**Grand Venture Technology Limited**

(Company Registration Number 201222831E)

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**NEWS RELEASE**

# GRAND VENTURE TECHNOLOGY AUGMENTS CAPABILITIES AND CAPACITY WITH BACK-TO-BACK ACQUISITIONS

- ✓ $20 million aggregate consideration for both acquisitions
- ✓ J-Dragon acquisition to facilitate penetration into new aerospace and medical diagnostics industries
- ✓ Formach acquisition to accelerate growth in existing semiconductor and life sciences businesses

**Singapore, 17 December 2021 –** Homegrown precision manufacturing solutions provider, **Grand Venture Technology Limited** (杰纬特科技有限公司, "GVT", or the "Company") has entered into separate conditional sale and purchase agreements to acquire 100% of the equity interests of J-Dragon Tech (Suzhou) Co., Ltd ("J-Dragon"), a precision engineering company, and Formach Asia Sdn Bhd ("Formach"), a precision sheet metal manufacturer. Amounting to $20 million, the acquisitions are expected to augment the Company's capabilities and capacity in China and Malaysia.

Commenting on the acquisitions, GVT Chairman Ricky Lee said, "We are pleased to welcome J-Dragon and Formach to the GVT family. GVT has marked several important milestones this year, including onboarding our new substantial shareholder Novo Tellus, and transferring our listing from SGX Catalist to SGX Mainboard. The acquisitions are timely as 2021 draws to a close and we gear ourselves up for the new year ahead. They will add breadth and depth to our existing capabilities, and bring us a step closer to realising our vision of being a leading global player in the provision of precision manufacturing services. We are extremely excited about our prospects."

**Acquisition of J-Dragon**

The first transaction, which pertains to the acquisition of J-Dragon, will see GVT paying the vendors Lee Boon Kwong, Lee Boon Leng and Eng Pau Yuen about S$12.2 million, comprising approximately S$4.2 million in cash and $8.0 million in the form of 6,885,274 new ordinary GVT shares at an issue price of $1.1619 each ("Consideration Shares").

Based in Suzhou, China, J-Dragon is a precision engineering company engaged in the manufacturing and research and development ("R&D") of parts, modules and tooling for the aerospace, medical and semiconductor industries. The acquisition of J-Dragon will enable GVT to gain immediate access to the former's patents, know-how, and R&D capabilities, and facilitate the Company's strategic expansion into the aerospace and medical business segments.

With the addition of J-Dragon's capabilities and partner network in China, GVT will be in a good position to tap the huge market potential and positive trends in the aerospace and medical industries, initially in China, and then internationally. Consequently, the acquisition is expected to contribute positively to GVT's immediate and future revenue streams, and provide the Group with a broader set of capabilities, partners and ingredients necessary to build a sustainable precision engineering business over the long term.

**Acquisition of Formach**

In the second transaction, GVT will acquire Formach from vendors Leong Yoke Choy and Gan Lee Kim for approximately S$7.8 million, comprising $6.8 million in cash and $1.0 million through the issuance and allotment of 860,658 shares at an issue price of $1.1619 each.

Formach is based in Johor, Malaysia, and engaged in the manufacture of sheet metal, machine structure weldment, and provision of electro-mechanical machine assembly services. Its operations are expected to supplement the Group's manufacturing nodes, capacity expansion and complementary capabilities for customers.

Mr Julian Ng, CEO of GVT, said, "Formach's capabilities in precision sheet metal fabrication, along with the resulting increase in production capacity post-acquisition, will enable us to accelerate our time to market, and facilitate faster onboarding of new customers. On the back of the improved efficiency, we are looking forward to accelerating the growth of our front-end semiconductor and life sciences business."

The proposed acquisitions of J-Dragon and Formach are expected to be completed by first quarter of 2022 ("1Q22"), subject to the satisfaction of certain regulatory conditions in Singapore and the respective countries where the companies being acquired are based.

## 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 and sheet metal components and mechatronics modules. Its manufacturing plants in Singapore, Penang (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. Its ISO13485:2016 certification bears further testament of its ability to consistently meet applicable regulatory requirements for the manufacture of medical devices.

GVT's portfolio of customers hail from the semiconductor, electronics, analytical life sciences, medical and industrial automation industries, and represent some of the largest OEMs in their respective markets. The Group is listed on the Mainboard of Singapore Exchange Securities Trading Limited ("SGX-ST"). Visit http://www.gvt.com.sg for more information.

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