

Valuetronics solidifies Trio AI's lead in high-performance computing services in Hong Kong; expands AI computing capacity to over 1000 GPUs with HKD172m investment

- *Successful Deployment of Initial Trial Phase: Deployed approximately 250 GPU chips and ancillary hardware with an investment of around HKD60 million; installation, testing, and commissioning expected to be completed by the end of September.*
- *Announcement of Additional Investment: Committed HKD172 million for an additional approximately 750 GPU chips and ancillary hardware to further enhance capacity and capabilities*
- *Expands computing infrastructure from 250 GPU chips to above 1,000 GPU chips*
- *Positions Trio AI to seize emerging opportunities in the rapidly evolving AI landscape*

SINGAPORE – 27 September 2024 – Leading integrated Electronics Manufacturing Services (“EMS”) provider Valuetronics Holdings Limited (鸿通电子控股有限公司) (“**Valuetronics**”, or together with its subsidiaries, the “**Group**”) will invest approximately HKD172 million through its wholly owned subsidiary, **Computing Assets Limited**, to expand the AI computing infrastructure, which will be leased to Trio AI Limited (“**Trio AI**” or “**JV**”) – its recently established 55%-owned joint venture with Sinnet Cloud HK Limited (“**SinnetCloud HK**”). The move is part of the Group’s strategic roadmap to solidify the JV’s position as a leader in high-performance computing services for commercial applications in Hong Kong, positioning it for sustained growth amid the evolving AI landscape.

As part of this investment, the Group will acquire an additional batch of approximately 750 MetaX Graphics Processing Unit (“**GPUs**”) chips and ancillary hardware, expanding Trio AI’s computing capacity from the current 250 GPU chips to above 1,000 GPU chips.

The Group’s decision to expand its investment stems from a clear strategic vision to enhance Trio AI’s capability and capture the growing revenue opportunities in AI-driven sectors. The expansion to a 1,000+ GPU infrastructure is a pivotal step in **attracting high-value clients** who demand substantial computational resources, such as AI research firms, tertiary education institutions, financial institutions, and autonomous systems developers.



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Beyond client acquisition, the increased GPU capacity empowers Trio AI to **offer premium, high-performance services**, including accelerated AI model training, real-time analytics, and large-scale simulations, that can command higher pricing and profit margins. The capacity augmentation is also critical in **enabling emerging AI technologies** such as generative AI and complex simulations that are reshaping industries across the globe, and allows the JV to **pursue larger, more complex AI projects** that are potentially more lucrative.

Furthermore, the upgrade **unlocks new revenue streams** by allowing Trio AI to offer tailored services for AI-driven applications, including personalised recommendations and advanced cybersecurity solutions. These new offerings will enable the JV to diversify its portfolio and meet the growing demand for specialised, data-driven services.

Said Mr Ricky Tse Chong Hing (谢创兴), Chairman and Managing Director of Valuetronics:

"The market response to our initial investment in the 250-unit GPU computing cluster in Hong Kong has been remarkable. This deployment has garnered significant attention because MetaX GPU is developed by a leading technology company in China and we are the first one to commercially introduce it in the overseas markets. Building on this momentum, our latest investment strategically increases our capacity to over 1,000 GPU chips, establishing an industry-leading scale that further strengthens Trio AI's pioneering status in the Hong Kong market. This expanded 1000+ GPU infrastructure equips Trio AI to effectively meet the diverse needs of our clients in both AI training and inference, thereby attracting high-value clients and unlocking new business opportunities across a wide range of AI applications. We are confident that this expansion will enable us to fully leverage the growing potential within the rapidly evolving AI landscape."

Similar to the terms of its earlier investment, this batch of additional equipment will be leased to Trio AI under the existing master equipment leasing agreement, with terms that include a lease period of 60 months from the date of delivery and installation. The lease terms will cover the acquisition and associated costs, including an interest component, with the total cost to be funded through the Group's internal resources.

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Cautionary Statement

Shareholders are advised to read this press release and announcements by the Company carefully. Shareholders should consult their stockbrokers, bank managers, solicitors or other professional advisers if they have any doubt about the actions that they should take.

About Valuetronics Holdings Limited

Listed on the SGX Mainboard in 2007 and currently a constituent stock on the FTSE ST Small Cap and FTSE Global Micro Cap Indices, Valuetronics Holdings Limited (“**Valuetronics**”, or together with its subsidiaries, the “**Group**”) is a one-stop, integrated Electronics Manufacturing Services (“**EMS**”) provider that offers a full range of services from conceptualisation, to engineering design and development, to production and supply chain support.

Valuetronics has two principal business segments, namely Consumer Electronics (“**CE**”) Products and Industrial and Commercial Electronics (“**ICE**”) Products. Together, the two segments serve a diversified customer base across multiple industries, with core competencies ranging from tool fabrication, injection moulding, metal stamping, machining, surface mount technology (“**SMT**”) and finished product assembly on full turnkey basis.

Aligned to its multi-location strategy, Valuetronics’ two manufacturing facilities are located in the manufacturing powerhouses of China and Vietnam. Its 110,000m² China Campus is located at Huizhou City, Guangdong Province and its 52,541 m² Vietnam Campus is in Vinh Phuc Province. The close proximity to major customers puts the Group in an advantageous position to engage, understand and initiate value-added solutions to meet its customers’ ever-evolving needs and to proactively support them in achieving faster time-to-market, better quality control, and competitive total cost of ownership.

For more information, visit www.valuetronics.com.hk.

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