



Grand Venture Technology Limited

(Incorporated in Singapore on 17 September 2012)
(Company Registration Number 201222831E)

NEWS RELEASE

GRAND VENTURE TECHNOLOGY REPORTS 22% GROWTH IN FY2018 NET PROFIT TO \$4.7M

- Healthy revenue growth across both its business segments
- Expanding capabilities and facilities in anticipation of increased business activity
 - Actively working to secure more new orders in the months ahead

Singapore, 1 March 2019 – Homegrown manufacturing solutions and services provider, **Grand Venture Technology Limited** (杰纬特科技有限公司, “GVT”, and together with its subsidiaries, the “**Group**”) has delivered a 22.1% increase in net profit to \$4.7 million for the full year ended 31 December 2018 (“FY2018”), from \$3.8 million in the preceding financial year (“FY2017”). This was on the back of a 32.9% increase in revenue to \$41.0 million, from \$30.9 million a year ago.

The improvement in performance came on the back of revenue growth from both its Semiconductor segment and Analytical Life Sciences, Electronics and Others segment.

Financial Highlights

\$ 'm	Full year ended 31 December 2018		Change
	2018	2017	%
Revenue	41.0	30.9	32.9
Gross profit	14.8	8.4	75.8
Non-recurring item*	(1.5)	--	n.m.
Profit before tax	5.9	2.6	128.5
Taxation	(1.2)	1.3	n.m.
Net profit	4.7	3.8	22.1

*non-recurring item refers to expenses relating to GVT's initial public offer in January 2019

GVT's Semiconductor segment and Analytical Life Sciences, Electronics and Others segment both enjoyed a rise in orders from existing customers, as well as new orders received after GVT successfully obtained first-article approvals.

Executive Chairman Ricky Lee (李添南) said, “The full-year results affirm our strategy of investing in capacity and capability, which enabled us to take on the increased orders while delivering them more efficiently. That is why we were able to record an improvement in performance even after taking into account the listing expenses of \$1.5 million.”

Excluding listing expenses, the Group would have recorded a 61.1% increase in pre-tax profit to \$6.2 million.

Driven by improved capacity utilisation, the Group's gross profit rose 75.8% to \$14.8 million, compared to \$8.4 million in FY2017. In line with this, gross profit margin also improved by over 8 percentage points to 36.2% in FY2018, from 27.3% in FY2017.

During the year, the Group incurred listing expenses and expanded its headcount significantly to support the growth in business activity, and this was reflected in the higher general & administrative expenses of \$7.3 million, compared to \$3.8 million in FY2017. The Group also received tax credit in FY2017 under the Productivity and Innovation scheme.

At the close of 2018 the Group's cash and cash equivalents amounted to \$2.5 million, while net assets stood at \$16.1 million.

Following a successful listing on 23 January 2019, the Group has continued to maintain its growth momentum while diligently executing its post-IPO plans. While the Semiconductor business continues to be GVT's main revenue driver, the Group is also actively exploring new market segments such as the medical equipment industry. GVT is currently working with a European medical equipment company to develop first articles for its products.

The Group is also in the midst of expanding its facilities and capabilities in Singapore, Malaysia and China in anticipation of increased business activity, as well as the implementing enterprise resource planning and other management systems as it works towards its transformation into a Smart Organisation. Amid all these, GVT will continue to work on securing more first articles approvals from both existing and new clients, to pave the way for more new orders in the months ahead.

About Grand Venture Technology Limited

Established in Singapore in 2012, Grand Venture Technology Limited (“GVT”) is a trusted manufacturing solutions and services provider for the semiconductor, analytical life sciences, electronics and other industries. Backed by a highly experienced management team, GVT delivers engineering, assembly, testing and product life cycle management solutions. GVT operates out of its facilities in Singapore, Penang (Malaysia) and Suzhou (China) to serve a portfolio of customers that are some of the largest OEMs in these industries.

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