



Grand Venture Technology Limited

(Incorporated in Singapore on 17 September 2012)
(Company Registration Number 201222831E)

NEWS RELEASE

GRAND VENTURE TECHNOLOGY LAUNCHES FIRST IPO OF 2019 ON SGX CATALIST AT \$0.275 PER SHARE

- **Trusted manufacturing solutions and services provider to leading players in the semiconductor, analytical life sciences, electronics and other industries**
- **Providing a broad range of precision engineering and modular assembly services in a high barriers-to-entry environment**
- **Raising approximately S\$13.2 million in gross proceeds through the issuance of 42.9 million Invitation Shares and 5.1 million Cornerstone Shares at S\$0.275 each**

Singapore, 15 January 2019 – Homegrown manufacturing solutions and services provider, **Grand Venture Technology Limited** (杰纬特科技有限公司, “GVT”, and together with its subsidiaries, the “Group”), has today registered its Offer Document with the Singapore Exchange Securities Trading Limited (“SGX-ST”), acting as agent on behalf of the Monetary Authority of Singapore (the “Authority”), for an initial public offer (“IPO”) on the Catalist board of the SGX-ST.

Invitation Details

GVT will be issuing an aggregate 42,918,000 new Shares (the “**Invitation Shares**”) at S\$0.275 per Invitation Share (the “**Invitation Price**”). The Invitation Shares will represent approximately 18.3% of the GVT’s post-Invitation share capital of 234,253,000 shares.

The Invitation comprises:

- a) 800,000 Offer Shares at S\$0.275 for each Offer Share by way of public offer; and
- b) 42,118,000 Placement Shares at S\$0.275 for each Placement Share by way of placement,
payable in full on application.

At the same time as, but separate from, the Invitation, Sunshine Power Pte Ltd, an investment vehicle held in trust for CLSF LLP, has entered into a Cornerstone Subscription Agreement with GVT to subscribe for 5,095,000 shares (the “**Cornerstone Shares**”) at the Invitation Price (the “**Cornerstone Subscription**”).

Based on the Invitation Price of S\$0.275 per Invitation Share, the post-Invitation market capitalisation of GVT is expected to be approximately S\$64.4 million.

The Company is expected to raise gross proceeds from the Invitation and Cornerstone Subscription of approximately S\$13.2 million for (i) investing and enhancing operational and engineering capabilities; (ii) expansion via mergers and acquisitions, joint ventures and partnerships; (iii) repayment of bank borrowings; and (iv) general working capital purposes.

The Invitation will close at 12pm on 21 January 2019 and the listing and trading of GVT's shares is expected to commence at 9am on 23 January 2019.

CIMB Bank Berhad, Singapore Branch is the Sponsor and Issue Manager for the IPO and CGS-CIMB Securities (Singapore) Pte. Ltd. is the Underwriter and Placement Agent.

Investment Merits

Established in 2012, GVT provides a broad range of engineering, assembly, testing, as well as product life cycle management solutions, for the manufacture of complex precision machining and sheet metal components and modular assemblies. GVT is able to undertake, amongst others, sub-micron machining, engineering plastics machining, vacuum parts manufacturing and Class 10K cleanroom assembly. Additionally, GVT believes it is one of a few businesses in Southeast Asia that is able to undertake precision ceramic and quartz machining activities, which require a much higher level of technical know-how and skill.

These capabilities have enabled GVT to build a diversified customer base across the semiconductor, analytical life sciences, electronics and other industries. Operating out of its facilities in Singapore, Penang (Malaysia) and Suzhou (China), GVT has built strong relationships with customers who are leading players in their respective industries. This standing with customers has facilitated its securing of projects from existing and new customers, as evidenced by expanded orders it has received, for the manufacture of new complex components and value-added services.

GVT is backed by a strong and experienced management team, with an average of more than 25 years of industry experience. Management team members have long working relationships with one another and a proven track record in optimising operations, implementing strategic plans and creating shareholder value.

Commenting on the listing, **Mr Ricky Lee (李添南), Executive Chairman of GVT**, said, "These are exciting times for GVT. We have overcome the industry's high entry barriers – in terms of capability building, capital investments and the long gestation period and stringent pre-qualification criteria with customers – to arrive at this milestone today. Our hard work is bearing good fruit, and the proceeds of the IPO and Cornerstone Subscription will help to fund the next phase of our capability and capacity expansion."

Financial Highlights

The Group has delivered healthy revenue and profit growth over the last three financials year and for the six-month period ended 30 June 2018. Based on its audited consolidated financial statements, the Group's revenue has grown at a compounded annual growth rate ("**CAGR**") of 87.0% from S\$8.8 million in FY2015 to S\$30.9 million in FY2017. The Group has also achieved a revenue growth of 37.9% from S\$15.8 million in HY2017 to S\$21.8 million in HY2018.

In terms of net profits, the Group has achieved a net profit of S\$3.8 million in FY2017 as compared to a net loss of S\$2.4 million in FY2015. The Group has also achieved a net profit growth of 40.2% from S\$2.1 million in HY2017 to S\$2.9 million in HY2018.

Prospects and Plans

The Group's prospects are buoyed by sustained demand for semiconductor capital equipment supporting the global appetite for consumer electronics, infrastructure, wireless communication and medical devices, along with the adoption of Internet of Things as well as the growth of smart cities and automated manufacturing. For the Group's analytical life sciences equipment segment, growth is expected to be driven by the prevalent use of mass spectrometry technologies in drug development and increased research and development spending by pharmaceutical companies. Meanwhile, GVT is also well-positioned to capture the continued demand from original equipment manufacturers ("**OEMs**") looking to outsource high-precision component manufacturing and modular assembly activities.

Going forward, GVT plans to leverage its capabilities and technological know-how to expand its customer base in existing and new market segments, as well as grow its footprint through mergers, acquisitions and joint-venture partnerships where opportunities arise. GVT also plans to use part of the proceeds to invest in and enhance its operational and engineering capabilities across all its manufacturing locations, as it works towards its transformation into a "Smart Organisation" through the deployment of enterprise resource planning (ERP), manufacturing execution systems (MES) and warehouse management systems (WMS).

About Grand Venture Technology Limited

Established in Singapore in 2012, Grand Venture Technology Limited (“**GVT**”) is a trusted manufacturing solutions and services provider for the semiconductor, analytical life sciences, electronics and other industries. Backed by a highly experienced management team, GVT delivers engineering, assembly, testing and product life cycle management solutions. GVT operates out of its facilities in Singapore, Penang (Malaysia) and Suzhou (China) to serve a portfolio of customers that are some of the largest OEMs in these industries.

For media enquiries, please contact Ark Advisors Pte Ltd:

Alvina Tan

T: +65 6221 0081

M: +65 9787 7267

E: alvina.tan@arkadvisors.com.sg

Karin Lai

T: +65 6221 0081

M: +65 9837 8136

E: karin.lai@arkadvisors.com.sg

IMPORTANT NOTICE:

This news release and any accompanying materials (the “**News Release**”) is for information purposes only, without regard to the objectives, financial situation or needs of any specific persons. This News Release does not constitute an offer, solicitation or invitation to subscribe for or purchase any securities and neither this News Release nor anything contained herein shall form the basis of any contract or commitment whatsoever. Accordingly, no reliance whatsoever should be placed on the information set out herein.

The information in this News Release is based on the information found in the offer document of Grand Venture Technology Limited (the “**Company**”) dated 15 January 2019 (the “**Offer Document**”) that has been registered by the SGX-ST acting as agent on behalf of the Monetary Authority of Singapore on 15 January 2019. This News Release does not purport to be complete and is qualified in its entirety by, and should be read in conjunction with the full text of the Offer Document, including but not limited to the sections entitled “Risk Factors” and “Cautionary Note Regarding Forward-Looking Statements” of the Offer Document. Words and expressions, unless otherwise defined in this News Release, shall bear the same meanings assigned to them in the Offer Document.

No representation or warranty, express or implied, is or will be made in or in relation to, and no responsibility or liability is or will be accepted by the Company, the Sponsor and Issue Manager, and the Underwriter and Placement Agent or any of their affiliates, advisers or representatives as to the fairness, accuracy, completeness or correctness of this News Release and any liability therefore is hereby expressly disclaimed. Any prospective purchaser should make its own investigation of the securities and all information provided.

This News Release includes forward-looking statements provided with respect to the anticipated future performance of the Company. Such forward-looking statements reflect various assumptions of the management concerning the future performance of the Company. By their nature, forward-looking statements involve risks and uncertainties because they relate to events and depend on circumstances that may or may not occur in the future. Accordingly, there can be no assurance that such projections and forward-looking statements will be realised. The actual events, results and developments may vary from those expressed or implied by the forward-looking statements and such variation may be material. No

representations or warranties are made as to the accuracy or reasonableness of such assumptions or the forward-looking statements based thereon.

This News Release has been reviewed by the Company's sponsor, CIMB Bank Berhad, Singapore Branch ("Sponsor") for compliance with the Singapore Exchange Securities Trading Limited ("SGX-ST") Listing Manual Section B: Rules of Catalist. The Sponsor has not independently verified the contents of this News Release. This News Release has not been examined or approved by the SGX-ST. The Sponsor and the SGX-ST assume no responsibility for the contents of this News Release, including the correctness of any of the statements or opinions made or reports contained in this News Release. The contact person for the Sponsor is Mr Jason Chian, Managing Director, Investment Banking, CIMB Bank Berhad, Singapore Branch, at 50 Raffles Place, #09-01 Singapore Land Tower, Singapore 048623, Telephone: +65 6337 5115.