



Grand Venture Technology Limited

(Company Registration Number 201222831E)

NEWS RELEASE

GRAND VENTURE TECHNOLOGY RECORDS 1H23 REVENUE OF S\$53.9M

Singapore, 8 August 2023 – Mainboard-listed **Grand Venture Technology Limited** (杰纬特科技有限公司, “GVT”, or the “Group”), a homegrown precision manufacturing solutions provider, has delivered a commendable performance for the first half of the financial year ended 30 June 2023 (“1H23”), with net profit after tax of S\$3.4 million, on revenue of S\$53.9 million. This compares with the net profit of S\$7.1 million recorded, on revenue of S\$67.1 million, for the previous corresponding period in FY22 (“1H22”). Earnings before interest, tax, depreciation and amortisation amounted to S\$12.2 million, compared to S\$16.1 million a year ago.

Commenting on the Group’s performance, Executive Deputy Chairman Ricky Lee (李添南) said, “We are taking advantage of the current semiconductor industry downturn to step up efforts to enhance our competitiveness and strategic capabilities ahead of the industry recovery, while ensuring our capacity is in place for the recovery. At the same time, we continue to onboard new customers, and work closely with them on first article inspections, while also focusing on optimising cost and operational efficiency.”

Revenue from the Semiconductor segment fell 37.4% to S\$26.1 million in 1H23, from S\$41.6 million a year ago, in tandem with the general industry slowdown. The Group continued to deliver first articles and obtain qualifications from its front-end and back-end semiconductor customers during the period. The Group has strengthened its presence across the semiconductor segment during this downcycle and is well-positioned for long-term growth of this segment.

The Life Sciences segment recorded a 4.1% year-on-year improvement in revenue to S\$9.8 million, on the back of expanded customer wallet share. The Group continues to make progress in first article inspections and qualifications for new projects with its existing customers.

The Electronics, Aerospace, Medical and Others segment also generated a 12.4% rise in revenue to S\$18.0 million over 1H22. The rise was mainly driven by contribution from its subsidiaries, J-Dragon Tech (Suzhou) Co., Ltd and Formach Asia Sdn Bhd, even as the Electronics segment experienced lower business activity.

Outlook

The outlook for the semiconductor and electronics industry remains affected by geopolitical tensions and weakness within the global economy. However, the Group is starting to see the easing of excess inventory and expects order momentum to pick up towards 2024. The mid and long-term outlook of the semiconductor industry's prospects remain strong, on the back of rapid investment and innovation in artificial intelligence and its applications. Considering this, the Group is leveraging this downcycle to continue growing its strategic capabilities, expanding its capacity and enhancing its service offerings to be well-positioned to capitalise on the next industry uptick.

The Group continues to make strides in onboarding its front-end semiconductor customers in the metrology, inspection, etch and wafer deposition segments. It is working on several first-article inspections for its semiconductor and life sciences customers, in preparation for market uplift. The Group is also expanding its aerospace customer wallet share on the back of the recovery in global air traffic.

The Group will maintain a prudent approach in its cost and operations management, while closely engaging with its customers to deliver on their requirements to maximise customer satisfaction.

About Grand Venture Technology Limited ("GVT")

Founded in 2012, GVT is a fast-growing and trusted solutions and services provider for the manufacture of complex precision machining, sheet metal components and mechatronics modules. Its manufacturing plants in Singapore, Penang and Johor (Malaysia), and Suzhou (China) are backed by the latest automated manufacturing technologies, Class 10,000 cleanroom facilities and a certified quality management system. The Group's highly experienced and dedicated team of engineering talent serves a strong global network of established partners and suppliers with a wide range of engineering, assembly, testing and product life cycle management solutions.

GVT's portfolio of customers hail from the semiconductor, electronics, analytical life sciences, aerospace, medical and industrial automation industries, and represent some of the largest OEMs in their respective markets. GVT is listed on the Singapore Exchange Mainboard. Visit <http://www.gvt.com.sg> for more information.

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