

VENTURE CORPORATION LIMITED
Full Year Financial Statements And Dividend Announcement

The Board of Directors of Venture Corporation Limited wishes to make the following announcement:

Fourth quarter and year-to-date financial statements on consolidated results for the period ended December 31, 2018. These figures have not been audited or reviewed.

1.(a)(i) **A statement of comprehensive income (for the group), together with a comparative statement for the corresponding period of the immediately preceding financial year**

	Group			Group		
	3 months ended 31.12.2018 S\$'000	3 months ended 31.12.2017 S\$'000	% increase/ (decrease)	12 months ended 31.12.2018 S\$'000	12 months ended 31.12.2017 S\$'000	% increase/ (decrease)
Revenue	905,933	1,086,480	(16.6)	3,484,603	4,004,539	(13.0)
Other income (Note 1)	373	11,699	n.m.	1,541	13,618	n.m.
Changes in finished goods, work in progress and raw materials used (Note 2)	(661,744)	(793,518)	(16.6)	(2,530,837)	(3,039,127)	(16.7)
Employee benefits expense	(76,775)	(87,039)	(11.8)	(317,436)	(346,066)	(8.3)
Depreciation and amortisation expense	(7,702)	(8,465)	(9.0)	(30,726)	(31,056)	(1.1)
Research and development expense (Note 3)	(14,716)	(23,142)	(36.4)	(82,988)	(49,909)	66.3
Foreign currency exchange (loss) gain	(1,511)	1,185	(227.5)	1,735	(4)	n.m.
Other operating expenses (Note 4)	(21,953)	(20,409)	7.6	(101,093)	(112,708)	(10.3)
Investment revenue	2,880	1,338	n.m.	9,209	3,801	n.m.
Finance costs (interest expense on bank loans)	(242)	(167)	44.9	(982)	(1,012)	(3.0)
Share of (loss) profit of associates	(58)	-	n.m.	(58)	1,671	(103.5)
Profit before tax	124,485	167,962	(25.9)	432,968	443,747	(2.4)
Income tax expense	(16,825)	(25,031)	(32.8)	(62,885)	(71,048)	(11.5)
Profit for the period	107,660	142,931	(24.7)	370,083	372,699	(0.7)
Other comprehensive income (loss):						
- Items that will not be reclassified subsequently to profit or loss						
Fair value loss on other financial assets, through other comprehensive income (FVTOCI)	(557)	-	n.m.	(1,127)	-	n.m.
Other comprehensive income (loss):						
- Items may be reclassified subsequently to profit or loss						
Exchange differences on translation of foreign operations	(797)	(13,387)	n.m.	21,045	(76,176)	n.m.
Fair value gain on available-for-sale investments	-	771	n.m.	-	1,827	n.m.
Fair value loss on cash flow hedge	(30)	(8)	n.m.	-	(12)	n.m.
Total comprehensive income for the period	106,276	130,307	(18.4)	390,001	298,338	30.7
Profit attributable to:						
Owners of the Company	107,691	142,986	(24.7)	370,062	372,819	(0.7)
Non-controlling interests	(31)	(55)	(43.6)	21	(120)	n.m.
	107,660	142,931	(24.7)	370,083	372,699	(0.7)
Total comprehensive income attributable to:						
Owners of the Company	106,323	130,375	(18.4)	390,082	298,443	30.7
Non-controlling interests	(47)	(68)	(30.9)	(81)	(105)	(22.9)
	106,276	130,307	(18.4)	390,001	298,338	30.7

Note 1

Other income decreased mainly due to a S\$11.3 million non recurring gain on disposal of investment in associate recorded in Q4 2017.

Note 2

The decrease in changes in finished goods, work in progress and raw materials used was in tandem with the lower revenue. FY2017 also included higher Allowance for Inventories as disclosed in 1.(a)(ii).

Note 3

Research and development (R&D) expense which comprised prototyping, tooling, non-recurring engineering (NRE), materials and its related services, was higher in FY2018 driven by increased customers' requirements. R&D manpower costs are separately recorded under Employee benefits expense.

Note 4

Other operating expenses increased in Q4 2018 mainly due to allowance for doubtful debts as disclosed in 1.(a)(ii). Total expenses for FY2018 decreased mainly due to non-recurring charges in FY2017 as disclosed in 1.(a)(ii) and judicious cost management in FY2018.

1.(a)(ii) The profit after income tax includes the following (charges)/credits:

	Group			Group		
	3 months ended 31.12.2018 S\$'000	3 months ended 31.12.2017 S\$'000	% increase/ (decrease)	12 months ended 31.12.2018 S\$'000	12 months ended 31.12.2017 S\$'000	% increase/ (decrease)
Overprovision (Underprovision) of tax in respect of prior years	4	(849)	n.m.	354	(666)	n.m.
Allowance for doubtful trade receivables	(1,578)	-	n.m.	(1,578)	(6,059)	(74.0)
(Loss) Gain on disposal of property, plant and equipment, net	(18)	(78)	(76.9)	98	(120)	(181.7)
Allowance for Inventories (Note 5)	(1,177)	(6,287)	n.m.	(1,258)	(19,572)	n.m.
Gain on disposal of investment in associate (Note 6)	-	11,348	n.m.	-	11,348	n.m.

Note 5

Allowance for inventories was made for aged inventory based on net realisable value and estimates on forecasted usage. The decrease in FY2018 was the result of robust inventory management to keep obsolete inventory levels low.

Note 6

Gain on disposal of investment in associate arose from the disposal of the Group's investment in Fischer Tech Ltd which was completed in Nov 2017.

Note:

n.m. - not meaningful

1.(b)(i) A statement of financial position (for the issuer and group), together with a comparative statement as at the end of the immediately preceding financial year

	Group			Company		
	31.12.2018	31.12.2017	01.01.2017	31.12.2018	31.12.2017	01.01.2017
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
	(Restated)	(Restated)	(Restated)	(Restated)	(Restated)	(Restated)
ASSETS						
Current assets:						
Cash and bank balances	712,826	752,447	499,736	271,723	186,372	212,760
Trade receivables	735,943	762,641	706,987	10,387	10,865	224,144
Other receivables and prepayments	29,997	32,345	26,966	1,520	762	1,398
Contract assets (Note 7)	19,202	29,088	17,311	-	346	14,379
Inventories	808,166	699,630	622,988	61,154	49,866	47,726
Trade receivables due from subsidiaries	-	-	-	44,114	74,742	15,962
Other receivables due from subsidiaries	-	-	-	17,940	17,611	17,959
Income tax recoverable	22	5	5	-	-	-
Total current assets	2,306,156	2,276,156	1,873,993	406,838	340,564	534,328
Non-current assets:						
Investments in subsidiaries	-	-	-	1,227,849	1,227,849	1,227,849
Investments in associates	725	787	20,253	-	-	-
Other Financial Assets (Note 8)	22,939	25,087	8,088	6,977	8,929	5,241
Other receivables	455	730	4,231	-	-	-
Property, plant and equipment	230,686	197,860	203,152	40,283	39,444	39,170
Intangible assets	181	209	1,283	-	-	913
Goodwill	639,708	639,708	639,708	-	-	-
Deferred tax assets	3,747	3,668	7,814	-	-	-
Total non-current assets	898,441	868,049	884,529	1,275,109	1,276,222	1,273,173
Total assets	3,204,597	3,144,205	2,758,522	1,681,947	1,616,786	1,807,501
LIABILITIES AND EQUITY						
Current liabilities:						
Bank loans	1,798	30,828	92,641	-	28,035	77,139
Trade payables	529,015	581,413	480,085	42,510	46,849	53,060
Other payables and accrued expenses	205,224	260,266	177,692	34,246	40,100	55,359
Contract liabilities (Note 7)	74,029	67,873	25,535	-	317	7,686
Trade payables due to subsidiaries	-	-	-	5,213	2,911	126,109
Other payables due to subsidiaries	-	-	-	20,751	21,209	21,223
Income tax payable	40,374	34,043	18,234	3,679	2,130	3,520
Total current liabilities	850,440	974,423	794,187	106,399	141,551	344,096
Non-current liabilities:						
Deferred tax liabilities	2,058	1,718	1,801	-	-	-
Total non-current liabilities	2,058	1,718	1,801	-	-	-
Capital and reserves:						
Share capital	803,220	761,706	713,686	803,220	761,706	713,686
Treasury shares	(19,081)	(1,879)	(2,569)	(19,081)	(1,879)	(2,569)
Share-based awards reserve	3,774	3,524	5,063	3,774	3,524	4,379
Investments revaluation and hedging reserve	665	1,836	21	1,194	1,876	21
Translation reserve	(55,044)	(76,191)	-	-	-	-
Other reserves	3,079	3,292	3,066	(815)	(247)	-
Accumulated profits	1,613,253	1,473,462	1,240,848	787,256	710,255	747,888
Equity attributable to owners of the Company	2,349,866	2,165,750	1,960,115	1,575,548	1,475,235	1,463,405
Non-controlling interests	2,233	2,314	2,419	-	-	-
Total equity	2,352,099	2,168,064	1,962,534	1,575,548	1,475,235	1,463,405
Total liabilities and equity	3,204,597	3,144,205	2,758,522	1,681,947	1,616,786	1,807,501

Note 7

In accordance with SFRS(I) 15 disclosure, Contract Assets and Contract Liabilities have been included in the statement of financial position. The comparatives have also been restated to take this into account. Effect of changes in accounting standards are disclosed in item 5 page 10.

Note 8

Other Financial Assets refers to equity instruments measured at fair value through other comprehensive income. These were classified as available-for-sale investments in the prior year. The change in classification arises from the adoption of SFRS(I) 9 Financial Instruments as detailed in item 5 page 10.

1.(b)(ii) Aggregate amount of group's borrowings and debt securities

(a) Amount repayable in one year or less, or on demand

Group				Company			
As at 31.12.2018		As at 31.12.2017		As at 31.12.2018		As at 31.12.2017	
Secured	Unsecured	Secured	Unsecured	Secured	Unsecured	Secured	Unsecured
S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
-	1,798	-	30,828	-	-	-	28,035

(b) Amount repayable after one year
Not applicable.

(c) Details of any collateral
Not applicable.

1.(c) A cash flow statement (for the group), together with a comparative statement for the corresponding period of the immediately preceding financial year

Operating activities:

Profit before Taxation

Adjustments for:

Share of profit (loss) of associates

Allowance for Inventories

Depreciation expense

Allowance for doubtful trade receivables

Amortisation of intangible assets

Interest income

Dividend income

Interest expense

Share-based payments expense

Loss (Gain) on disposal of plant and equipment, net

Gain on disposal of investment in associates

Operating profit before working capital changes

Trade receivables

Other receivables, prepayments and contract assets

Inventories

Trade payables

Other payables, accrued expenses and contract liabilities

Cash generated from operations

Interest paid

Income tax paid

Net cash from operating activities

Investing activities:

Interest received

Dividend received from associates

Dividend received from other equity investments

Purchase of property, plant and equipment

Proceeds on disposal of plant and equipment

Addition of intangible assets

Proceeds on disposal of investment in associates

Proceeds on disposal of other financial assets (Note 8)

Purchase of other financial assets (Note 8)

Net cash (used in) from investing activities

Financing activities:

Dividend paid

Refund of unclaimed dividends

Repayment of bank loans (Note 9)

Proceeds from new bank loans (Note 9)

Proceeds from issue of shares

Purchase of treasury shares

Bank balances pledged as securities for bank facilities

Net cash (used in) from financing activities

Net increase (decrease) in cash and cash equivalents

Cash and cash equivalents at beginning of period

Effect of foreign exchange rate changes on the balance of cash held in foreign currencies

Cash and cash equivalents at end of period

Cash and cash equivalents comprise:

Cash

Fixed deposits

Less: Pledged bank deposits

Cash and cash equivalents on the consolidated cash flow statement

3 months ended 31.12.2018	3 months ended 31.12.2017	12 months ended 31.12.2018	12 months ended 31.12.2017
S\$'000	S\$'000	S\$'000	S\$'000
	(Restated)		(Restated)
124,485	167,962	432,968	443,747
58	-	58	(1,671)
1,177	6,287	1,258	19,572
7,684	7,518	30,640	29,987
1,578	-	1,578	6,059
18	507	86	1,069
(2,880)	(1,338)	(9,209)	(3,801)
(167)	(162)	(935)	(384)
242	167	982	1,012
308	490	1,560	1,696
18	78	(98)	120
-	(11,348)	-	(11,348)
132,521	170,161	458,888	486,058
(136,476)	29,914	41,821	(100,286)
17,309	18,907	15,185	(17,383)
(12,477)	(8,455)	(93,914)	(139,637)
74,361	(31,740)	(60,424)	132,949
(40,618)	12,463	(50,019)	138,155
34,620	191,250	311,537	499,856
(242)	(167)	(982)	(1,012)
(8,233)	(18,620)	(56,331)	(50,316)
26,145	172,463	254,224	448,528
2,698	2,894	7,805	4,967
-	-	30	1,078
167	162	935	384
(4,551)	(10,692)	(58,480)	(36,966)
-	58	206	243
-	-	(366)	-
-	31,609	-	31,609
-	-	2,942	-
-	(13,473)	(1,628)	(15,293)
(1,686)	10,558	(48,556)	(13,978)
-	-	(230,021)	(140,728)
-	5	-	13
(40,561)	(33,365)	(34,601)	(98,000)
-	-	5,387	41,695
1,664	10,772	40,555	46,211
(5,477)	-	(18,060)	-
27,092	24,492	-	24,492
(17,282)	1,904	(236,740)	(126,317)
7,177	184,925	(31,072)	308,233
714,215	574,914	752,447	474,728
(8,566)	(7,392)	(8,549)	(30,514)
712,826	752,447	712,826	752,447
497,396	449,653	497,396	449,653
215,430	302,794	215,430	302,794
712,826	752,447	712,826	752,447
-	-	-	-
712,826	752,447	712,826	752,447

Note 9: Reconciliation of liabilities arising from financing activities between cash and non-cash changes

	31.12.2018	Cash Flows	Non-cash changes	31.12.2017
	S\$'000	S\$'000	Foreign exchange movement	S\$'000
Bank loans	1,798	(29,214)	184	30,828

1.(d)(i) Statement of changes in equity for the period ended December 31, 2017

	Share capital S\$'000	Treasury shares S\$'000	Share-based awards reserve S\$'000	Investments revaluation & Hedging reserve S\$'000	Translation reserve S\$'000	Other reserves S\$'000	Accumulated profits S\$'000	Equity attributable to owners of the Company S\$'000	Non-controlling interests S\$'000	Total equity S\$'000
The Group										
Balance at January 1, 2017	713,686	(2,569)	5,063	21	-	3,066	1,240,848	1,960,115	2,419	1,962,534
Total comprehensive income for the period										
Profit for the period	-	-	-	-	-	-	48,596	48,596	(18)	48,578
Other comprehensive gain (loss) for the period	-	-	-	585	(29,087)	-	-	(28,502)	(40)	(28,542)
Total	-	-	-	585	(29,087)	-	48,596	20,094	(58)	20,036
Transactions with owners, recognised directly in equity										
Issue of shares	9,382	-	(529)	-	-	-	-	8,853	-	8,853
Appropriation to reserve fund	-	-	-	-	-	473	(473)	-	-	-
Share options lapsed	-	-	(290)	-	-	-	290	-	-	-
Recognition of share-based payments	-	-	354	-	-	-	-	354	-	354
Refund of unclaimed dividends	-	-	-	-	-	-	8	8	-	8
Total	9,382	-	(465)	-	-	473	(175)	9,215	-	9,215
Balance at March 31, 2017	723,068	(2,569)	4,598	606	(29,087)	3,539	1,289,269	1,989,424	2,361	1,991,785
Total comprehensive income for the period										
Profit for the period	-	-	-	-	-	-	69,839	69,839	(17)	69,822
Other comprehensive gain (loss) for the period	-	-	-	421	(14,899)	-	-	(14,478)	-	(14,478)
Total	-	-	-	421	(14,899)	-	69,839	55,361	(17)	55,344
Transactions with owners, recognised directly in equity										
Issue of shares	15,879	-	(562)	-	-	-	-	15,317	-	15,317
Treasury shares reissued pursuant to equity compensation plans	-	690	(443)	-	-	(247)	-	-	-	-
Final tax exempt dividend paid in respect of the previous financial year	-	-	-	-	-	-	(140,728)	(140,728)	-	(140,728)
Share options lapsed	-	-	(8)	-	-	-	8	-	-	-
Recognition of share-based payments	-	-	358	-	-	-	-	358	-	358
Total	15,879	690	(655)	-	-	(247)	(140,720)	(125,053)	-	(125,053)
Balance at June 30, 2017	738,947	(1,879)	3,943	1,027	(43,986)	3,292	1,218,388	1,919,732	2,344	1,922,076
Total comprehensive income for the period										
Profit for the period	-	-	-	-	-	-	111,398	111,398	(30)	111,368
Other comprehensive gain (loss) for the period	-	-	-	46	(18,831)	-	-	(18,785)	68	(18,717)
Total	-	-	-	46	(18,831)	-	111,398	92,613	38	92,651
Transactions with owners, recognised directly in equity										
Issue of shares	11,635	-	(366)	-	-	-	-	11,269	-	11,269
Share options lapsed	-	-	(1)	-	-	-	1	-	-	-
Recognition of share-based payments	-	-	494	-	-	-	-	494	-	494
Total	11,635	-	127	-	-	-	1	11,763	-	11,763
Balance at September 30, 2017	750,582	(1,879)	4,070	1,073	(62,817)	3,292	1,329,787	2,024,108	2,382	2,026,490
Total comprehensive income for the period										
Profit for the period	-	-	-	-	-	-	142,986	142,986	(55)	142,931
Other comprehensive gain (loss) for the period	-	-	-	763	(13,374)	-	-	(12,611)	(13)	(12,624)
Total	-	-	-	763	(13,374)	-	142,986	130,375	(68)	130,307
Transactions with owners, recognised directly in equity										
Issue of shares	11,124	-	(352)	-	-	-	-	10,772	-	10,772
Share options lapsed	-	-	(684)	-	-	-	684	-	-	-
Recognition of share-based payments	-	-	490	-	-	-	-	490	-	490
Refund of unclaimed dividends	-	-	-	-	-	-	5	5	-	5
Total	11,124	-	(546)	-	-	-	689	11,267	-	11,267
Balance at December 31, 2017	761,706	(1,879)	3,524	1,836	(76,191)	3,292	1,473,462	2,165,750	2,314	2,168,064

1.(d)(i) Statement of changes in equity for the period ended December 31, 2018

	Share capital S\$'000	Treasury shares S\$'000	Share-based awards reserve S\$'000	Investments revaluation & Hedging reserve S\$'000	Translation reserve S\$'000	Other reserves S\$'000	Accumulated profits S\$'000	Equity attributable to owners of the Company S\$'000	Non-controlling interests S\$'000	Total equity S\$'000
The Group										
Balance at January 1, 2018	761,706	(1,879)	3,524	1,836	(76,191)	3,292	1,473,462	2,165,750	2,314	2,168,064
Total comprehensive income for the period										
Profit for the period	-	-	-	-	-	-	83,671	83,671	46	83,717
Other comprehensive gain (loss) for the period	-	-	-	161	(19,695)	-	-	(19,534)	88	(19,446)
Total	-	-	-	161	(19,695)	-	83,671	64,137	134	64,271
Transactions with owners, recognised directly in equity										
Issue of shares	23,572	-	(581)	-	-	-	-	22,991	-	22,991
Appropriation to reserve fund	-	-	-	-	-	355	(355)	-	-	-
Share options lapsed	-	-	(55)	-	-	-	55	-	-	-
Recognition of share-based payments	-	-	487	-	-	-	-	487	-	487
Total	23,572	-	(149)	-	-	355	(300)	23,478	-	23,478
Balance at March 31, 2018	785,278	(1,879)	3,375	1,997	(95,886)	3,647	1,556,833	2,253,365	2,448	2,255,813
Total comprehensive income for the period										
Profit for the period	-	-	-	-	-	-	97,911	97,911	8	97,919
Other comprehensive (loss) income for the period	-	-	-	(688)	31,553	-	-	30,865	(17)	30,848
Total	-	-	-	(688)	31,553	-	97,911	128,776	(9)	128,767
Transactions with owners, recognised directly in equity										
Issue of shares	8,147	-	(178)	-	-	-	-	7,969	-	7,969
Purchase of treasury shares	-	(12,583)	-	-	-	-	-	(12,583)	-	(12,583)
Treasury shares reissued pursuant to equity compensation plans	-	858	(290)	-	-	(568)	-	-	-	-
Final tax exempt dividend paid in respect of the previous financial year	-	-	-	-	-	-	(172,413)	(172,413)	-	(172,413)
Share options lapsed	-	-	(1)	-	-	-	1	-	-	-
Recognition of share-based payments	-	-	457	-	-	-	-	457	-	457
Total	8,147	(11,725)	(12)	-	-	(568)	(172,412)	(176,570)	-	(176,570)
Balance at June 30, 2018	793,425	(13,604)	3,363	1,309	(64,333)	3,079	1,482,332	2,205,571	2,439	2,208,010
Total comprehensive income for the period										
Profit for the period	-	-	-	-	-	-	80,789	80,789	(2)	80,787
Other comprehensive (loss) income for the period	-	-	-	(13)	10,070	-	-	10,057	(157)	9,900
Total	-	-	-	(13)	10,070	-	80,789	90,846	(159)	90,687
Transactions with owners, recognised directly in equity										
Issue of shares	8,097	-	(166)	-	-	-	-	7,931	-	7,931
Interim tax exempt dividend paid in respect of the current financial year	-	-	-	-	-	-	(57,608)	(57,608)	-	(57,608)
Disposal of other financial assets	-	-	-	(44)	-	-	44	-	-	-
Share options lapsed	-	-	(5)	-	-	-	5	-	-	-
Recognition of share-based payments	-	-	308	-	-	-	-	308	-	308
Total	8,097	-	137	(44)	-	-	(57,559)	(49,369)	-	(49,369)
Balance at September 30, 2018	801,522	(13,604)	3,500	1,252	(54,263)	3,079	1,505,562	2,247,048	2,280	2,249,328
Total comprehensive income for the period										
Profit for the period	-	-	-	-	-	-	107,691	107,691	(31)	107,660
Other comprehensive loss for the period	-	-	-	(587)	(781)	-	-	(1,368)	(16)	(1,384)
Total	-	-	-	(587)	(781)	-	107,691	106,323	(47)	106,276
Transactions with owners, recognised directly in equity										
Issue of shares	1,698	-	(34)	-	-	-	-	1,664	-	1,664
Purchase of treasury shares	-	(5,477)	-	-	-	-	-	(5,477)	-	(5,477)
Recognition of share-based payments	-	-	308	-	-	-	-	308	-	308
Total	1,698	(5,477)	274	-	-	-	-	(3,505)	-	(3,505)
Balance at December 31, 2018	803,220	(19,081)	3,774	665	(55,044)	3,079	1,613,253	2,349,866	2,233	2,352,099

1.(d)(i) Statement of changes in equity for the period ended December 31, 2017

	Share capital S\$'000	Treasury shares S\$'000	Share- based awards reserve S\$'000	Investments revaluation & Hedging reserve S\$'000	Capital reserve S\$'000	Accumulated profits S\$'000	Total equity S\$'000
The Company							
Balance at January 1, 2017	713,686	(2,569)	4,379	21	-	747,888	1,463,405
Total comprehensive income for the period							
Profit for the period	-	-	-	-	-	5,265	5,265
Other comprehensive income for the period	-	-	-	585	-	-	585
Total	-	-	-	585	-	5,265	5,850
Transactions with owners, recognised directly in equity							
Issue of shares	9,382	-	(529)	-	-	-	8,853
Share options lapsed	-	-	(290)	-	-	290	-
Recognition of share-based payments	-	-	354	-	-	-	354
Refund of unclaimed dividends	-	-	-	-	-	8	8
Total	9,382	-	(465)	-	-	298	9,215
Balance at March 31, 2017	723,068	(2,569)	3,914	606	-	753,451	1,478,470
Total comprehensive income for the period							
Profit for the period	-	-	-	-	-	5,459	5,459
Other comprehensive income for the period	-	-	-	421	-	-	421
Total	-	-	-	421	-	5,459	5,880
Transactions with owners, recognised directly in equity							
Issue of shares	15,879	-	(562)	-	-	-	15,317
Treasury shares reissued pursuant to equity compensation plans	-	690	(443)	-	(247)	-	-
Final tax exempt dividend paid in respect of the previous financial year	-	-	-	-	-	(140,728)	(140,728)
Share options lapsed	-	-	(8)	-	-	8	-
Recognition of share-based payments	-	-	358	-	-	-	358
Total	15,879	690	(655)	-	(247)	(140,720)	(125,053)
Balance at June 30, 2017	738,947	(1,879)	3,259	1,027	(247)	618,190	1,359,297
Total comprehensive income for the period							
Profit for the period	-	-	-	-	-	4,841	4,841
Other comprehensive income for the period	-	-	-	46	-	-	46
Total	-	-	-	46	-	4,841	4,887
Transactions with owners, recognised directly in equity							
Issue of shares	11,635	-	(366)	-	-	-	11,269
Share options lapsed	-	-	(1)	-	-	1	-
Recognition of share-based payments	-	-	494	-	-	-	494
Total	11,635	-	127	-	-	1	11,763
Balance at September 30, 2017	750,582	(1,879)	3,386	1,073	(247)	623,032	1,375,947
Total comprehensive income for the period							
Profit for the period	-	-	-	-	-	87,218	87,218
Other comprehensive income for the period	-	-	-	803	-	-	803
Total	-	-	-	803	-	87,218	88,021
Transactions with owners, recognised directly in equity							
Issue of shares	11,124	-	(352)	-	-	-	10,772
Recognition of share-based payments	-	-	490	-	-	-	490
Refund of unclaimed dividends	-	-	-	-	-	5	5
Total	11,124	-	138	-	-	5	11,267
Balance at December 31, 2017	761,706	(1,879)	3,524	1,876	(247)	710,255	1,475,235

1.(d)(i) Statement of changes in equity for the period ended December 31, 2018

	Share capital S\$'000	Treasury shares S\$'000	Share- based awards reserve S\$'000	Investments revaluation & hedging reserve S\$'000	Other reserves S\$'000	Accumulated profits S\$'000	Total equity S\$'000
The Company							
Balance at January 1, 2018	761,706	(1,879)	3,524	1,876	(247)	710,255	1,475,235
Total comprehensive income for the period							
Profit for the period	-	-	-	-	-	68,568	68,568
Other comprehensive income for the period	-	-	-	328	-	-	328
Total	-	-	-	328	-	68,568	68,896
Transactions with owners, recognised directly in equity							
Issue of shares	23,572	-	(581)	-	-	-	22,991
Share options lapsed	-	-	(55)	-	-	55	-
Recognition of share-based payments	-	-	487	-	-	-	487
Total	23,572	-	(149)	-	-	55	23,478
Balance at March 31, 2018	785,278	(1,879)	3,375	2,204	(247)	778,878	1,567,609
Total comprehensive income for the period							
Profit for the period	-	-	-	-	-	162,943	162,943
Other comprehensive income for the period	-	-	-	(487)	-	-	(487)
Total	-	-	-	(487)	-	162,943	162,456
Transactions with owners, recognised directly in equity							
Issue of shares	8,147	-	(178)	-	-	-	7,969
Purchase of treasury shares	-	(12,583)	-	-	-	-	(12,583)
Treasury shares reissued pursuant to equity compensation plans	-	858	(290)	-	(568)	-	-
Final tax exempt dividend paid in respect of the previous financial year	-	-	-	-	-	(172,413)	(172,413)
Share options lapsed	-	-	(1)	-	-	1	-
Recognition of share-based payments	-	-	457	-	-	-	457
Total	8,147	(11,725)	(12)	-	(568)	(172,412)	(176,570)
Balance at June 30, 2018	793,425	(13,604)	3,363	1,717	(815)	769,409	1,553,495
Total comprehensive income for the period							
Profit for the period	-	-	-	-	-	26,619	26,619
Other comprehensive income for the period	-	-	-	50	-	-	50
Total	-	-	-	50	-	26,619	26,669
Transactions with owners, recognised directly in equity							
Issue of shares	8,097	-	(166)	-	-	-	7,931
Interim tax exempt dividend paid in respect of the current financial year	-	-	-	-	-	(57,608)	(57,608)
Disposal of other financial assets	-	-	-	(44)	-	44	-
Share options lapsed	-	-	(5)	-	-	5	-
Recognition of share-based payments	-	-	308	-	-	-	308
Total	8,097	-	137	(44)	-	(57,559)	(49,369)
Balance at September 30, 2018	801,522	(13,604)	3,500	1,723	(815)	738,469	1,530,795
Total comprehensive income for the period							
Profit for the period	-	-	-	-	-	48,787	48,787
Other comprehensive loss for the period	-	-	-	(529)	-	-	(529)
Total	-	-	-	(529)	-	48,787	48,258
Transactions with owners, recognised directly in equity							
Issue of shares	1,698	-	(34)	-	-	-	1,664
Purchase of treasury shares	-	(5,477)	-	-	-	-	(5,477)
Recognition of share-based payments	-	-	308	-	-	-	308
Total	1,698	(5,477)	274	-	-	-	(3,505)
Balance at December 31, 2018	803,220	(19,081)	3,774	1,194	(815)	787,256	1,575,548

1.(d)(ii) Share capital and treasury shares

As at December 31, 2018, the total number of ordinary shares in issue was 289,025,577 (December 31, 2017: 284,872,577), of which 1,199,000 were treasury shares (December 31, 2017: 245,000).

The Company purchased 380,000 ordinary shares during Q4 2018 (Q4 2017: Nil).

Ordinary shares purchased by the Company are held as treasury shares which can, in accordance with the Companies Act, be sold for cash, transferred for the purposes of or pursuant to an employee's share-based scheme; transferred as consideration for the acquisition of shares in or assets of another company or assets of a person; or cancelled.

Except as disclosed below, there were no other sales, transfers, cancellation and/or use of treasury shares during the period.

	No. of ordinary shares in issue	S\$'000
As at January 1, 2018	284,872,577	761,706
Add: No. of share options exercised in Q1 2018	2,535,000	23,572
As at March 31, 2018	287,407,577	785,278
Add: No. of share options exercised in Q2 2018	779,000	8,147
As at June 30, 2018	288,186,577	793,425
Add: No. of share options exercised in Q3 2018	694,000	8,097
As at September 30, 2018	288,880,577	801,522
Add: No. of share options exercised in Q4 2018	145,000	1,698
As at December 31, 2018	289,025,577	803,220

	No. of treasury shares	S\$'000
As at January 1, 2018 and March 31, 2018	245,000	1,879
Less: Treasury shares transferred pursuant to restricted share plan in Q2 2018	(60,000)	(858)
Add: Treasury shares repurchased in Q2 2018	634,000	12,583
As at June 30, 2018 and September 30, 2018	819,000	13,604
Add: Treasury shares repurchased in Q4 2018	380,000	5,477
As at December 31, 2018	1,199,000	19,081

	As at 31.12.2018	As at 31.12.2017
% of treasury shares against the total ordinary shares in issue	0.4%	0.1%

	No. of shares	S\$'000
Issued shares excluding treasury shares as at January 1, 2018	284,627,577	759,827
Issued shares excluding treasury shares as at March 31, 2018	287,162,577	783,399
Issued shares excluding treasury shares as at June 30, 2018	287,367,577	779,821
Issued shares excluding treasury shares as at September 30, 2018	288,061,577	787,918
Issued shares excluding treasury shares as at December 31, 2018	287,826,577	784,139

1.(d)(iii) Share-based awards

Venture Corporation Executives' Share Option Scheme ("The 2004 Scheme")

Since the end of the previous financial quarter, 1,000 options (Q4 2017: 892,000) were exercised and Nil options (Q4 2017: Nil) have lapsed.

As at December 31, 2018, there were 43,000 unissued shares of the Company under options in the 2004 Scheme (December 31, 2017: 1,078,000).

Venture Corporation Executives' Share Option Scheme ("The 2015 Scheme")

Since the end of the previous financial quarter, 144,000 options (Q4 2017: 414,000) were exercised and Nil options (Q4 2017: 3,000) have lapsed.

As at December 31, 2018, there were 2,806,000 unissued shares of the Company under options in the 2015 Scheme. (December 31, 2017: 6,199,000).

Venture Corporation Restricted Share Plan ("RSP")

The RSP has a 5-year vesting period and is subject to the rules of the RSP.

As at December 31, 2018 the number of RSP shares stood at 900,000 (December 31, 2017: 960,000).

	No. of RSP shares awarded	Lapsed shares	No. of RSP shares net of lapsed shares
May 2014 Award	120,000	(20,000)	100,000
May 2015 Award	270,000	(20,000)	250,000
June 2016 Award	280,000	(20,000)	260,000
June 2017 Award	290,000	-	290,000
	960,000	(60,000)	900,000

1.(d)(iv) Subsidiary holdings

There were no holdings in Venture Corporation Limited by any subsidiary as at the end of the current financial period reported on.

2. **Whether the figures have been audited, or reviewed and in accordance with which auditing standard or practice**

These figures have not been audited or reviewed.

3. **Where the figures have been audited or reviewed, the auditors' report (including any qualifications or emphasis of a matter)**

Not applicable.

4. **Whether the same accounting policies and methods of computation as in the issuer's most recently audited annual financial statements have been applied**

Other than as mentioned in Paragraph 5 regarding the adoption of Singapore Financial Reporting Standards (International) (SFRS(I)) effective 1 January 2018, there were no significant changes in accounting policies and methods of computation adopted in the financial statements of the current reporting period as compared to the most recently audited annual financial statements as at 31 December 2017.

5. **If there are any changes in the accounting policies and methods of computation, including any required by an accounting standard, what has changed, as well as the reasons for, and the effect of, the change**

The Group adopted the new financial reporting framework - SFRS(I), in accordance with all Singapore-incorporated companies listed on the Singapore Exchange (SGX) for annual periods beginning on or after 1 January 2018. The Group assessed the transition provisions and elected to reset the cumulative translation differences recorded in the foreign translation reserve to \$NIL. The cumulative balance of S\$144.4 million was transferred to accumulated profits as at 1 January 2017.

The Group also adopted the following SFRS(I) pronouncements that are effective for annual periods beginning on or after 1 January 2018:

- SFRS(I) 9 Financial Instruments
- SFRS(I) 15 Revenue from Contracts with Customers

SFRS(I) 9 is effective for financial years beginning on or after 1 January 2018. The Group has elected to apply the short-term exemption under SFRS(I), which exempt the Group from applying SFRS(I) 9 to comparative information. Accordingly, requirements of SFRS 39 Financial Instruments: Recognition and Measurement will continue to apply to financial instruments up to the financial year ended 31 December 2017. In accordance with SFRS(I) 9, the Group provided an allowance for doubtful debts of \$1,578,000 in Q4 2018 under the expected credit loss model.

In accordance with SFRS(I) 15 disclosure, Contract Assets and Contract Liabilities have been included in the statement of financial position. The comparatives have also been restated to take this into account.

6. **Earnings per ordinary share of the group for the current financial period reported on and the corresponding period of the immediately preceding financial year, after deducting any provision for preference dividends**

- (a) Based on the weighted average number of ordinary shares on issue (cents)
- (b) On a fully diluted basis (cents)
(detailing any adjustments made to the earnings)

3 months ended 31.12.2018	3 months ended 31.12.2017	12 months ended 31.12.2018	12 months ended 31.12.2017
37.5	50.6	128.8	132.2
37.1	49.5	127.3	130.0

7. **Net asset value per ordinary share**

Net asset value per ordinary share based on the total number of issued shares excluding treasury shares at the end of the financial period reported on (cents)

Group		Company	
31.12.2018	31.12.2017	31.12.2018	31.12.2017
816.4	760.9	547.4	518.3

8. **A review of the performance of the group, to the extent necessary for a reasonable understanding of the group's business. It must include a discussion of the following:-**
(a) any significant factors that affected the turnover, costs, and earnings of the group for the current financial period reported on, including (where applicable) seasonal or cyclical factors; and
(b) any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current financial period reported on.

PERFORMANCE REVIEW

For the financial year ended 31 December 2018, the Group registered revenue of S\$3,484.6 million (-13.0% YoY). For the three months ended 31 December 2018, the Group registered revenue of S\$905.9 million (+17.6% QoQ, -16.6% YoY). The decline in 4Q 2018 revenue year-on-year was mainly attributable to the impact arising from customers' product transitions and customers' M&A activities. Revenue for 4Q 2018 grew 17.6% against prior quarter with stronger demand from customers.

For the twelve months ended 31 December 2018, the Group recorded profit before tax (PBT) of S\$433.0 million (-2.4% YoY). For 4Q 2018, the Group recorded PBT of S\$124.5 million, (+31.5% QoQ, -25.9% YoY). Excluding non-recurring gain of S\$11.3 million recognised in 4Q 2017 arising from disposal of an investment in associate, PBT for 4Q 2018 would record a decrease of 20.5% year-on-year. In line with the PBT, the Group reported income tax expense of S\$62.9 million for the full year of 2018 and S\$16.8 million for the reported quarter.

The Group recorded net profit (profit attributable to owners of the Company) of S\$370.1 million for FY 2018 (-0.7% YoY). Excluding non-recurring gains, net profit for FY 2018 would register an increase of 2.4% year-on-year. For 4Q 2018, the Group recorded net profit of S\$107.7 million (+33.3% QoQ, -24.7% YoY). This translates to net margin of 10.6% for the twelve months ended 31 December 2018 (FY 2017: 9.3%) and 11.9% for the reported quarter (4Q 2017: 13.2%). Despite revenue headwinds, the Group managed to sustain its profitability driven by high value creation through Engineering Design, R&D capabilities and Operational Excellence across several technology domains.

Diluted Earnings Per Share was 127.3 cents for FY 2018 (FY 2017: 130.0 cents) and 37.1 cents for the reported quarter (4Q 2017: 49.5 cents).

FINANCIAL POSITION AND CASHFLOW

For the financial year ended 31 December 2018, the Group generated cash from operations of S\$311.5 million (FY 2017: S\$499.9 million). For the quarter ended 31 December 2018, cash generated from operations amounted to S\$34.6 million (4Q 2017: S\$191.3 million). Compared to FY 2017, the Group registered an increase in working capital position largely due to higher inventories to deliver continuous reliable support for customers' programmes.

As at 31 December 2018, the Group had S\$712.8 million of cash and bank balances (31 Dec 2017: S\$752.4 million). The Group net cash position remained strong at S\$711.0 million (31 Dec 2017: S\$721.6 million) despite an increase of S\$89.3 million dividends paid in 2018, inclusive of S\$57.6 million interim dividend paid in 3Q 2018. In 2018, the Group invested S\$58.5 million in the purchase of property, plant and equipment (FY 2017: S\$37.0 million).

As at 31 December 2018, Equity attributable to owners of the Company grew 8.5% to S\$2,349.9 million (31 Dec 2017: S\$2,165.8 million) and Net Asset Value per share was S\$8.16 (31 Dec 2017: S\$7.61).

9. **Where a forecast, or a prospect statement, has been previously disclosed to shareholders, any variance between it and the actual results**

Not applicable.

10. **A commentary at the date of the announcement of the significant trends and competitive conditions of the industry in which the group operates and any known factors or events that may affect the group in the next reporting period and the next 12 months**

Following its sequential revenue growth in 4Q 2018, Venture expects, in 2019, to drive revenue growth from the Group's broad-based portfolio of technology domains, and continued success in new product launches for its partners.

There have been increased interest from businesses looking to relocate production to Southeast Asia due to the US-China trade war. This is expected to present new business opportunities for the Group. Venture remains alert to respond to any development in the global economy that may introduce new uncertainties to the operating environment.

Venture will focus on enhancing its globally linked Clusters of Excellence, in support of its next phase of growth. Leveraging on its new facilities in Milpitas, California, USA, which is strategically located in the Silicon Valley, Venture aims to develop several dynamic ecosystems with its embedded Clusters of Excellence, to serve new markets in selected technology domains in the years ahead. This will broaden the Group's value creation/value capture along multiple pathways to chart its business roadmap for future quality growth.

11. **Dividend**

(a) Current Financial Period Reported On

Name of Dividend	Interim (Paid)	Final (Proposed)
Dividend Type	Cash	Cash
Dividend Amount per Share (in cents)	20 cents per ordinary share	50 cents per ordinary share*
Tax Rate	Exempt	Exempt

*subject to shareholders' approval at the forthcoming AGM

During the financial year, the Company declared and paid an interim one-tier tax-exempt dividend of \$0.20 per ordinary share totalling \$57,608,000 in respect of the financial year ended 31 December 2018.

In addition, the Directors of the Company propose that a final one-tier tax-exempt dividend of \$0.50 per ordinary share be paid to all shareholders in respect of the financial year ended 31 December 2018. Subject to the approval by the shareholders at the forthcoming Annual General Meeting, this proposed dividend has not been included as a liability in these financial statements. The total estimated dividend to be paid is \$143,913,000.

(b) Corresponding Period of the Immediately Preceding Financial Year

Name of Dividend	Final
Dividend Type	Cash
Dividend Amount per Share (in cents)	60 cents per ordinary share
Tax Rate	Exempt
Payment Date	May 31, 2018

(c) Date payable

22 May 2019

(d) Books closure date

5pm on 13 May 2019

12. **If no dividend has been declared (recommended), a statement to that effect.**

Not applicable

13. **If the Group has obtained a general mandate from shareholders for IPTs, the aggregate value of such transactions as required under Rule 920(1)(a)(ii). If no IPT mandate has been obtained, a statement to that effect.**

The Group has not sought a general mandate from shareholders for Interested Person Transactions.

14. **Please disclose a confirmation that the issuer has procured undertakings from all its directors and executive officers under Rule 720(1).**

The Group has procured undertakings from all its directors and executive officers

15. Segmental revenue and results for business or geographical segments (of the group) in the form presented in the issuer's most recently audited annual financial statements, with comparative information for the immediately preceding year

Segmental Results

a) By Reportable Segments

	Advance Manufacturing & Design Solutions S\$'000	Technology Products & Design Solutions S\$'000	Eliminations S\$'000	Group S\$'000
2018				
Revenue:				
External Sales	2,599,754	884,849	-	3,484,603
Inter-segment Sales	25,541	16,395	(41,936)	-
Total revenue	2,625,295	901,244	(41,936)	3,484,603
Results:				
Segment results	347,902	76,897	-	424,799
Investment revenue				9,209
Finance costs				(982)
Share of profit of associates				(58)
Profit before income tax				432,968
Income tax				(62,885)
Profit for the year				370,083

	Advance Manufacturing & Design Solutions *	Technology Products & Design Solutions *	Eliminations S\$'000	Group S\$'000
	S\$'000	S\$'000	S\$'000	S\$'000

2017

Revenue:

External Sales	3,204,814	799,725	-	4,004,539
Inter-segment Sales	22,724	26,422	(49,146)	-
Total revenue	3,227,538	826,147	(49,146)	4,004,539

Results:

Segment results	369,989	57,950	-	427,939
Investment revenue				3,801
Finance costs				(1,012)
Share of profit of associates				1,671
Gain on disposal of associates				11,348
Profit before income tax				443,747
Income tax				(71,048)

Profit for the year

372,699

* For FY2018, the Group's reportable segments were streamlined to Advance Manufacturing & Design Solutions (AMDS) and Technology Products & Design Solutions (TPS). Electronics Services Provider and Components Technology were reclassified into AMDS and Retail Store Solution & Industrial was reclassified into TPS.

b) By Technology Domains Segments

	2018 S\$'000	2017 S\$'000
Revenue		
Portfolio 1	1,499,492	2,033,106
Portfolio 2	1,985,111	1,971,433
	3,484,603	4,004,539

Portfolio 1 comprised Life Science, Genomics, Molecular Diagnostics and Related Materials Technology, Medical Devices and Equipment, Healthcare & Wellness Technology, Lifestyle Consumer Tech, Health Improvement Products and Others.

Portfolio 2 comprised Instrumentation, Test & Measurement Technology, Networking & Communications, Security & Safety, Building Automation, Industrial IOT, Fintech & Advanced Payment Systems, Computing & Productivity Systems, Advanced Industrial Technology, Printing & Imaging, Related Components Technology and Others.

c) By Geographical Segments

	2018 S\$'000	2017 S\$'000
Revenue		
Singapore	729,902	779,868
Asia-Pacific (excluding Singapore)	2,553,399	2,982,652
Others	201,302	242,019
	3,484,603	4,004,539

16. In the review of performance, the factors leading to any material changes in contributions to turnover and earnings by the business and geographical segments

Please refer to item 8

17. A breakdown of sales as follows:-

	Group		
	Year Ended 31.12.2018 S\$'000	Year Ended 31.12.2017 S\$'000	% Increase
(a) Revenue reported for first half year	1,808,290	1,856,201	-2.6%
(b) Operating profit after income tax before deducting non-controlling interests reported for first half year	181,636	118,400	53.4%
(c) Revenue reported for second half year	1,676,313	2,148,338	-22.0%
(d) Operating profit after tax before deducting non-controlling interests reported for second half year	188,447	254,299	-25.9%

18. A breakdown of the annual dividend (in dollar value) for the issuer's latest full year and its previous full year

	Latest Full Year S\$'000	Previous Full Year S\$'000
Ordinary dividend for 2017 (Paid)	-	172,413
Interim ordinary dividend for 2018 (Paid)	57,608	-
Proposed final ordinary dividend for 2018*	143,913	-
	<u>201,521</u>	<u>172,413</u>

*Based on 287,826,577 issued shares excluding treasury shares as at December 31, 2018

In the financial year ended 31 December 2018, the Company declared and paid a final one-tier tax-exempt dividend of \$0.60 per ordinary share totalling \$172,413,000 in respect of the previous financial year ended 31 December 2017. In addition, an interim one-tier tax-exempt dividend of \$0.20 per ordinary share totalling \$57,608,000 was paid in respect of the current financial year ended 31 December 2018.

The Directors of the Company propose that a final one-tier tax-exempt dividend of \$0.50 per ordinary share be paid to all shareholders in respect of the current financial year ended 31 December 2018. Subject to the approval by the shareholders at the forthcoming Annual General Meeting, this proposed dividend has not been included as a liability in these financial statements. The total estimated dividend to be paid is \$143,913,000.

19. Disclosure of person occupying a managerial position in the issuer or any of its principal subsidiaries who is a relative of a director or chief executive officer or substantial shareholder of the issuer pursuant to Rule 704(13) in the prescribed format. If there are no such persons, the issuer must make an appropriate negative statement.

Pursuant to Rule 704(13) of the Listing Manual of the Singapore Exchange Securities Trading Limited, the Company confirms that there is no person occupying a managerial position in the Company who is related to a director, chief executive officer or substantial shareholder of the Company.

BY ORDER OF THE BOARD

Angeline Khoo Cheng Nee
Company Secretary
February 22, 2019