

Engineering the future of innovation with you

Annual General Meeting

27 April 2023



Introduction to GVT (video)





URL: https://gvt.com.sg/who-we-are/about-us/

Strategic Vision and 2022 Highlights



"To be the leading manufacturing solutions and services provider in Asia Pacific, providing world class precision manufacturing expertise with core competencies in ultra precision machining, complex mechatronics assembly and advanced materials capabilities"

M O M	ICIA	

Operational

Strategic

13% y-o-y revenue growth

Revenue: S\$131m Net Profit: S\$13m

Expanding for the future

Capacity: $539 \rightarrow 814k \text{ sq.ft}$

Facilities: $3 \rightarrow 5$

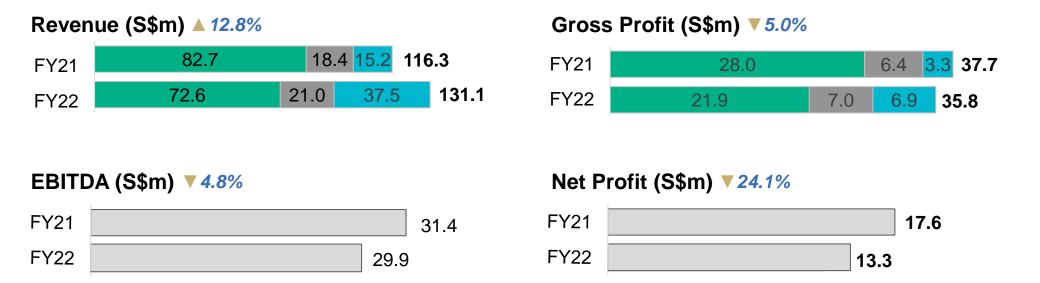
Headcount: 1,153 → 1,304

Investing in capacity & capabilities

Front-end semicon, aerospace, M&A

Financial Highlights





Margin narrowing is attributable to expenses incurred in preparation of onboarding of new customers, softer semiconductor revenue and one-off fair value adjustments to inventories added post-acquisitions

FY2022 total dividend: 0.6 cent/share

includes proposed final dividend of 0.3 cent/share

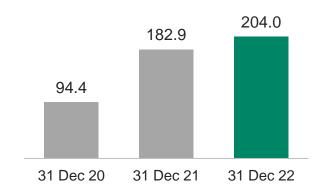
Semiconductor Life Sciences

Electronics, Aerospace, Medical and Others

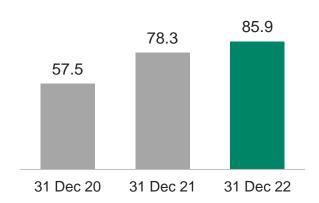
Financial Position





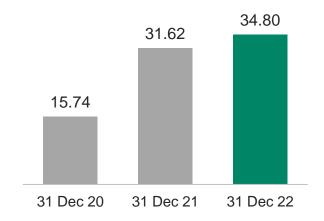


Total Liabilities (S\$'m)

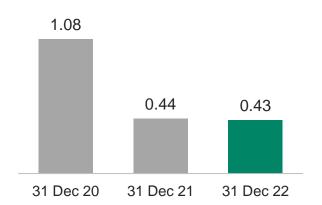


Continuing to build asset and shareholder value with healthy leverage

Net Asset Value Per Share (S\$ cent)



Debt-to-Equity Ratio (times)





FY2022 Review (1/3)



Affirming ESG Commitment

Worked with ESG consultants and Internal Auditor

Expanded ESG reporting and included TCFD disclosures

Established oversight for greater accountability



Managing carbon footprint

- Set target to obtain 10% of power needs from renewable sources by 2050
- Installed solar panels and deployed solar energy to supplement energy consumption
- Adopted technology and innovations that improve productivity, and reduce waste production and energy consumption
- Adopted eco-friendly practices in offices, such as using energy-efficient equipment, and using lights and air-conditioning only when necessary

FY2022 Review (2/3)



Strategic Acquisitions



- Suzhou precision engineering firm that focuses on Aerospace, Medical and Semiconductor segments
- New foray into Aerospace, with highly synergistic customers across Medical and Semiconductor

formach Asia

- Johor Bahru complex sheet metal fabrication firm
- Grow GVT's sheet metal capabilities for front-end and free up SG capacity for high-value production

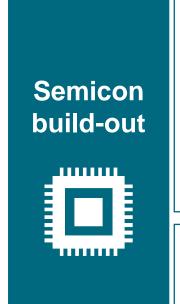
Capability & Capacity

- Expanded capacity at J-Dragon, following move to a larger facility in March 2022
- Progressively adding new equipment and manpower in Penang to take on more complex, higher-value and larger orders expected from front-end semiconductor customers



FY2022 Review (3/3)





Frontend

- Engaged with customers on a strategic level with services commencing in 4Q'22
- Acquired new customers across metrology, inspection, etch and wafer deposition
- Dedicated operational capacities across Singapore, Penang and Johor for the future ramp

Backend

- Continue to work with existing customers for new projects
- Onboarded new high-value customers

Resilience with diversification

- Continue to **expand wallet share** with other core customers
- Strategic engagement with existing Life Science customers on DFM for their next generation products









Life Sciences

Medical Electronics

Aerospace

Semiconductor Value Chain Expansion



Front-end

Back-end

GVT

Deposition

Metrology & Inspection

Etch

Testing











Advanced Materials

Lithography

Epitaxy

Assembly









Component production

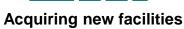
2022 Market Size: \$94.8B(2)

2022 Market Size: \$13.7B (2)

Design-in

Strategic Initiatives







Investing in large format machinery



Moving up the value-chain

Expand capabilities organically/M&A

Sources: (1) company websites; Note: equipment shown is not representative of GVT's customer base or end products

(2) https://semi.org/en/news-media-press/semi-press-releases/global-total-semiconductor-equipment-sales-2022 (13 Dec 2022)

The Year Ahead for End Segments



Semiconductor

- Near-term challenges and softness expected with geopolitical and economic factors
- Gradual recovery expected in the later part of 2023, as indicated by industry leaders such as AMAT, ASML whose customers communicated an expected recovery in 2H
 - Driven by inventory correction, demand from automotive and High Performance Computing (HPC) segments

Aerospace, Life Sciences, Medical and Electronics

- IATA expects industry-wide passenger traffic to recover to 2019 levels by 2024
- **Key aircraft makers have built a substantial order book**, with Boeing 2022 orders rising to a 4Y high. Looking to ramp up deliveries amidst supply chain issues
- Continued resilient demand is expected from Life Sciences, Medical and Electronics segments

FY2023 Focus



Pursuing strategic growth with our customers, positioning well for the global tech supply chain reconfiguration

1

Invest in Capabilities

- In-house capabilities and competencies for front-end semiconductor
- Higher level assembly for back-end semiconductor and life sciences
- Higher-value aerospace services
- Continued sourcing for strategic M&A

2

Invest in Innovation

- Advanced materials
- i4.0 tapered deployment to Group entities
- Continued exploration/partnership with technology
 - AI, Digital Twinning

3

Invest in Operational Readiness

- Penang 1H FY23 capacity and equipment expansion for front-end semiconductor
- Enlarged Suzhou facility for aerospace demand



Thank you for the continual support





Appendix

GVT at a Glance



What we do

Value engineering

Early customer engagement and participating in the design process to maximize manufacturability and streamline assembly (DFM / DFA)

Produce, assemble & test

One-stop solution with fully integrated and end-to-end manufacturing capabilities, ranging from precision machining, sheet metal fabrication, assembly & testing

Deliver, support & upgrade

Provides product life cycle management to customers, allowing for strong and lasting customer relationships to be formed

Markets we serve

Global Presence & Exposure

- Southeast Asia
 Up-and-coming manufacturing and R&D hub for global customers
- Asia (ex. Southeast Asia)
 Existing manufacturing powerhouse
- North America & Europe
 Existing R&D nexus for customers

State End-Markets (Key Modules)

- Semiconductor
 Capital equipment for front-end (CVD etc.) and back-end (wire bonder, DRAM/Analog test etc.)
- Life Sciences
 Single & hybrid mass spectrometer etc.
- •Medical Surgical microscope etc.
- •Aerospace
 Landing gear systems
- Electronics Manufacturing
 Surface mount technology etc.
- Industrial Automation
 Hard drive assembly automation etc.

The GVT advantage

SExperience & expertise

- Average 27+ years of precision engineering experience across mgmt.
- Award-winning and qualified supplier to top global OEMs
- Strong competencies in ultra-high precision machining, complex mechatronics and sub-assembly

Market & customer access

- Sticky customer base across diff hightech industries
- •5 highly strategic facilities (Singapore, Malaysia, China) near customers
- Well-positioned to benefit from industry trends (supply chain shift to Asia and capabilities integration etc.)

Scaling with profitability

- Profitable since 2016
- Healthy cash flow generation allowing for reinvestment into capacity growth and capability enhancement

Selected core competency: Submicron precision machining



What is Sub-Micron Machining?

- Also known as "ultra-precision machining"
- A high-precision manufacturing process: materials are processed at an atomic scale, in the vicinity of one micron
- Requires the use of single crystal diamond tools for ultrafine cutting or very fine abrasives for lapping or polishing

Selected Sub-micron Machining Applications

Analytical Life Sciences Instruments

- Mass spectrometers is used to identify the kinds of particles present in any given substance
- Used in analytical life sciences research, environmental testing, F&B testing, forensic analysis, pharma applications and clinical diagnosis
- GVT supplies key components to single and hybrid mass spectrometers, such as vacuum chambers and interfaces, complex parts of the mass filters and the ion source, which requires ultra high precision machining to manufacture

End Application: Mass Spectrometer



Selected Components that GVT Manufactures





Quadrupole Mass Filter

Ion Source

Q2 & Entrance Lens

GVT Value Proposition

Provides one stop solution from ultraprecision mechanical component fabrication and sub-micron measurement, design and fabrication of assembly jigs for laser welding and precision assembly alignment requirement down to tenths of a micron in a clean room environment.

Differentiated capabilities to serve and cross-sell to a differentiated blue-chip customer base



Capabilities	Semiconductor	Life Sciences	Aerospace	Electronics, Medical & Others
Design for Manufacturability / Assembly	✓	✓	✓	✓
Ultra Precision Machining (Sub-micron)	✓	✓		•
High Precision Machining	✓	✓	✓	✓
Vacuum Parts Manufacturing	✓	✓		
Ultra-high Vacuum Production Processing	✓	✓		
Engineering Plastic, Ceramics & Quartz Machining	✓	✓	•	✓
Complex Sheet Metal Fabrication	✓	✓	•	✓
Assembly (Medium / High Complexity)	✓	✓	•	✓
Assembly (High Complexity in Class 10K Cleanrooms)	•	✓		
Customized Engineering Solutions	✓	✓	✓	✓
Examples of mission critical end-products which GVT produces components & key modules for	Equipment for Front & Back-end Processes	Single & Hybrid Mass Spectrometers	Landing Gear Systems	Surgical Microscopes, SMT Feeder Systems
Examples of key customers who are blue-chip companies and leaders in their respective industries	Besi TERADYNE Kulicke & Soffa Onboarded front-end semiconductor customers	Thermo Fisher SCIENTIFIC Leading North American life sciences company	SAFRAN	ASM Global Producer of Surgical Microscopes Large-scale industrial automation customers



Disclaimer

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The Company wishes to emphasise that none of the forward-looking statements in this document is intended to be a profit forecast, and should not be treated as such.



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