Grand Venture Technology

9M23 Business Update

15 November 2023

Engineering the future of innovation with you

Financial Update

Group revenue of S$82.4m

Life Sciences: 12.2% improvement YoY to S$15.7m

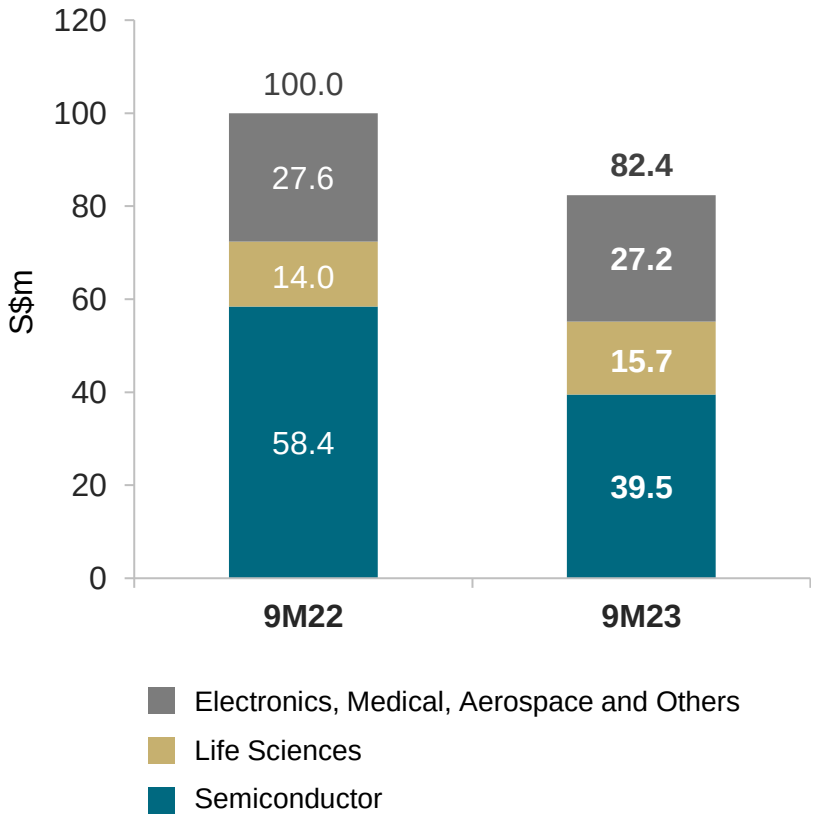
- Wallet share expansion with customers
- Higher number of first-article inspections

Electronics, Aerospace, Medical and Others: stable YoY at S$27.2m

- Higher contribution from aerospace customer, on the back of global aviation industry recovery
- Lower activity in Electronics and Others segment

Semiconductor: 32.5% decrease YoY to S$39.5m

- Back-end semiconductor activity contraction with continued digestion of excess inventories
- Continued onboarding of new front-end semiconductor customers, with more first-article inspections in 3Q23
- Onboarding of new back-end semiconductor customer



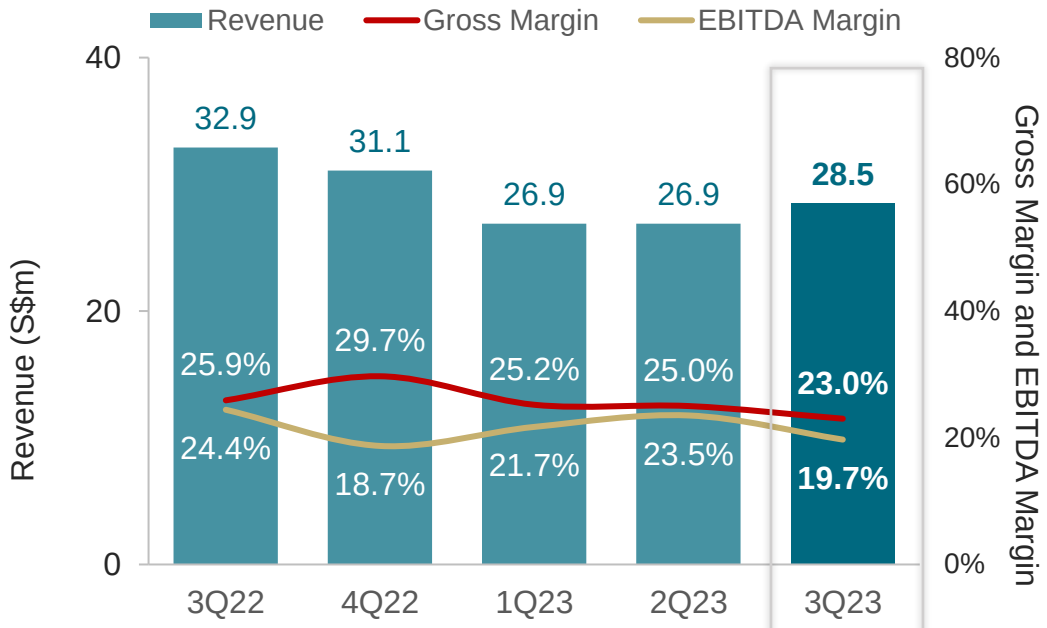
Financial Update

Q-o-Q improvement in revenue

- Lifted by higher contribution from Life Sciences, Aerospace and Others segment
- Semiconductor segment remained flattish

Y-o-Y contraction in gross profit and EBITDA margins

- Lower business activity in the Semiconductor segment
- Reduced capacity utilisation in Suzhou amid lower Electronics segment business activity in line with industry downturn
- Continued absorption of capacities invested for future growth



S$m	3Q22	4Q22	1Q23	2Q23	3Q23
EBITDA	8.0	5.8	5.9	6.3	**5.6**
Net Profit	3.4	2.7	1.5	1.9	**1.3**

Progress in Strategic Initiatives

Penang facility dedicated to front-end semiconductor activities

- Completed installation of large-format machinery
- To be operationally ready by end-2023 for potential uptick in order momentum in 2024
- Making strides in onboarding such customers in the metrology, inspection, etch and wafer deposition sectors and executing first-article inspections ahead of full orders

Engineering capabilities

- Commenced development of capabilities in advanced materials to carry out new projects for a key life sciences customer

Organisational competencies, systems and processes

- Appointment of Chief Technology Officer to help enhance and align operational capabilities across its facilities, to enable continued support of customers' technological innovations
- Strategic review of capabilities and production capacities across its facilities and business segments

Looking Ahead

Semiconductor and Electronics

- Industry downturn expected to bottom out towards the end of 2023
- Cautious optimism of a gradual improvement in operating conditions from 2024, with more pronounced uptick from the second half of the year
- Supported by global semiconductor demand for artificial intelligence and higher-performance computing, and the need for industry inventory replenishment

Life Sciences, Medical and Aerospace

- Expected healthy demand in the Life Sciences segment on the back of positive industry fundamentals
- Aviation industry's efforts to increase aircraft production to meet strong demand augurs well for the aerospace segment
- Supply chain diversification effort into the Southeast Asian region to generate strategic opportunities for GVT

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Appendix

Engineering the future of innovation with you

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

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

Experience & 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 high-tech 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 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 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, SAM, TERADYNE, Kulicke & Soffa *Onboarded front-end semiconductor customers*	SCIEX, ThermoFisher SCIENTIFIC *Leading North American life sciences company*	SAFRAN	ASM *Global Producer of Surgical Microscopes* *Large-scale industrial automation customers*

✓ Existing services provided ● Cross-selling opportunity from existing capabilities

Semiconductor Value Chain Expansion

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Front-End

Deposition | **Metrology & Inspection** | **Etch**

Lithography | Epitaxy

2022 Market Size: $94.8B[1]

Leading wafer fab equipment manufacturer and other front-end semiconductor customers

Back-End

Testing

Assembly

2022 Market Size: $13.7NB[1]

Besi, SAM, TERADYNE, Kulicke & Soffa

End-Markets

AI

High Perf Computing

Automotive

PC/Mobile

Where GVT is

Moving up the value chain

Consumables & Services

Advanced Materials

Sub-assembly

Component Production

Design-in

Strategic Initiatives

Acquire new facilities

Invest in large-format machinery

Expand capabilities organically and inorganically

[1] SEMI

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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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