q'19 YoY Growth (%)
Revenue	17,512	19,413	-9.79%
Net income	1,264	633	99.68%
Net income attributable to the parent company	872	382	128.27%
EPS (Note)	1.40	0.79	77.22%
EPS attributable to the parent company	0.97	0.43	125.58%
Gross margin (%)	17.63	15.97	1.66%

(Note) EPS in 1Q20 was calculated based on 902 million outstanding shares; EPS in 1Q19 was calculated based on 805 million outstanding shares.