



GRAND VENTURE TECHNOLOGY LIMITED

(Incorporated in the Republic of Singapore)
(Company Registration No.: 201222831E)

ANNOUNCEMENT

BUSINESS UPDATE FOR 3Q24

The Board of Directors (the “**Board**”) of Grand Venture Technology Limited (the “**Company**” and together with its subsidiaries, the “**Group**”) wishes to provide a voluntary update on the Group’s business and financial performance for the three months ended 30 September 2024 (“**3Q24**”) and nine months ended 30 September 2024 (“**9M24**”). The comparative financial quarter was for the three months ended 30 September 2023 (“**3Q23**”) and nine months ended 30 September 2023 (“**9M23**”), respectively.

Glossary of abbreviations

XQ24: *Financial quarter ended 31 March, 30 June, 30 September, and 31 December (4Q) 2024, respectively*

XQ23: *Financial quarter ended 31 March, 30 June, 30 September, and 31 December (4Q) 2023, respectively*

EBITDA: *Earnings before Interest, Tax, Depreciation and Amortisation*

i.e. Profit before Tax + Interest cost - Interest income + Depreciation + Amortisation

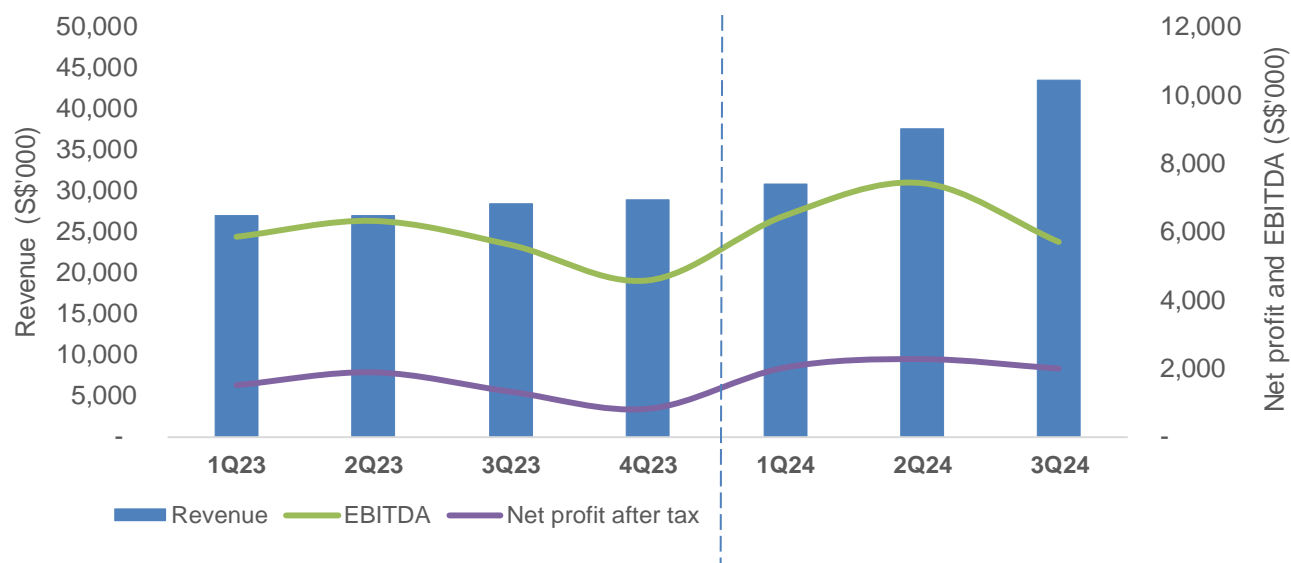
Financial summary

S\$'000	3Q24	3Q23	yoy%	9M24	9M23	yoy%
Revenue	43,546	28,491	52.8%	111,855	82,357	35.8%
Gross profit	11,489	6,565	75.0%	29,497	20,084	46.9%
EBITDA	5,701	5,613	1.6%	19,614	17,789	10.3%
Adjusted EBITDA*	8,404	5,401	55.6%	21,594	17,305	24.8%
Net profit after tax	2,000	1,322	51.3%	6,308	4,725	33.5%
Adjusted Net profit*	3,159	1,110	184.6%	6,744	4,241	59.0%

Gross profit margin	26.4%	23.0%		26.4%	24.4%	
EBITDA margin	13.1%	19.7%		17.5%	21.6%	
Adjusted EBITDA margin*	19.3%	19.0%		19.3%	21.0%	
Net profit margin	4.6%	4.6%		5.6%	5.7%	
Adjusted Net profit margin*	7.3%	3.9%		6.0%	5.1%	

* Adjusted EBITDA and Net profit have taken into account Adjustment Items ("**Adjustment Items**") that have less bearing on GVT's operating performance and better reflects the Group's underlying performance. The Adjustment Items include:

- i. S\$1.5 million tax allowance for Net Profit in 9M24 and 3Q24; and
- ii. S\$2.0 million and S\$2.7 million foreign exchange losses in 9M24 and 3Q24 respectively against S\$0.5 million and S\$0.2 million foreign exchange gain in 9M23 and 3Q23 respectively for EBITDA and Net Profit.



S\$'000	1Q23	2Q23	3Q23	4Q23	1Q24	2Q24	3Q24
Revenue	26,923	26,943	28,491	28,940	30,809	37,500	43,546
Gross profit	6,786	6,733	6,565	7,731	7,936	10,072	11,489
EBITDA	5,854	6,322	5,613	4,564	6,475	7,438	5,701
Net profit after tax	1,513	1,890	1,322	819	2,029	2,279	2,000
Gross profit margin	25.2%	25.0%	23.0%	26.7%	25.8%	26.9%	26.4%
EBITDA margin	21.7%	23.5%	19.7%	15.8%	21.0%	19.8%	13.1%

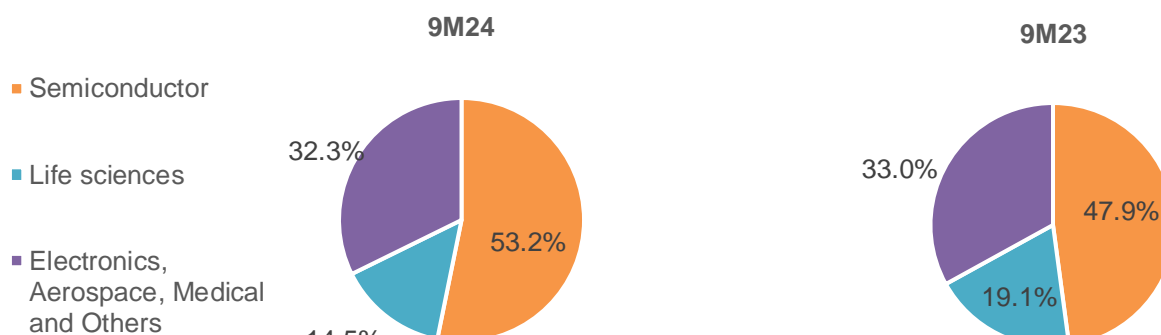
Revenue increased 35.8% to S\$111.9 million in 9M24 compared to 9M23, largely due to growth across all key business segments. Growth was more prominently recorded in the semiconductor segment with a year-on-year increase of 50.8%.

On the back of higher top-line, the Group recorded year-on-year growth in EBITDA and net profit for 9M24 and 3Q24.

The Group recorded S\$2.0 million and S\$2.7 million foreign exchange losses in 9M24 and 3Q24 respectively. These foreign exchange losses were partially mitigated by approximately S\$1.5 million tax credits as the Group recognized the tax allowances in connection with the Group's prior acquisitions. On an adjusted basis, EBITDA and net profit growth expanded by 24.8% and 58.9% respectively in 9M24.

Revenue summary by segments

	9M24	%	9M23	%	Growth%
	S\$'000		S\$'000		
Semiconductor	59,487	53.2%	39,437	47.9%	50.8%
Life sciences	16,235	14.5%	15,706	19.1%	3.4%
Electronics, Aerospace, Medical and Others	36,133	32.3%	27,214	33.0%	32.8%
Total	111,855	100.0%	82,357	100.0%	35.8%



Semiconductor

Revenue from the Semiconductor segment increased 50.8% year-on-year to S\$59.5 million in 9M24, largely driven by progressive demand improvement from key customers with GVT winning new programs and growing wallet share.

Overall, the Group is starting to see the results of its continual investments that have strengthened its competitiveness in the semiconductor segment and is well positioned to support its customers over the long-term.

Life sciences

The Life Sciences segment recorded steady year-on-year improvement of 3.4% to S\$16.2 million in 9M24, as the Group continued to expand its wallet share with customers in the segment.

Electronics, Aerospace, Medical and Others

Revenue from the Electronics, Aerospace, Medical and Others increased 32.8% to S\$36.1 million in 9M24 as the Group consolidated revenues from its newly onboarded subsidiary – ACP Metal Finishing Pte Ltd, robust demand for its Aerospace, Medical and Others segment, offset by weakness in the Electronics segment.

Outlook

The semiconductor industry is undergoing significant structural transformation with advanced packaging playing a pivotal role in addressing the increasing demands of emerging technologies like Artificial Intelligence (“**AI**”). Chipmakers are focusing on packaging innovations such as Thermal Compression Bonding (“**TCB**”) and Hybrid Bonding (“**HB**”), particularly for High Bandwidth Memory (“**HBM**”), a key enabler for AI workloads and data-intensive applications. Subsequently, these have enabled the transition to 2.5D and 3D DRAM technologies.

With a growing demand for HBM, the market for equipment manufacturers is expected to grow in tandem. GVT expects to capitalize on this uptrend, as it is in active engagement with blue-chip customers across the semiconductor value chain. Today, GVT is involved Deposition Tools (TSV), Testers, Thermal Compression Bonding, Hybrid Bonding for High Bandwidth Memory. Although there are early signs of improvement in semiconductor demand, the Group remains cautiously optimistic for the next quarter with further strengthening expected in 2025.

In addition, the Group is winning higher wallet share from its key aerospace customers and expects the healthy demand momentum to continue. This is on the back of resilient performance from the Life sciences and medical segments.

Across all segments, GVT continues to benefit from the supply chain reconfiguration with multinational corporations earmarking Southeast Asia as a key geography to expand into. Building on our strategically located facilities across Singapore and Malaysia, GVT’s deliberate strategy of investing ahead to build technical competencies and capacity has enabled us to be viewed as a strategic partner across new and existing customers. This is evident from our new customer wins in front-end semiconductor, as well as new product wins across leading edge applications.

The Group continues to look at organic and inorganic strategies to enhance our value proposition, ranging from enhancement of capabilities to geographical expansion in strategic geographies such as US or Europe.

The Group is confident in achieving the higher end of previous target revenue guidance (13 August 2024) between S\$80 million and S\$86 million for the second half financial period from 1 July 2024 to 31 December 2024.

BY ORDER OF THE BOARD

LEE TIAM NAM

Executive Deputy Chairman

8 November 2024