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**UNAUDITED HALF YEAR FINANCIAL STATEMENTS AND DIVIDEND ANNOUNCEMENT FOR THE SIX MONTHS ENDED 30 JUNE 2021 FOR GRAND VENTURE TECHNOLOGY LIMITED (THE “COMPANY” AND TOGETHER WITH ITS SUBSIDIARIES, THE “GROUP”)**

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**Comparative financial periods**

For the purposes of this results announcement:

- The current financial period being reported on, refers to the half year from 1 January 2021 to 30 June 2021, shall be referred to herein as “**1HFY2021**”.
- The corresponding financial period of the immediately preceding financial year, the half year from 1 January 2020 to 30 June 2020, will be referred to herein as “**1HFY2020**”; and
- The financial year ended 31 December 2020 shall be referred to herein as “**FY2020**”.

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## A. Condensed interim consolidated statement of profit or loss and other comprehensive income

	Note	Group		Changes
		1HFY2021 S\$'000	1HFY2020 S\$'000	
Revenue	4	53,540	26,912	98.9%
Cost of sales		(35,820)	(18,882)	89.7%
<b>Gross profit</b>		<b>17,720</b>	<b>8,030</b>	120.7%
Other income		639	453	41.1%
(Loss) / gain on forward contract		(8)	10	NM
Selling and distribution expenses		(483)	(248)	94.8%
General and administrative expenses		(5,270)	(4,017)	31.2%
Other operating expenses		(1,234)	(946)	30.4%
Finance costs		(843)	(698)	20.8%
<b>Profit before tax</b>	6	<b>10,521</b>	<b>2,584</b>	307.2%
Income tax expense	9	(2,013)	(361)	457.6%
<b>Profit after tax</b>		<b>8,508</b>	<b>2,223</b>	282.7%
Other comprehensive income:				
<i>Items that maybe reclassified subsequently to profit or loss</i>				
Currency translation differences arising from consolidation of foreign operations		(224)	(91)	146.2%
<b>Total comprehensive income for the financial period attributable to owners of the Company</b>		<b>8,284</b>	<b>2,132</b>	288.6%
<b>Earnings per share (cents per share)</b>				
- Basic and diluted	7	3.07	0.95	223.7%

NM: Not meaningful

## B. Condensed interim statements of financial position

	Note	Group		Company	
		30-Jun-21 S\$'000	31-Dec-20 S\$'000	30-Jun-21 S\$'000	31-Dec-20 S\$'000
<b>Non-current assets</b>					
Property, plant and equipment	13	48,344	43,349	16,703	15,573
Investment in subsidiaries		-	-	15,039	12,085
Intangible assets	12	2,017	2,035	-	-
Loans to a subsidiary		-	-	4,150	2,450
Deferred tax assets		689	1,025	-	140
<b>Total non-current assets</b>		<b>51,050</b>	<b>46,409</b>	<b>35,892</b>	<b>30,248</b>
<b>Current assets</b>					
Cash and bank balances		23,568	7,493	19,182	3,888
Trade and other receivables		32,020	17,889	11,945	7,943
Prepayments		3,798	1,685	1,045	666
Inventories		30,981	20,928	8,322	7,515
Loans to a subsidiary		-	-	4,900	4,900
<b>Total current assets</b>		<b>90,367</b>	<b>47,995</b>	<b>45,394</b>	<b>24,912</b>
<b>Total assets</b>		<b>141,417</b>	<b>94,404</b>	<b>81,286</b>	<b>55,160</b>
<b>Current liabilities</b>					
Trade and other payables		27,089	13,197	7,934	5,781
Loans and borrowings	14	13,079	10,575	3,448	2,722
Lease liabilities	14	698	726	30	29
Deferred income		34	41	34	41
Forward contract		14	2	14	2
Provision for income tax		1,519	247	-	-
<b>Total current liabilities</b>		<b>42,433</b>	<b>24,788</b>	<b>11,460</b>	<b>8,575</b>
<b>Net current assets</b>		<b>47,934</b>	<b>23,207</b>	<b>33,934</b>	<b>16,337</b>
<b>Non-current liabilities</b>					
Loans and borrowings	14	26,485	29,138	17,478	18,712
Lease liabilities	14	3,494	3,380	1,583	1,598
Deferred income		231	237	231	237
Deferred tax liabilities		124	-	124	-
<b>Total non-current liabilities</b>		<b>30,334</b>	<b>32,755</b>	<b>19,416</b>	<b>20,547</b>
<b>Total liabilities</b>		<b>72,767</b>	<b>57,543</b>	<b>30,876</b>	<b>29,122</b>
<b>Net assets</b>		<b>68,650</b>	<b>36,861</b>	<b>50,410</b>	<b>26,038</b>
<b>Equity attributable to owners of the Company</b>					
Share capital	15	51,348	27,843	51,348	27,843
Currency translation reserve		(1,092)	(868)	-	-
Retained earnings/(accumulated losses)		18,394	9,886	(938)	(1,805)
<b>Total equity</b>		<b>68,650</b>	<b>36,861</b>	<b>50,410</b>	<b>26,038</b>

### C. Condensed interim statements of changes in equity

	Note	Share capital S\$'000	Currency translation reserve S\$'000	Retained earnings S\$'000	Total S\$'000
<b>Group</b>					
<b>Balance as at 1 January 2020</b>		<b>27,843</b>	<b>(1,012)</b>	<b>4,670</b>	<b>31,501</b>
<i>Total comprehensive income for the financial period</i>					
Profit for the financial period		-	-	2,223	2,223
Other comprehensive income for the financial period		-	(91)	-	(91)
Total comprehensive income for the financial period		-	(91)	2,223	2,132
<b>Balance as at 30 June 2020</b>		<b>27,843</b>	<b>(1,103)</b>	<b>6,893</b>	<b>33,633</b>
<b>Balance as at 1 January 2021</b>		<b>27,843</b>	<b>(868)</b>	<b>9,886</b>	<b>36,861</b>
<i>Transactions with owners, recognised directly in equity</i>					
Shares issued pursuant to Placement Agreement	15	23,604	-	-	23,604
Shares issuance expenses	15	(99)	-	-	(99)
Total		23,505	-	-	23,505
<i>Total comprehensive income for the financial period</i>					
Profit for the financial period		-	-	8,508	8,508
Other comprehensive income for the financial period		-	(224)	-	(224)
Total comprehensive income for the financial period		-	(224)	8,508	8,284
<b>Balance as at 30 June 2021</b>		<b>51,348</b>	<b>(1,092)</b>	<b>18,394</b>	<b>68,650</b>
<b>Company</b>					
<b>Balance as at 1 January 2020</b>		<b>27,843</b>	<b>(3,523)</b>		<b>24,320</b>
<i>Total comprehensive income for the financial period</i>					
Profit for the financial period, representing total comprehensive income for the financial period		-		1,301	1,301
<b>Balance as at 30 June 2020</b>		<b>27,843</b>	<b>(2,222)</b>		<b>25,621</b>
<b>Balance as at 1 January 2021</b>		<b>27,843</b>	<b>(1,805)</b>		<b>26,038</b>
<i>Transactions with owners, recognised directly in equity</i>					
Shares issued pursuant to Placement Agreement	15	23,604		-	23,604
Shares issuance expenses	15	(99)		-	(99)
Total		23,505		-	23,505
<i>Total comprehensive income for the financial period</i>					
Profit for the financial period, representing total comprehensive income for the financial period		-		867	867
<b>Balance as at 30 June 2021</b>		<b>51,348</b>	<b>(938)</b>		<b>50,410</b>

## D. Condensed interim consolidated statement of cash flows

	Note	Group	
		1HFY2021 S\$'000	1HFY2020 S\$'000
<b>Operating activities</b>			
Profit before tax		10,521	2,584
Adjustments for:			
Depreciation of property, plant and equipment and right-of-use assets	6	4,036	3,068
Amortisation of intangible assets	6	12	12
Amortisation of deferred income	6	(13)	(13)
Gain on disposal of property, plant and equipment	6	(16)	-
Gain on lease modification		(1)	-
Interest income		(8)	-
Interest expense	6	843	698
Provision for unutilised leave	6	87	-
Provision for stocks obsolescence	6	50	-
Unrealised foreign exchange gain	6	(39)	(755)
<b>Operating cash flows before changes in working capital</b>		<b>15,472</b>	<b>5,594</b>
Increase in trade and other receivables		(14,268)	(446)
Increase in inventories		(10,257)	(1,723)
Increase in prepayments		(2,118)	(770)
Increase / (decrease) in trade and other payables		13,884	(1,145)
<b>Cash flows generated from operations</b>		<b>2,713</b>	<b>1,510</b>
Income tax paid		(276)	(118)
Income tax credit		-	42
Interest received		8	-
Interest paid		(843)	(649)
<b>Net cash flows generated from operating activities</b>		<b>1,602</b>	<b>785</b>
<b>Investing activities</b>			
Purchases of property, plant and equipment		(6,836)	(1,325)
Proceeds from disposal of property, plant and equipment		16	-
Capital expenditure grants received		-	78
<b>Net cash flows used in investing activities</b>		<b>(6,820)</b>	<b>(1,247)</b>
<b>Financing activities</b>			
Proceeds from loans and borrowings		309	14,518
Repayment of loans and borrowings		(1,935)	(9,095)
Repayment of hire purchases		(2,292)	(1,715)
Payment of principal portion of lease liabilities		(366)	(319)
Proceeds from trade financing		2,051	196
Proceeds from issuance of shares	15	23,505	-
Increase in placement of short-term fixed deposits		(8)	-
Repayment of shareholder loan		-	(3,500)
<b>Net cash flows generated from financing activities</b>		<b>21,264</b>	<b>85</b>
<b>Net increase / (decrease) in cash and cash equivalents</b>		<b>16,046</b>	<b>(377)</b>
Effect of foreign exchange rate changes, net		28	28
Cash and cash equivalents at the beginning of the financial period		7,105	5,387
<b>Cash and cash equivalents at the end of the financial period</b>		<b>23,179</b>	<b>5,038</b>
<b>Cash and cash equivalents represented by:</b>			
Cash and bank balances		23,568	5,416
less Short-term fixed deposits		(389)	(378)
		<b>23,179</b>	<b>5,038</b>

## E. Notes to the condensed interim consolidated financial statements

### 1. Corporate information

Grand Venture Technology Limited (the “**Company**”) is incorporated in Singapore with its principal place of business and registered office at 2 Changi North Street 1, Singapore 498828.

These condensed interim consolidated financial statements as at and for the six months ended 30 June 2021 comprise the Company and its subsidiaries (collectively, the “**Group**”).

The principal activities of the Group and the Company are that of manufacturing complex precision machining and sheet metal components and modules.

### 2. Basis of Preparation

The condensed interim financial statements for the six months ended 30 June 2021 have been prepared in accordance with Singapore Financial Reporting Standards (International) (“**SFRS(I)**”) 1-34 Interim Financial Reporting issued by the Accounting Standards Council Singapore. The condensed interim financial statements do not include all the information required for a complete set of financial statements. However, selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the Group’s financial position and performance of the Group since the last annual financial statements for the year ended 31 December 2020.

The accounting policies adopted are consistent with those of the previous financial year which were prepared in accordance with SFRS(I)s, except for the adoption of new and amended standards as set out in Note 2.1.

The condensed interim financial statements are presented in Singapore dollar (“**S\$**”) which is the Company’s functional currency, and all values in the tables are rounded to the nearest thousand (“**S\$’000**”), except when otherwise indicated.

#### 2.1. New and amended standards adopted by the Group

A number of amendments to SFRS(I)s have become applicable for the current reporting period. The Group did not have to change its accounting policies or make retrospective adjustments as a result of adopting those standards.

#### 2.2. Use of judgements and estimates

In preparing the condensed interim financial statements, management has made judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates.

The significant judgements made by management in applying the Group’s accounting policies and the key sources of estimation uncertainty were the same as those that applied to the consolidated financial statements as at and for the year ended 31 December 2020.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

Information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment to the carrying amounts of assets and liabilities within the next interim period are included in the following notes:

- Note 12 – impairment test of intangible assets and goodwill: key assumptions underlying recoverable amounts.

### 3. Seasonal operations

The Group's businesses are not affected significantly by seasonal or cyclical factors during the financial period.

### 4. Segment and revenue information

Revenue represents sales of goods to customers, net of sales rebates.

The Group is organised into the following main business segments:

- Semiconductor

The semiconductor segment involves the manufacturing of precision machined components, complex sheet metal manufacturing and mechatronics assembly for customers who are leading equipment providers for semiconductor manufacturing and electronics assembly solutions.

- Life sciences

The life sciences segment involves the manufacturing of key components of mass spectrometers, high performance liquid chromatography instruments used for various laboratories testing and pharmaceutical applications.

- Electronics, medical and others

The electronics, medical and others segment involves the manufacturing of consumable parts, manufacturing and assembly of surgical microscopes and the assembly of complex modules for customers in the business of industrial automation and manufacturing equipment.

These operating segments are reported in a manner consistent with internal reporting provided to management who are responsible for allocating resources and assessing performance of the operating segments. Segment performance is evaluated based on gross profit or loss.

By business segment

Group	Semiconductor S\$'000	Life sciences S\$'000	Electronics, medical and others S\$'000	Total S\$'000
<b>1HFY2021</b>				
Revenue	38,855	8,263	6,422	53,540
Cost of sales	(25,139)	(5,561)	(5,120)	(35,820)
<b>Gross profit</b>	<b>13,716</b>	<b>2,702</b>	<b>1,302</b>	<b>17,720</b>
<b>1HFY2020</b>				
Revenue	18,185	5,095	3,632	26,912
Cost of sales	(13,092)	(3,095)	(2,695)	(18,882)
<b>Gross profit</b>	<b>5,093</b>	<b>2,000</b>	<b>937</b>	<b>8,030</b>



By geographical segment

	Group	
	1HFY2021 S\$'000	1HFY2020 S\$'000
Malaysia	30,966	14,584
Singapore	15,022	8,167
China	4,598	1,949
United States	2,118	1,616
Others	836	596
<b>Total</b>	<b>53,540</b>	<b>26,912</b>

**5. Financial assets and financial liabilities**

Set out below is an overview of the financial assets and financial liabilities of the Group as at 30 June 2021 and 31 December 2020:

	Group		Company	
	30-Jun-21 S\$'000	31-Dec-20 S\$'000	30-Jun-21 S\$'000	31-Dec-20 S\$'000
<b>Financial assets</b>				
Cash and bank balances and trade and other receivables (amortised cost)	55,354	25,270	40,046	19,084
<b>Financial liabilities</b>				
Trade and other payables and borrowings (amortised cost)	70,845	57,016	30,473	28,842

**6. Profit before taxation**

**6.1 Significant items**

	Group	
	1HFY2021 S\$'000	1HFY2020 S\$'000
Profit before tax has been arrived at after charging/(crediting) the following:		
Employee benefits expenses	11,161	7,558
Depreciation of property, plant and equipment and right-of-use assets	4,036	3,068
Interest expense	843	698
Provision for unutilised leave	87	-
Operating lease expenses for short-term leases	83	100
Provision for stock obsolescence	50	-
Amortisation of intangible assets	12	12
Foreign exchange gain	(281)	(174)
Rental income	(95)	(103)
Gain on disposal of property, plant and equipment	(16)	-
Amortisation of deferred income	(13)	(13)

## 7. Earnings per share

	<b>1HFY2021</b>	<b>1HFY2020</b>
Profit after tax (S\$'000)	8,508	2,223
Weighted average numbers of ordinary shares ('000)	276,932	234,253
Basic and diluted Earnings Per Share (" <b>EPS</b> ") (Singapore Cents)	<u>3.07</u>	<u>0.95</u>

The basic and diluted EPS for the respective financial periods are computed based on the weighted average number of ordinary shares in issue during the respective financial period.

The basic and diluted earnings per share were the same as there were no potentially dilutive ordinary shares in issue in 1HFY2021 and 1HFY2020.

## 8. Related party transactions

In addition to the related party information disclosed elsewhere in the financial statements, the following significant transactions between the Group and related parties took place at terms agreed between the parties during the period:

	<b>Group</b>		<b>Company</b>	
	<b>1HFY2021</b>	<b>1HFY2020</b>	<b>1HFY2021</b>	<b>1HFY2020</b>
	<b>S\$'000</b>	<b>S\$'000</b>	<b>S\$'000</b>	<b>S\$'000</b>
Interest expense to a shareholder	-	50	-	50
Purchase from subsidiaries	-	-	8,802	4,400
Management fee	-	-	200	218
Interest income from subsidiaries	-	-	112	102
Sales to subsidiaries	-	-	16	45

The remuneration of directors and other members of key management during the years were as follows:

	<b>Group</b>		<b>Company</b>	
	<b>1HFY2021</b>	<b>1HFY2020</b>	<b>1HFY2021</b>	<b>1HFY2020</b>
	<b>S\$'000</b>	<b>S\$'000</b>	<b>S\$'000</b>	<b>S\$'000</b>
Short-term benefits	753	632	477	416
Defined contributions plans	69	56	23	23
<b>Total</b>	<b>822</b>	<b>688</b>	<b>500</b>	<b>439</b>

## 9. Taxation

The Group calculates the period income tax expense using the tax rate that would be applicable to the expected total annual earnings. The major components of income tax expense in the condensed interim consolidated statement of profit or loss are:

	<b>Group</b>	
	<b>1HFY2021</b>	<b>1HFY2020</b>
	<b>S\$'000</b>	<b>S\$'000</b>
Current income tax expense	1,555	391
Deferred income tax expense relating to origination and reversal of temporary differences	458	(30)
	<b>2,013</b>	<b>361</b>

## 10. Net asset value

	<b>Group</b>		<b>Company</b>	
	<b>30-Jun-21</b>	<b>31-Dec-20</b>	<b>30-Jun-21</b>	<b>31-Dec-20</b>
Net assets (S\$'000)	68,650	36,861	50,410	26,038
Number of ordinary shares ('000)	305,780	234,253	305,780	234,253
<b>Net asset value per ordinary share (Singapore cents)</b>	<b>22.45</b>	<b>15.74</b>	<b>16.49</b>	<b>11.12</b>

## 11. Fair value measurement

The Group categorises fair value measurements using a fair value hierarchy that is dependent on the valuation inputs used as follows:

- Level 1 – Quoted prices (unadjusted) in active market for identical assets or liabilities that the Group can access at the measurement date,
- Level 2 – Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly, and
- Level 3 – Unobservable inputs for the asset or liability.

Fair value measurements that use inputs of different hierarchy levels are categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

The following table shows an analysis of the Group's assets and liabilities not measured at fair value, for which fair value is disclosed:

Company	Fair value measurements at the end of the reporting period using			Total S\$'000
	Quoted prices in active markets for identical instruments S\$'000	Significant observable inputs other than quoted prices S\$'000	Significant unobservable inputs S\$'000	
<b>30 June 2021</b>				
Loans to a subsidiary (non-current)	-	-	4,075	4,075
<b>31 December 2020</b>				
Loans to a subsidiary (non-current)	-	-	2,061	2,061

The fair value as disclosed in the table above are estimated by discounting expected future cash flows at market incremental lending rate for similar types of lending and borrowing arrangements at the end of the reporting period.

## 12. Intangible assets

Group	Customer relationship S\$'000	Goodwill S\$'000	Total S\$'000
<b>Cost:</b>			
At 1 January 2020	1,244	1,849	3,093
Translation differences	-	19	19
At 31 December 2020 and 1 January 2021	1,244	1,868	3,112
Translation differences	-	(6)	(6)
At 30 June 2021	1,244	1,862	3,106
<b>Accumulated amortisation:</b>			
At 1 January 2020	1,053	-	1,053
Amortisation for the year	24	-	24
At 31 December 2020 and 1 January 2021	1,077	-	1,077
Amortisation for the year	12	-	12
At 30 June 2021	1,089	-	1,089
<b>Carrying amount</b>			
At 31 December 2020	167	1,868	2,035
At 30 June 2021	155	1,862	2,017

### 12.1. Customer relationship

Customer relationship have an average remaining amortisation period of 6.5 years (FY2020: 7.0 years).

## 12.2. Impairment testing of goodwill

Goodwill acquired through business combinations are attributable to the acquisition of the Company's subsidiaries, which are also considered as cash-generating units ("CGUs") for impairment testing as follows:

	1HFY2021	FY2020
	S\$'000	S\$'000
Grand Venture Technology Sdn. Bhd. ("GVT MY")	1,361	1,379
Grand Venture Technology (Suzhou) Co., Ltd. ("GVT SZ")	501	489
<b>Total</b>	<b>1,862</b>	<b>1,868</b>

The recoverable amounts of the CGUs have been determined based on value-in-use calculations using cash flow projections from financial budgets approved by management covering a five-year period. Value-in-use as at 30 June 2021 was determined similarly to the 31 December 2020 goodwill impairment test, and was based on the following key assumptions:

	GVT MY	GVT SZ
Long-term growth rates	2.0%	2.0%
Pre-tax discount rates	14.2%	13.9%

The long-term growth rates and pre-tax discount rates assumed were the same for the year ended 31 December 2020.

Management believes that no reasonably possible change in any of the above key assumptions would cause the carrying value of the CGU to materially exceed its recoverable amounts.

No impairment loss was recognised for the financial year ended 31 December 2020 and six months ended 30 June 2021 for goodwill as their recoverable values were in excess of their carrying values.

## 13. Property, plant and equipment

During the six months ended 30 June 2021, the Group acquired assets amounting S\$8,668,000 (30 June 2020: S\$4,066,000) and disposed of assets with a carrying amount of S\$0.64 (30 June 2020: Nil).

Capital expenditure contracted for as at the end of the reporting period but not recognised in the financial statements are as follows:

	Group		Company	
	30-Jun-21	31-Dec-20	30-Jun-21	31-Dec-20
Capital commitments in respect of property, plant and equipment	14,197	5,276	2,495	1,600

## 14. Borrowings

	Group			
	30-Jun-21		31-Dec-20	
	Secured S\$'000	Unsecured S\$'000	Secured S\$'000	Unsecured S\$'000
Amount payable in one year or less or on demand	13,777	-	11,301	-
Amount payable after one year	29,979	-	32,518	-
<b>Total</b>	<b>43,756</b>	<b>-</b>	<b>43,819</b>	<b>-</b>
The above includes lease liabilities, as follows:				
Amount payable in one year or less or on demand	698	-	726	-
Amount payable after one year	3,494	-	3,380	-
<b>Total</b>	<b>4,192</b>	<b>-</b>	<b>4,106</b>	<b>-</b>

### Details of any collateral

The Group has provided different securities for its various secured loan and credit facilities which include:

- (i) Open all monies first party first legal charge over the Group's properties in Penang (Malaysia);
- (ii) First legal mortgage over the property in Singapore;
- (iii) Corporate guarantees by the Company and its wholly-owned subsidiary, Grand Venture Technology Sdn Bhd ("GVT MY"); and
- (iv) Charge over certain of the Group's equipment and vehicles.

## 15. Share capital

The Company had entered into the Placement Agreement on 12 January 2021 for the placement of 71,527,000 new ordinary shares in the capital of the Company to NT SPV 12 at an issue price of S\$0.33 for each placement share (the “**Transaction**”). The Transaction was completed on 15 March 2021. Accordingly, the changes in the Company’s issued ordinary shares and share capital, as follows:

	30-Jun-21		31-Dec-20	
	Number of ordinary shares	S\$'000	Number of ordinary shares	S\$'000
Beginning of period	234,253,000	27,843	234,253,000	27,843
Issue of ordinary shares	71,527,000	23,505	-	-
<b>End of period</b>	<b>305,780,000</b>	<b>51,348</b>	<b>234,253,000</b>	<b>27,843</b>

The Company did not have any outstanding options, convertibles, treasury shares or subsidiary holdings as at 30 June 2021, 30 June 2020 and 31 December 2020.

## 16. Subsequent events

There are no known subsequent events which have led to adjustments to this set of interim financial statements.

## **F. Other information required by Listing Rule Appendix 7C**

### **PART I - INFORMATION REQUIRED FOR QUARTERLY (Q1, Q2 & Q3), HALF-YEAR AND FULL YEAR ANNOUNCEMENTS**

- 1(a)(i) An income statement and statement of comprehensive income, or a statement of comprehensive income, for the group, together with a comparative statement for the corresponding period of the immediately preceding financial year.**

Refer to section A. Condensed interim consolidated statement of profit or loss and other comprehensive income.

- 1(a)(ii) Notes to the consolidated statement of comprehensive income.**

Refer to section E. Notes to the condensed interim consolidated financial statements.

- 1(b)(i) A statement of financial position (for the issuer and group), together with a comparative statement as at the end of the immediately preceding financial year.**

Refer to section B. Condensed interim statements of financial position.

- 1(b)(ii) In relation to the aggregate amount of the group's borrowings and debt securities, specify the following as at the end of the current financial period reported on with comparative figures as at the end of the immediately preceding financial year:**

Refer to section E. Notes to the condensed interim consolidated financial statements.

- 1(c) A statement of cash flows (for the group), together with a comparative statement for the corresponding period of the immediately preceding financial year.**

Refer to section D. Condensed interim consolidated statement of cash flows.

- 1(d)(i) A statement (for the issuer and group) showing either (i) all changes in equity or (ii) changes in equity other than those arising from capitalisation issues and distributions to shareholders, together with a comparative statement for the corresponding period of the immediately preceding financial year.**

Refer to section C. Condensed interim statements of changes in equity.



**1(d)(ii) Details of any changes in the company's share capital arising from rights issue, bonus issue, subdivision, consolidation, share buy-backs, exercise of share options or warrants, conversion of other issues of equity securities, issue of shares for cash or as consideration for acquisition or for any other purpose since the end of the previous period reported on. State the number of shares that may be issued on conversion of all the outstanding convertibles, if any, against the total number of issued shares excluding treasury shares and subsidiary holdings of the issuer, as at the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year. State also the number of shares held as treasury shares and the number of subsidiary holdings, if any, and the percentage of the aggregate number of treasury shares and subsidiary holdings held against the total number of shares outstanding in a class that is listed as at the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year.**

**1(d)(iii) To show the total number of issued shares excluding treasury shares as at the end of the current financial period and as at the end of the immediately preceding year.**

	<b>30-Jun-21</b>	<b>31-Dec-20</b>
Total number of issued shares excluding treasury shares	<u>305,780,000</u>	<u>234,253,000</u>

There were no treasury shares as at 30 June 2021 and 31 December 2020.

**1(d)(iv) A statement showing all sales, transfers, cancellation and/or use of treasury shares as at the end of the current financial period reported on.**

Not applicable.

**1(d)(v) A statement showing all sales, transfers, cancellation and/or use of subsidiary holdings as at the end of the current financial period reported on.**

Not applicable.

**2. Whether the figures have been audited or reviewed, and in accordance with which auditing standard or practice.**

The figures have neither been audited nor reviewed by the auditors.

**3. Where the figures have been audited or reviewed, the auditors' report (including any modifications or emphasis of a matter).**

Not applicable.

**3A. Where the latest financial statements are subject to an adverse opinion, qualified opinion or disclaimer of opinion:**

**(a) Updates on the efforts taken to resolve each outstanding audit issue.**

**(b) Confirmation from the Board that the impact of all outstanding audit issues on the financial statements have been adequately disclosed.**

**This is not required for any audit issue that is a material uncertainty relating to going concern.**

Not applicable.

**4. Whether the same accounting policies and methods of computation as in the issuer's most recently audited annual financial statements have been applied.**

The Group has applied the same accounting policies and methods of computation in the financial statements for the current reporting period as those of the audited financial statements for the year ended 31 December 2020.

**5. If there are any changes in the accounting policies and methods of computation, including any required by an accounting standard, what has changed, as well as the reasons for, and the effect of, the change.**

Not applicable.

**6. Earnings per ordinary share of the group for the current financial period reported on and the corresponding period of the immediately preceding financial year, after deducting any provision for preference dividends:**

**(a) Based on the weighted average number of ordinary shares on issue; and**

**(b) On a fully diluted basis (detailing any adjustments made to the earnings).**

Refer to section E. Notes to the condensed interim consolidated financial statements.

**7. Net asset value (for the issuer and group) per ordinary share based on the total number of issued shares excluding treasury shares of the issuer at the end of the:**

**(a) current financial period reported on; and**

**(b) immediately preceding financial year.**

Refer to section E. Notes to the condensed interim consolidated financial statements.

8. A review of the performance of the group, to the extent necessary for a reasonable understanding of the group's business. It must include a discussion of the following:
- (a) any significant factors that affected the turnover, costs, and earnings of the group for the current financial period reported on, including (where applicable) seasonal or cyclical factors; and
  - (b) any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current financial period reported on.

### Review of Consolidated Statement of Comprehensive Income

#### Revenue

The Group's Revenue increased by S\$26.6 million (98.9%) from S\$26.9 million in 1HFY2020 to S\$53.4 million in 1HFY2021, mainly driven by the key segments, as follows:

Sales by segment	1HFY2021		1HFY2020	
	S\$'000	%	S\$'000	%
Semiconductor	38,855	72.6%	18,185	67.6%
Life sciences	8,263	15.4%	5,095	18.9%
Electronics, medical and others	6,422	12.0%	3,632	13.5%
<b>Total</b>	<b>53,540</b>	<b>100.0%</b>	<b>26,912</b>	<b>100.0%</b>

#### *Semiconductor*

Growth in the semiconductor segment was driven by a global ramp up in demand for semiconductor chips, in line with the global push towards digitalisation, consumer electronics, data, 5G, electric vehicles ("EV"), artificial intelligence ("AI"), and the internet of things ("IoT").

The growth rate was nevertheless partially dampened by Movement Control Order in Malaysia which was in place from 12 May 2021 and restricted our operations in Penang.

#### *Life sciences*

Growth in the life sciences segment was mainly driven by the mass production of mass spectrometers as the Group's new products introductions were qualified by the customers, on the back of higher industry demand for such equipment for use in areas including drug discovery, and vaccine production and testing.

#### *Electronics, medical and others*

Growth in this segment was mainly driven by stronger demand for the electronics products, and the Group's penetration into the medical sector, with its production of surgical microscope used by neurosurgeons.

#### **Gross profit ("GP") and margin ("GPM")**

GP increased by S\$9.7 million from S\$8.0 million in 1HFY2020 to S\$17.7 million in 1HFY2021 on the back of 98.9% higher revenue, as discussed above, and improved GPM from 29.8% in 1HFY2020 to 33.1% in 1HFY2021.

GPM improved from 29.8% in 1HFY2020 to 33.1% in 1HFY2021 mainly due to year-over-year ("YoY") improvement in capacity utilisation.

In 1HFY2020, GPM of 29.8% was weighed down by the effects of respective government measures (refer to the Company's announcements on 27 March 2020, 30 March 2020, 7 April 2020 and 4 May 2020) on COVID-19, leading to (i) Malaysia and Suzhou's factories shut down and (ii) Group's customers' facilities shut down

from supply chain disruptions. Such factory shut down and supply chain disruptions to customer's facilities led to temporal idle capacity with certain production fixed costs not efficiently absorbed by the production volume.

A breakdown of GP and GPM by segment, as follows:

<b>GP and GPM by segment</b>	<b>1HFY2021</b>		<b>1HFY2020</b>	
	<b>GP</b>	<b>GPM</b>	<b>GP</b>	<b>GPM</b>
	<b>S\$'000</b>	<b>%</b>	<b>S\$'000</b>	<b>%</b>
Semiconductor	13,716	35.3%	5,093	28.0%
Life sciences	2,702	32.7%	2,000	39.3%
Electronics, medical and others	1,302	20.3%	937	25.8%
<b>Total</b>	<b>17,720</b>	<b>33.1%</b>	<b>8,030</b>	<b>29.8%</b>

The semiconductor segment enjoyed greater economies of scale and production efficiencies amidst improved utilisations, to contribute S\$8.6 million GP growth and deliver an improvement of GPM from 28.0% in 1HFY2020 to 35.3% in 1HFY2021.

Gross profit contribution from the (i) life sciences, and (ii) electronics, medical and others segments collectively increased by S\$1.1 million from S\$2.9 million in 1HFY2020 to S\$4.0 million in 1HFY2021. However, both segments recorded weaker GPM of 32.7% (1HFY2020: 39.3%) and 20.3% (1HFY2020: 25.8%) respectively. In 1HFY2020, the Group recorded savings of S\$0.5 million in Singapore government grants by way of (i) Jobs Support Scheme (“JSS”), (ii) Foreign Worker Levy (“FWL”) rebate and (iii) waiver of FWL. Such grants were no longer available in 1HFY2021.

#### **Other income**

Other income in 1HFY2021 was S\$639K, reflecting a S\$186K increase from S\$453K in 1HFY2020. This was mainly driven by (i) higher foreign exchange gain of S\$107K from the strengthening of US\$ against respective functional currencies of each entity, (ii) approximately S\$72K government incentives received for the Group's operations in Suzhou and (iii) a S\$16K gain on the sale of property, plant and equipment.

#### **General and administrative expenses**

General and administrative expenses increased by S\$1.3 million from S\$4.0 million in 1HFY2020 to S\$5.3 million in 1HFY2021. This was mainly driven by (i) S\$0.8 million investment in human resource, competencies and capabilities by way of increased headcount across its entities, (ii) the absence of S\$0.3 million savings from government grants received in 1HFY2020, and (iii) general overheads increase in tandem with business volume growth.

#### **Other operating expenses**

Other operating expenses increased by S\$0.3 million from S\$0.9 million in 1HFY2020 to S\$1.2 million in 1HFY2021, mainly driven by S\$0.1 million depreciation from acquisition of non-production assets and S\$0.1 million higher repair and maintenance expenses.

#### **Finance costs**

Finance costs increased by S\$145K from S\$698K in 1HFY2020 to S\$843K in 1HFY2021, mainly driven by (i) an increase of approximately S\$87K finance costs from the Group's utilisation of its credit facilities and (ii) approximately S\$81K in financing costs from the Group's acquisition of hire purchase contracts to finance fixed assets additions.

## **Income tax expense**

Tax expenses increased from by S\$1.7 million from S\$0.4 million in 1HFY2020 to S\$2.0 million in 1HFY2021, in line with the 307.2% growth in profit before tax.

## **Review of Consolidated Statement of Financial Position**

### **Non-current assets**

Non-current assets increased by S\$4.6 million from S\$46.4 million as at 31 December 2020 to S\$51.1 million as at 30 June 2021. This took into account S\$5.0 million increase in fixed assets during the period to support capacity expansion and a S\$0.3 million decrease in deferred tax assets.

### **Current assets**

Current assets increased by S\$42.4 million from S\$48.0 million as at 31 December 2020 to S\$90.4 million as at 30 June 2021 mainly due to a (i) S\$16.1 million increase in cash and bank balances in respect of unutilised funds raised from the 12 January 2021 shares placement exercise and internal working capital cash generation, (ii) S\$14.1 million increase trade and other receivables, (iii) S\$10.1 million increase in inventories to support the higher working capital level for the business volume and (iv) further S\$2.1 million increase in prepayments largely comprising down-payments for fixed assets for capacity expansion.

### **Non-current and current liabilities (Total liabilities)**

Total liabilities increased by S\$15.2 million from S\$57.5 million as at 31 December 2020 to S\$72.8 million as at 30 June 2021. This was mainly due to a (i) S\$13.9 million increase in trade and other payables along with higher revenue and working capital level discussed above and (ii) S\$1.3 million increase in provision for income tax on higher tax expense incurred during the period.

### **Equity attributable to owners of the Company**

Total equity increased by S\$31.8 million from S\$36.9 million as at 31 December 2020 to S\$68.7 million as at 30 June 2021, mainly due to (i) S\$23.5 million raised from the 12 January 2021 shares placement exercise, where a portion has been utilised in our working capital and capital expenditures, and (ii) S\$8.3 million comprehensive income generated in 1HFY2021.

## **Review of Consolidated Cash Flow Statement**

Net cash generated from operating activities was S\$1.6 million, of which operating cash flows before changes in working capital was S\$15.5 million, offset by (i) S\$12.8 million increase in working capital, (ii) interest of S\$0.8 million, and (iii) tax of S\$0.3 million.

In 1HFY2021, the Group invested S\$6.8 million in capital expenditure, mainly for the acquisition of machinery and assets for capacity expansion whilst also receiving S\$16K proceeds from the disposal of property, plant and equipment.

Net cash flows generated from financing activities was S\$21.3 million, mainly due to S\$23.5 million in net proceeds received from the 12 January 2021 shares placement exercise and offset by S\$2.2 million in net repayment towards its financing facilities.

**9. Where a forecast, or a prospect statement, has been previously disclosed to shareholders, any variance between it and the actual results.**

Not applicable. No forecast or prospect statement had been previously disclosed by the Company to shareholders for the financial period discussed in this announcement.

**10. A commentary at the date of the announcement of the significant trends and competitive conditions of the industry in which the group operates and any known factors or events that may affect the group in the next reporting period and the next 12 months.**

In spite of the ongoing Covid-19 pandemic and the recent resurgence in cases across the region, the global ramp-up in demand for semiconductor chips, and for mass spectrometers in the life sciences segment enabled the Group to build on the growth momentum from the previous financial year to deliver a robust performance in 1H2021.

With demand from the semiconductor and life sciences segments holding strong, the Group expects to experience an increased level of business activity in the second half of the year ahead.

Moving forward, the Group will continue to build on its competencies and customer base, both organically and inorganically, in customer segment penetrations around medical and life sciences industries and to strengthen our capabilities around advanced materials. We are also working towards expanding our current capacity to meet the expected requirements of our existing and potential customers.

Nevertheless, even with the bright outlook, the Group is mindful that potential measures introduced by governments of Singapore and Malaysia to stem the recent spike in Covid-19 cases could lead to supply chain disruptions. In this regard, the Group is closely monitoring the situation in both countries so that it can react nimbly to mitigate the impact that may arise, in the event that such measures are introduced.

Going forward, GVT also expects to continue with a dividend payout ratio of up to 20%, subject to its profit performance, balance sheet and cash flow requirements, as well as the availability of market opportunities for value-creating investments.

The Company wishes to emphasise that any statements regarding the future are not intended to be profit forecasts, estimations or projections, and should not be treated as such.

**11. If a decision regarding dividend has been made:**

**(a) Whether an interim (final) ordinary dividend has been declared (recommended); and**

Yes. An interim dividend is declared for 1HFY2021.

**(b) (i) Amount per share (cents)**

<b>Name of dividend</b>	<b>Proposed interim dividend</b>
<b>Dividend type</b>	Cash
<b>Dividend amount (SGD)</b>	0.5 cents per ordinary share
<b>Tax rate</b>	One-tier tax exempt

**(b) (ii) Previous corresponding period (cents)**

No dividend was declared for 1HFY2020.

- (c) **Whether the dividend is before tax, net of tax or tax exempt. If before tax or net of tax, state the tax rate and the country where the dividend is derived. (If the dividend is not taxable in the hands of shareholders, this must be stated).**

Refer to Section 11(a) and (b) above.

- (d) **The date the dividend is payable.**

The proposed payment date is 10 September 2021.

- (e) **The date on which Registrable Transfers received by the company (up to 5.00 pm) will be registered before entitlements to the dividend are determined.**

Notice is hereby given that the Transfer Books and the Register of Members will be closed on 26 August 2021 for the preparation of the interim dividend.

Duly completed registrable transfers received by the Company's Share Registrar, Tricor Barbinder Share Registration Services (A division of Tricor Singapore Pte. Ltd.), 80 Robinson Road #02-00 Singapore 068898, up to 5.00 pm on 25 August 2021 will be registered to determine shareholders' entitlement to the one-tier tax exempt interim dividend.

Members whose Securities Accounts with The Central Depository (Pte) Limited are credited with shares at 5.00 pm on 25 August 2021 will be entitled to the interim dividend.

12. **If no dividend has been declared (recommended), a statement to that effect and the reason(s) for the decision.**

Not applicable.

13. **If the Group has obtained a general mandate from shareholders for IPTs, the aggregate value of such transactions as required under Rule 920(1)(a)(ii). If no IPT mandate has been obtained, a statement to that effect.**

<b>Name of interested person</b>	<b>Nature of relationship</b>	<b>Transaction</b>	<b>Aggregate value of all interested person transactions during the financial year under review (excluding transactions less than \$100,000 and transactions conducted under shareholders' mandate pursuant to Rule 920) S\$'000</b>
N/A			

**14 Negative confirmation pursuant to Rule 705(5).**

We, Lee Tiam Nam and Ng Wai Yuen Julian, being two directors of the Company, do hereby confirm on behalf of the Board of Directors of the Company that to the best of our knowledge, nothing has come to the attention of the Directors of the Company which may render the unaudited half year financial statements for the six months ended 30 June 2021 to be false or misleading, in any material respect.

On behalf of the Board of Directors

Lee Tiam Nam  
Director

Ng Wai Yuen Julian  
Director

**15 Confirmation that the issuer has procured undertakings from all its directors and executive officers (in the format set out in Appendix H) under Rule 720(1).**

The Company hereby confirms that it has procured undertakings from all its Directors and Executive Officers in the format set out in Appendix 7H under Rule 720(1) of the Catalist Rules.



## 16 Use of proceeds

The Company raised proceeds from (i) Initial Public Offering (“**IPO**”) of approximately S\$13.2 million (the “**IPO Proceeds**”), and (ii) Placement of new shares of approximately S\$23.5 million (the “**Placement Proceeds**”). As at the date of this announcement, the Gross Proceeds as disclosed in the Offer Document dated 15 January 2019 (“**Offer Document**”) and the Placement Proceeds as disclosed in the circular to shareholders (“**Circular**”) dated 5 February 2021 have been utilised as follows:

<b>(i) IPO</b>	<b>Allocated S\$'000</b>	<b>Utilised S\$'000</b>	<b>Balance S\$'000</b>
Investing and enhancing operational and engineering capabilities	7,500	7,500	-
Expansion via mergers and acquisitions, joint ventures and partnerships	1,500	-	1,500
General working capital <sup>(1)</sup>	1,404	1,404	-
Repayment of bank borrowings	500	500	-
Listing expenses	2,300	2,300	-
<b>Total</b>	<b>13,204</b>	<b>11,704</b>	<b>1,500</b>

<sup>(1)</sup> Details for general working capital used:

	<b>S\$'000</b>
Rental, office expenditure and other operating expenses	994
Professional fees	310
Directors' fees	100
<b>Total</b>	<b>1,404</b>

<b>(ii) Placement</b>	<b>Allocated according to Circular (05/02/21)</b>	<b>Re- allocated (21/05/21)</b>	<b>Utilised</b>	<b>Balance</b>
		<b>S\$'000</b>	<b>S\$'000</b>	<b>S\$'000</b>
Expansion via mergers and acquisitions, joint ventures and partnerships	19,000	14,000	-	14,000
Investing and enhancing operational and engineering capabilities	3,000	8,000	6,800	1,200
General working capital <sup>(2)</sup>	1,504	1,504	1,504	-
<b>Total</b>	<b>23,504</b>	<b>23,504</b>	<b>8,304</b>	<b>15,200</b>

<sup>(2)</sup> Details for general working capital used:

	<b>S\$'000</b>
Staff cost	1,200
Rental, office expenditure and other operating expenses	304
<b>Total</b>	<b>1,504</b>

**BY ORDER OF THE BOARD**

**LEE TIAM NAM**

Executive Chairman

10 August 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 Catalyst. 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.*