**Grand Venture Technology Limited**

(Company Registration Number 201222831E)

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**NEWS RELEASE**

# GRAND VENTURE TECHNOLOGY TO EXPAND STRATEGIC CAPABILITIES WITH PROPOSED ACQUISITION OF SURFACE TREATMENT SPECIALIST

- ✓ Aligns with Group strategy to provide a full suite of solutions, while gaining access to new customers and business opportunities, accelerating business growth
- ✓ Synergistic acquisition to enhance the competencies of Group's aerospace segment, while accelerating the onboarding of front-end semiconductor customers

**Singapore, 30 November 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 announced the proposed acquisition of the entire issued and paid-up capital of a Singapore-based surface treatment specialist, ACP Metal Finishing Pte Ltd ("ACP") (the "Proposed Acquisition"), for an aggregate consideration of S$17 million.

**Ricky Lee (李添南), Executive Deputy Chairman of GVT**, said, "We are excited to bring ACP and its surface treatment capabilities into GVT. With ACP on board, we expect to be able to deepen our penetration into the aerospace and front-end semiconductor segment, while aligning our capabilities across our facilities and providing integrated solutions across customer segments and geographical markets. This will help us achieve our long-term objective of becoming a leading global precision manufacturing player with sustainable growth."

ACP is a leading provider of customised electroplating and surface treatment services, which involves cleaning and coating a surface of a component to prevent corrosion and mitigate wear and tear. In particular, it has the specialised capabilities to provide various electrochemical and chemical treatment services to coat a wide range of metals.

ACP's customer base comprises precision engineering manufacturers in the aerospace, life sciences, optics, medical and semiconductor industries. It is accredited by multiple aviation agencies including the National Aerospace and Defense Contractors Accreditation Program (NADCAP), the Federal Aviation Administration (FAA), the Civil Aviation Authority of Singapore (CAAS) and the European Union Aviation Safety Agency (EASA), and is one of only a few companies in Asia to hold the NADCAP and FAA certifications in one site.

Surface treatment is a critical last-stage process that is required by the Group's customers in the aerospace, front-end semiconductor, life sciences and medical segments. The Proposed Acquisition aligns with GVT's strategy to provide a one-stop full suite of services, alongside its current capabilities in ultra-precision machining, sheet metal fabrication, mechatronics assembly and testing. The Group will thus be able to reduce its reliance on external parties for surface treatment services.

The Group will also be able to accelerate business growth through access to ACP's capabilities, customer base and markets in Southeast Asia. GVT will have the opportunity to expand its customer touchpoints in the aerospace segment from its current market in China to include Singapore and the region. Additionally, the Group will be better positioned to build a differentiated advantage in the front-end semiconductor segment and develop its own in-house precision cleaning capabilities.

The consideration was arrived at following arm's length negotiations on a willing-buyer, willing-seller basis, taking into consideration factors such as ACP's technical performance, its niche capabilities for serving the aerospace sector, and the potential synergies that it may bring to the Group. The seller is a Singapore-incorporated holding company, Ardille Pte Ltd, whose shareholders are Budleigh Engineering Pte Ltd, which holds a 62.5% stake, and Chip Eng Seng Corporation Ltd, which holds the remaining 37.5%.

The Proposed Acquisition is subject to the approval of GVT's shareholders at an extraordinary general meeting to be convened in due course. The consideration will be satisfied in cash. GVT will pay 90% of the consideration to the seller at the completion of the Proposed Acquisition, with the remaining 10% paid to an escrow account and distributed to the seller 12 months after completion. GVT intends to fund the consideration via a combination of internal resources and bank borrowings.

## 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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