



2Q/1H 2021 Results Presentation

6 August 2021

- ▼ 1H 2021 net profit¹ of S\$140.4 million on revenue of S\$1,432.2 million, translating to net margin of 9.8%.
- ▼ 2Q 2021 net profit of S\$75.1 million on revenue of S\$745.5 million, translating to net margin of 10.1%.
- ▼ Earnings per share² of 48.1 Singapore cents in 1H 2021.
- ▼ Net cash position of S\$922.2 million as at 30 June 2021.
- ▼ Free cash flow of S\$161.1 million generated in 1H 2021.
- ▼ Net asset value per share of S\$8.93 as at 30 June 2021.
- ▼ Interim dividend of S\$0.25 per share declared.

1. Net profit refers to profit attributable to owners of the Company
2. Earnings per share (EPS) is on a fully diluted basis




**FINANCIAL
PERFORMANCE
REVIEW**

2021 Sequential Quarters Summary



(S\$m)	1Q 2021	2Q 2021	QoQ %	1H 2021
Revenue	686.7	745.5	8.6	1,432.2
Profit before tax	75.0	86.7	15.7	161.7
PBT Margin (%)	10.9	11.6	-	11.3
Income tax expense	(9.6)	(11.7)	21.4	(21.3)
Effective Tax Rate (%)	12.9	13.5	-	13.2
Net profit	65.3	75.1	14.9	140.4
Net Margin (%)	9.5	10.1	-	9.8
EPS (cents)	22.4	25.7	14.9	48.1

 The Group achieved steady progress in 2Q 2021, underpinned by strong value creation/capture achieved by our high-calibre group of science & technology experts as well as high-performing professionals in operations and other support functions.

1H 2021 Results – YoY Comparison



(S\$m)	1H 2021	1H 2020	%
Revenue	1,432.2	1,365.7	4.9
Profit before tax	161.7	151.1	7.0
PBT Margin (%)	11.3	11.1	-
Income tax expense	(21.3)	(20.5)	4.1
Effective Tax Rate (%)	13.2	13.6	-
Net profit	140.4	130.5	7.6
Net Margin (%)	9.8	9.6	-
EPS (cents)	48.1	44.9	7.1

▼ The Group's margins improved year-on-year, reflecting Venture's differentiating business models and value propositions that are continuously transformed and enhanced in this dynamic operating environment.



FINANCIAL POSITION AND CASH FLOW

Balance Sheet Summary



(S\$m)	30 June 2021	31 December 2020
Cash & Bank Balances	922.2	928.7
Net Current Assets	1,702.9	1,687.1
Net Non-current Assets	893.6	902.0
Total Net Assets	2,596.6	2,589.1
Accumulated Profits	1,848.9	1,854.4
Share Capital & Reserves	744.9	732.0
Non-Controlling Interests	2.7	2.7
Total Equity	2,596.6	2,589.1
Net Asset Value per Share	S\$8.93	S\$8.92

Comparison of Net Cash Position

(S\$m)	30 June 2021	31 December 2020
Cash & Bank Balances	922.2	928.7
Total Loans	-	-
Net Cash	922.2	928.7

Net cash position stood at S\$922.2 million as at 30 June 2021, after final dividend payment of S\$145.2 million in May 2021.

Comparison of Working Capital

(S\$m)	30 June 2021	31 December 2020
Trade Receivables	677.3	702.7
Trade Payables	(486.3)	(397.5)
AR – AP	191.0	305.1
Inventories	766.6	656.5
Working Capital	957.6	961.6

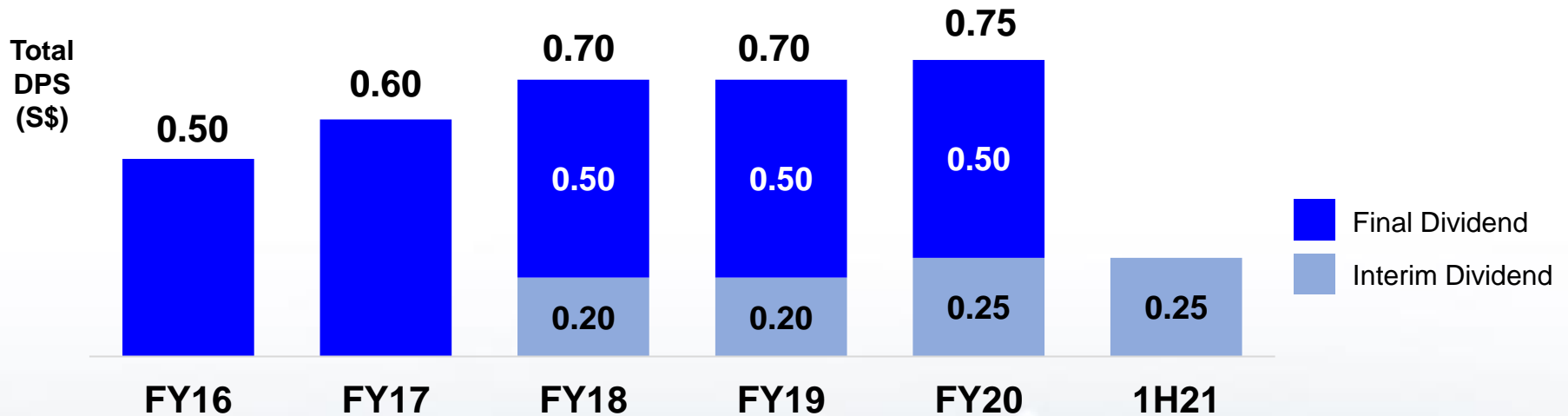
Working Capital remained relatively flat compared to 31 December 2020, as lower net AR – AP position offset higher Inventories.



**DECLARED
INTERIM
DIVIDEND**

Key Dates

- Book Closure Date: 5pm, 6 September 2021
- Payment Date: 17 September 2021



- The Board of Directors has declared an interim dividend of S\$0.25 per share on a one-tier tax-exempt basis, consistent with the 1H 2020 interim dividend of S\$0.25 per share.



OUTLOOK



Based on customers' feedback, demand outlook for Venture over the next 12 months appears ebullient. In the fast-growing Life Science Technology and Genomics domain, where Venture has gained good traction over the years, the Group sees sustained expanding demand for innovative products and services. In particular, there are new emerging trends in next-generation sequencing and diagnostics. Venture's R&D Labs and Operations are deeply involved in developing/manufacturing breakthrough technology products for our customers. An example is for an emerging life science technology group that has established an industry-leading position in single cell analysis and continues to expand its expertise to new adjacent domains through M&As. Venture remains a key partner to its customers whose products are still highly sought after in the fight against COVID-19 and other diseases. The Group is also developing strategic modules as well as co-development of solutions with other erstwhile partners, to expand its participation in these domains.

In the Lifestyle Consumer Electronics Cluster, Venture continues to render strong development/manufacturing services, including supporting the launch of a new platform of next-generation devices. The launch of these new platform products is expected to commence in the second half of 2021.

Another new area of growth for Venture is in Liquid Chromatography and Mass Spectrometry. Other domains showing positive trends include Test & Measurement Instrumentation, Networking & Communications, Advanced Industrials, and Semiconductor-related Equipment.

Although customers' orders/forecasts indicate sustained strong end-market demand, full fulfilment is contingent on the availability of parts and components. Venture has put in place multiple strategies to improve its access to raw materials and enhance its assurance of supply. Some of these strategies include redesigning parts and components to overcome shortages. All our operating groups are securing customers' confirmed orders for advance inventory procurement, as well as reaffirming suppliers' delivery commitment by rallying support from our customers and partners.

Despite the Extended Movement Control Order (EMCO) in Malaysia, Venture continues to operate as an essential economic sector. Although certain restrictions from the EMCO remain in place, the Group has been improving its operational efficiencies through tactical strategies to support order fulfilment. Vaccination programmes have commenced at our Malaysia sites. Venture aims to have more than 80% of its Malaysia-based employees receive their first vaccination dose by the third quarter of 2021, which will enhance the well-being of our people while allowing our sites to operate safely.

Based on good traction in selected technology domains, Venture will continue to invest strongly in developing new capabilities and growing its science & technology sector with a larger talent pool. High-calibre professionals are also being recruited to foster new differentiating pathways, which will further strengthen our globally linked Clusters of Excellence.

These steps are taken to accelerate the continuous transformation of the Group's business goals and strategic direction, to stay relevant and impactful in its marketplace always.

This presentation may contain certain forward-looking statements including, but not limited to, statements as to future operating results and plans.

These statements are based on our assumptions and estimates and are subject to known and unknown risks and uncertainties and other factors which may cause the actual results, performance or achievements of the Group to differ materially from any future results, performance or achievements expressed or implied by those projected in the forward-looking statements.

Consequently, readers are cautioned not to place undue reliance on any forward-looking statements.



Thank You

