GRAND VENTURE TECHNOLOGY LIMITED

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Company Reg. No.: 201222831E

RE-ALLOCATION AND USE OF PROCEEDS FROM PLACEMENT AGREEMENT DATED 12 JANUARY 2021

The Board of Directors (the "**Board**") of Grand Venture Technology Limited (the "**Company**" and together with its subsidiaries, the "**Group**") refers to the announcements dated 12 January 2021, 2 February 2021, 18 February 2021, 22 February 2021 and 1 March 2021 (collectively, the "**Previous Announcements**"), and the circular to Shareholders dated 5 February 2021 in relation to the Proposed Placement (the "**Circular**").

Unless otherwise defined, capitalised terms used herein shall have the meanings as ascribed in the Circular and the Previous Announcements.

Pursuant to Rule 704 (30) of the Listing Manual Section B: Rules of Catalist of the Singapore Exchange Securities Trading Limited, the Board wishes to i) announce the reallocation of the use of net proceeds from the Placement Agreement dated 12 January 2021 ("**Net Proceeds**"), as well as ii) provide an update on the use of the Net Proceeds as follows:

Use of Net Proceeds	**Allocated S$'000**	**Net Proceeds utilised from 22/03/2021 to 21/05/2021** Note 2 **S$'000**	**Balance of Net Proceeds as at 21/05/2021 S$'000**	**Amount re-allocated on 21/05/2021 S$'000**	**Balance of Net Proceeds as at 21/05/2021 after re-allocation S$'000**
Expansion via mergers and acquisitions, joint ventures and partnerships	19,000	-	19,000	(5,000)	14,000
Investing and enhancing operational and engineering capabilities	3,000	(1,500)	1,500	5,000	6,500
General working capital Note 1	1,504	(1,504)	-	-	-
Total	**23,504**	**(3,004)**	**20,500**	**-**	**20,500**

Note 1: Details of working capital used

	S$'000
Staff cost	1,200
Rental, office expenditure and other operating expenses	304
Total	**1,504**

Note 2: The above utilisation of Net Proceeds is in accordance with the intended use as stated in the Circular.

The Company will continue to make periodic announcements via SGXNET on the utilisation of the remaining proceeds as and when such balance of the proceeds is materially disbursed, and will also provide a status report on the use of proceeds in the annual reports of the Company.

Rationale for the re-allocation of the Net Proceeds

The Group has reviewed its internal capacity requirements and noted that there is an immediate need for the additional capital expenditures of approximately S$5.0 million whilst there is no immediate visibility of expansion activities via mergers and acquisitions, joint ventures and partnerships. Accordingly, the Board is of the view that it is in the best interest of the Group to re-allocate S$5.0 million intended for expansion activities via mergers and acquisitions, joint ventures and partnerships to fund its capital expenditure requirements.

BY ORDER OF THE BOARD

LEE TIAM NAM
Executive Chairman
21 May 2021

*This document has been reviewed by the Company's Sponsor, CIMB Bank Berhad, Singapore Branch ("**Sponsor**") in accordance with Rule 226(2)(b) of the SGX-ST Listing Manual Section B: Rules of Catalist. This document has not been examined or approved by the SGX-ST and the SGX-ST assumes no responsibility for the contents of this document, including the correctness of any of the statements or opinions made or reports contained in this document. The contact person for the Sponsor is Mr Jason Chian, Head, Corporate Finance, CIMB Bank Berhad, Singapore Branch, at 50 Raffles Place, #09-01 Singapore Land Tower, Singapore 048623, Telephone: +65 6337 5115.*