



Grand Venture Technology Limited

Investor Presentation

Aug 2021



- Company Overview
- Recent Developments
- Future Plans



- Company Overview



“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”

Revenue: S\$53.5m
Net Profit: S\$8.5m
1H21 Financials

99%
Revenue Growth
YoY 1H21

3 Strategic Sites
Singapore, Malaysia (Penang),
China (Suzhou) with total of
380k sqft of factory floor area and
650 employees/40 engineers

Core Competencies
Ultra Precision Machining
Complex Mechatronics Assembly
Advanced Materials Machining

**Highly Technical
End Markets**
Semiconductor Equipment
Analytical Life Science
Medical, Electronics & Others

**Blue-Chip
Customer Base**
Global equipment manufacturers:
Semicon Back-end (4 in top 6)
Analytical Life Sciences (3 in top 10)

What we do



Value engineering

Early customer engagement and participating in the design process to maximize manufacturability and streamline assembly (DFM / DFA)¹

Note 1:
DFM: Design For Manufacturability
DFA: Design of Assembly



Produce, assemble & test

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



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.
- **Electronics Manufacturing**
Surface mount technology etc.
- **Industrial Automation**
Hard drive assembly automation etc.

The GVT advantage



Experience & expertise

- 27+ years (average) 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

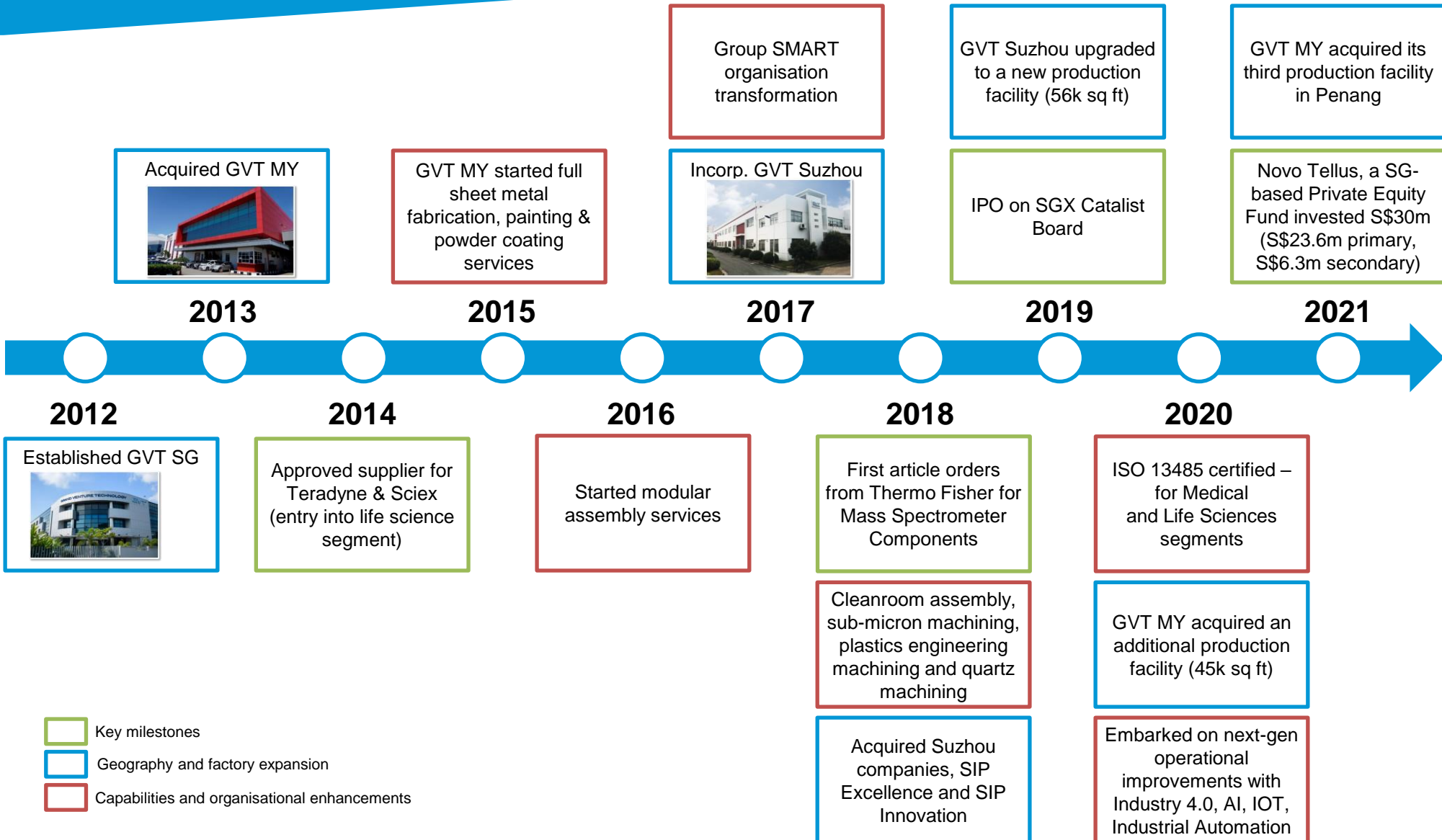
- Sticky customer base across diff high-tech industries
- 3 highly strategic facilities (Singapore, Malaysia, China) near customers
- Well-positioned to benefit from industry trends (supply chain shift to Asia and capabilities integration etc.)



Scaling with profitability

- Profitable since 2016
- Healthy cash flow generation to allow for reinvestment into capacity growth and enhancement of capabilities

Company history



- Key milestones
- Geography and factory expansion
- Capabilities and organisational enhancements

Seasoned and stable management team

Lee Tiam Nam, Ricky

Executive Chairman & Co-Founder



- **Industry veteran with 38+ years of experience**
- Founded and held leadership positions across multiple firms while playing pivotal roles in their IPO and sale:
 - Co-founded Norelco Centreline that was listed on SGX Catalist and merged with UMS Holdings
 - Executive director at ETLA that was listed on SGX before being acquired by Frencken Group

Ng Wai Yuen, Julian

Chief Executive Officer & Executive Director



- **20+ years of industry experience**
- Worked with Ricky for 20+ years in leadership positions across different firms such as ETLA and Norelco Centreline
- Previously founded Achieve Manufacturing Solutions that was acquired by ETLA

Tan Chun Siong

Chief Operating Officer



- **19+ years of industry experience**
- Worked with Ricky for 15+ years across different firms such as ETLA and Norelco Centreline
- Previously served at Apple South Asia, ETLA and Norelco Centreline

Robby Sucipto

Chief Financial Officer



- **14+ years of financial audit and M&A experience**
- Previously served in Ernst & Young, KPMG, a group company of Hitachi and SGX-listed Pacific Star Development Limited

Kong Sang Wah

Managing Director (Malaysia)



- **30+ years of industry experience**
- Worked with Ricky for 15+ years across different firms such as Norelco Centreline and GVT Malaysia
- Previously served at Norelco Centreline, Ultimate Manufacturing Solutions and GVT Malaysia

Saw Yip Hooi

Group Senior Director of Sales (Malaysia)



- **30+ years of industry experience**
- Worked with Ricky for 15+ years across different firms such as Norelco Centreline and GVT Malaysia
- Previously served at Norelco Centreline, Ultimate Manufacturing Solutions and GVT Malaysia

Lu Jin Feng, Alan

General Manager (China)

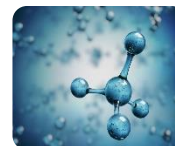


- **20+ years of industry experience**
- Previously served in Hongguan Technologies Machinery (Suzhou), VDL Enabling Technologies Group (Suzhou)
- Previously founded SIP Innovation and Excellence that was acquired by GVT

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



Semiconductor



Life Sciences



**Medical, Electronics & Others
(Inc. Industrial Automation)**

Capabilities

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

Surgical Microscopes, SMT Feeder Systems

Examples of key customers who are blue-chip companies and leaders in their respective industries



Global Producer of Surgical Microscopes



Leading North American Life Sciences Company

Confidential Large Scale IA Customers

Existing services provided

Cross-selling opportunity from existing capabilities

Selected core competency: Submicron precision machining

What's Sub-Micron Machining?

- Also known as “ultra-precision machining”, sub-micron machining is a high-precision manufacturing process where materials are processed at an atomic scale, in the vicinity of one (1) micron
- Sub-micron machining requires the use of single crystal diamond tools for ultrafine cutting or very fine abrasives for lapping or polishing

Sub-micron Machining Applications

Analytical Life Science Instrument

- Mass spectrometers is used for identifying 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

Mass Spectrometer Components



**Quadrupole
Mass Filter**



**Q2 & Entrance
Lens**

Ion Source

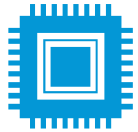
GVT Value Proposition

GVT provides one stop solution from ultra-precision 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 clean room environment.

Favourable industry tailwinds, with GVT well-positioned to capitalize on

Industry trends...

... are benefiting GVT's business



Semiconductor

Global semiconductor demand
Increase in chip package complexity

Robust growth due to demand for semiconductor capital equipment, which should be buoyed by global demand for semiconductors and ongoing shift to advanced IC manufacturing & packaging



Life Sciences

Post COVID global supply chain reorg
New pace for vaccine development

Growth in orders from customers starting to shift production to Asia, in addition to shorter lead times for vaccine and drug development that spurs demand for analytical equipment



Medical

Proliferation of advanced medical equipment & ageing population

Increasing adoption of surgical microscopes for neuro and ENT surgery, with the elderly population and high demand for minimally invasive surgeries presenting further growth potential



Electronics Manufacturing

Adoption of PCBs in connected & electric vehicles ("EV")
Rise of EV & smart devices

GVT produces key modules for Surface Mount Technology equipment that is crucial for the manufacturing of PCBAs, which is in high demand with growing interconnectivity between smart devices



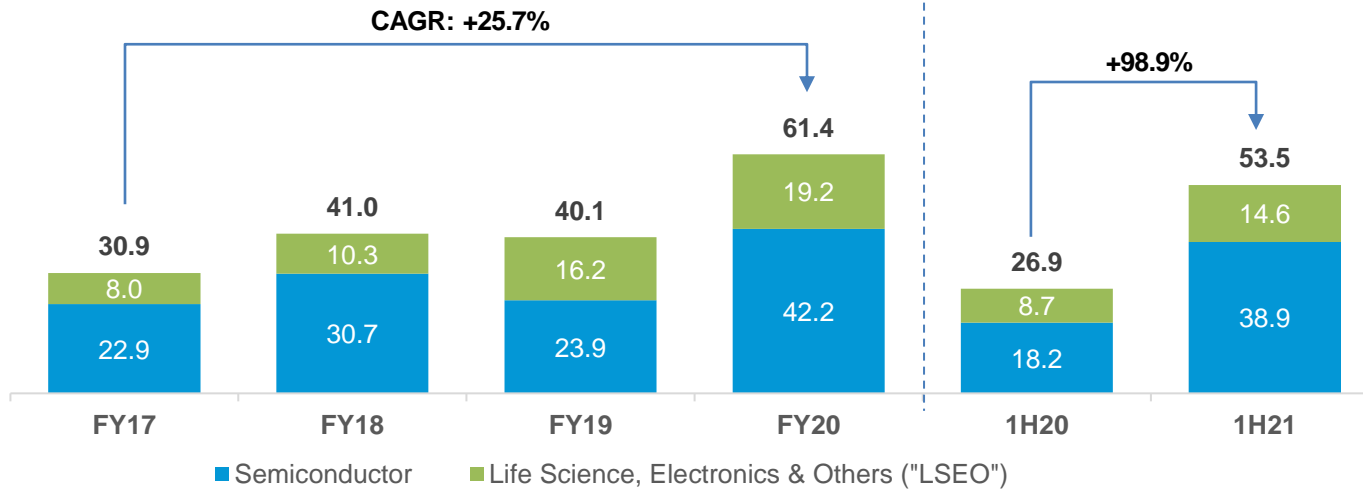
Industrial Automation

Acceleration of Industry 4.0 adoption post-COVID

GVT is engaging with large scale industrial players, leveraging on its expertise for hard disk automation equipment and PMR deposition systems

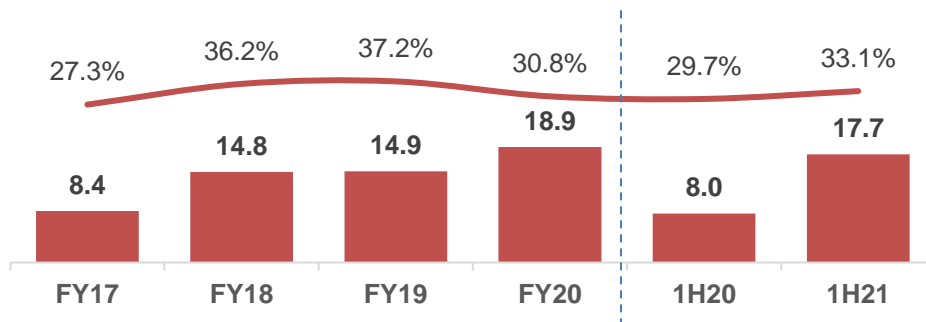
Strong revenue momentum across all segments with margins normalizing post-COVID

Annual Revenue (\$m)

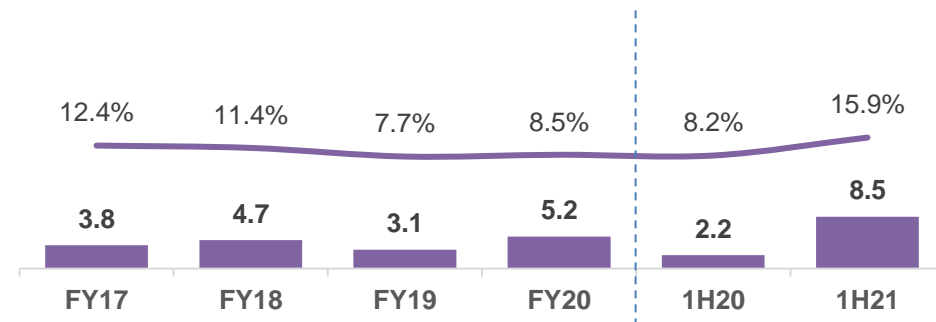


CAGR	FY17 – FY20	1H20 – 1H21
LSEO	33.9%	67.8%
Semiconductor	22.6%	113.7%
Total	25.7%	98.9%

Gross Profit (\$m, % of Revenue)



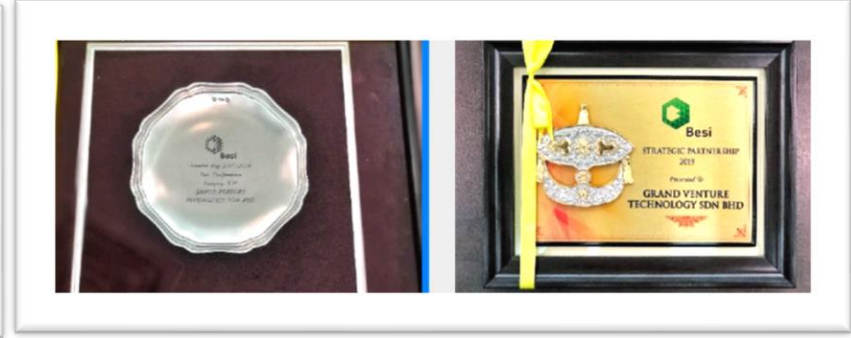
Net Profit (\$m, % of Revenue)



Product and service excellence is reaffirmed by supplier awards from global customers



- Best Supplier for Machining Category
- Strategic Partner Award



- Best Supporting Supplier



- Supplier Appreciation Award



Leading regional precision manufacturing platform with differentiated engineering capabilities, marquee customers, and strong growth rate

Differentiated Precision Manufacturing Capabilities

- Among the few players in the region who can deliver **ultra-high precision machining capabilities** that presents high barriers of entry
- Strong competencies in **complex mechatronics module sub-assembly**
- **Design engineering proposition**: DFM & DFA
- **Advanced materials** (quartz and ceramics) machining technical expertise

Blue Chip Customer Base

- **Leading global players** in semiconductor front-end and back-end equipment, analytical life science instruments, medical, electronics and other segments
- **Sticky customer base with cross-selling opportunities** within and across industry verticals to enhance segment diversification that is underway

Robust Financial Profile and Strong Growth Momentum

- Strong YoY revenue (+99%) and profit (+283%) growth in 1H21, as the group continues to **grow share of wallet** from its customers
- Favorable industry tailwinds: **global supply chain reshuffle** to benefit GVT's diversified footprint across Southeast Asia & China, **global semiconductor super cycle**, increasing demand for **analytical life science instrument** etc.

- Recent Developments





Clear industry tailwinds across our end markets

Global customers are looking to optimize their supply chain strategy, in addition to the acceleration of next gen industry trends that bodes well for the business



+99% YoY 1H21 revenue

Healthy growth and wallet share gain across all end-markets especially in Semiconductor, in addition to making good progress towards diversification with segments such as Life Sciences starting to ramp up mass production post customer qualifications



+283% YoY 1H21 net profit after tax

On the back of strong revenue growth, and better gross margin driven by better capacity utilization across the group



Net proceeds of S\$23.5m with the investment from Novo Tellus

Strong vote of confidence from a strategic institutional investor, further strengthening GVT's balance sheet and ability to invest into capacity and advanced capabilities

Growing new customers, programs, capacity and capabilities



New Products

Worked closely with our Life Sciences, Medical and Semiconductor Equipment customers to introduce innovative products



New Customer

Commenced full-scale production, modular assembly and testing of surgical microscopes for a Medical customer



New Capacity

Expanded the Malaysia facility by 38% to 235,000 sq ft
Capex addition of S\$8.7 million in 1H21



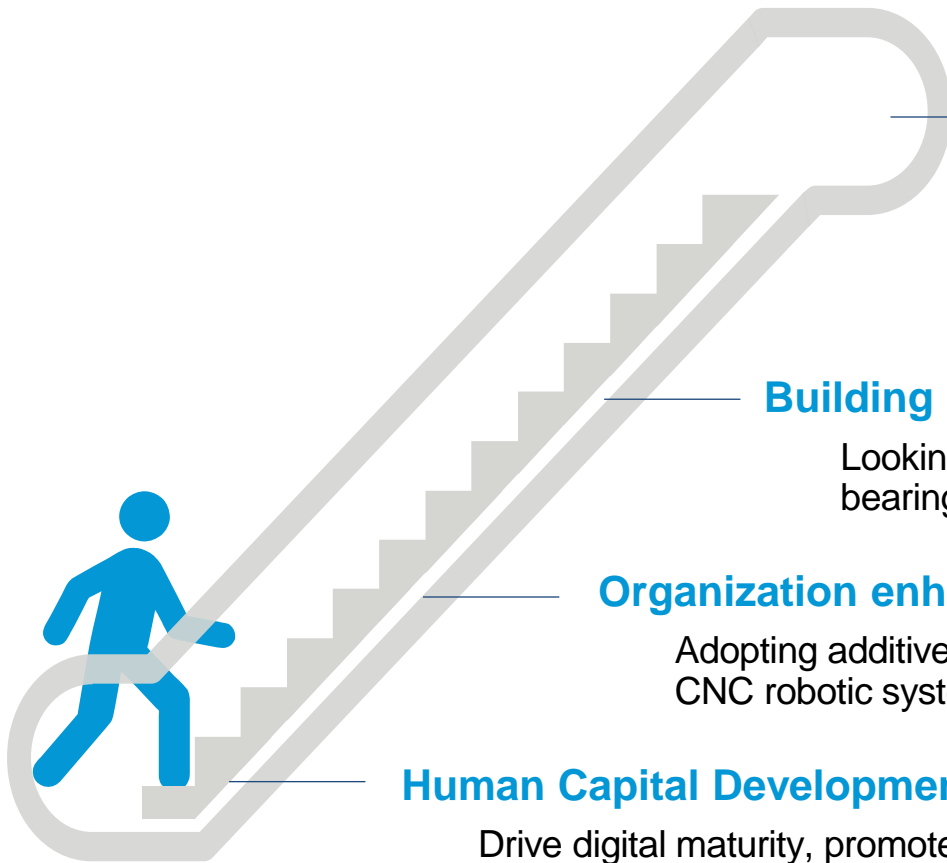
New Capabilities

Secured a critical sub-assembly contract from a **Life Sciences** customer
Made significant strides in developing capabilities to manufacture ceramic precision & ultra precision components for a **Life Sciences** Customer

- Future Plans



Objective: SMART Organization with fully integrated competencies in **Advanced Materials, Ultra Precision Machining, Additive Manufacturing and Mechatronics Assembly**



Develop inhouse advanced capabilities and leverage on M&A

Hiring the right personnel and training employees to develop inhouse competencies in advanced materials (ceramic, quartz etc.) and looking for suitable bolt-ons

Building on proficiencies in Mechatronics Assembly

Looking at the application of technology such as linear motor and air bearing manufacturing

Organization enhancements and Industry 4.0 implementation

Adopting additive manufacturing, MES, MPS, IoT, AR/VR, Digital Twinning and CNC robotic systems

Human Capital Development

Drive digital maturity, promote upskilling and OJT, instilling the right values & culture, fair compensation & recognition, and employee engagement

On-going implementations & enhancements at GVT

ERP → MES → Smart Storage System →
Autonomous Intelligent Vehicle → I4.0 Line



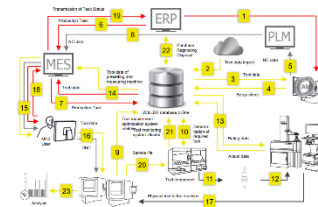
I4.0 Line → Auto Material Loading & Tool Changing
→ Smart QC



Smart QC → CMM Inspection → Auto Compensation
→ I4.0 Line



ERP → TMS → Tool Setup → Tool Data Auto Relate
→ I4.0 Line





MANUFACTURING
SOLUTIONS

Grand Venture Technology Limited



END