



VENTURE REPORTS FY 2020 NET PROFIT OF S\$297.3 MILLION ON REVENUE OF S\$3,012.9 MILLION, WITH NET MARGIN OF 9.9%

ANOTHER QUARTER OF SEQUENTIAL IMPROVEMENT IN 4Q 2020 ON THE BACK OF A ROBUST 3Q 2020, CUMULATING IN A STRONGER 2H 2020 COMPARED TO 1H 2020

PROPOSED FINAL DIVIDEND OF S\$0.50 PER SHARE BRINGING FY 2020 TOTAL DIVIDEND TO S\$0.75 PER SHARE

SINGAPORE, 26 FEBRUARY 2021 – Venture Corporation Limited today reported its financial performance for the half year and full year ended 31 December 2020.

FINANCIAL RESULTS HIGHLIGHTS

- FY 2020 net profit of S\$297.3 million on revenue of S\$3,012.9 million.
 - Net margin remained relatively stable year-on-year at 9.9%.
- 2H 2020 net profit of S\$166.8 million on revenue of S\$1,647.2 million.
 - Represented an increase of 27.8% in net profit and 20.6% in revenue compared to 1H 2020.
- Earnings per share of S\$1.02 in FY 2020.
- Cash position of S\$928.7 million as at 31 December 2020.
- Free cash flow of S\$470.9 million generated in FY 2020.
- Net asset value per share of S\$8.92 as at 31 December 2020.
- Proposed final dividend of S\$0.50 per share, cumulating in FY 2020 total dividend per share of S\$0.75.

For the financial year ended 31 December 2020, the Group registered revenue of S\$3,012.9 million. The Group's results reflected the steady recovery from the various disruptions caused by the global Covid-19 pandemic. Revenue for 2H 2020 registered a +20.6% recovery against 1H 2020 to S\$1,647.2 million as a demonstration of Venture's resilience, competency and resourcefulness.

The Group recorded profit before tax (PBT) of S\$342.8 million for the twelve months ended 31 December 2020, and S\$191.7 million for 2H 2020. In line with the PBT, income tax expense recorded S\$45.4 million for the full year of 2020 and S\$24.9 million for 2H 2020. The Group recorded net profit (profit attributable to owners of the Company) of S\$297.3 million for FY 2020 and S\$166.8 million for 2H 2020. This translates to net margin of 9.9% for FY 2020 (FY 2019: 10.0%) and 10.1% for 2H 2020 (2H 2019: 10.1%). The Group's diversified customers' portfolio, differentiating capabilities to capture growth and relentless focus on operational excellence continue to generate significant value for our partners.

Diluted Earnings Per Share was 102.2 cents for FY 2020 (FY 2019: 125.3 cents) and 57.3 cents for 2H 2020 (2H 2019: 62.4 cents).

FINANCIAL POSITION AND CASHFLOW

For the financial year ended 31 December 2020, the Group generated operating cash flow of S\$383.8 million before working capital changes (FY 2019: S\$448.5 million). The Group registered improvement in working capital position through focused efforts to streamline inventory levels while ensuring assurance of supply. For the year ended 31 December 2020, the Group generated healthy cash flow from operations at S\$498.6 million (FY 2019: S\$291.7 million).

As at 31 December 2020, the Group balance sheet remained robust with S\$928.7 million of cash and bank balances (31 Dec 2019: S\$714.5 million). On 18 September 2020, the Group paid an interim tax-exempt dividend of 25 cents per ordinary share amounting to S\$72.5 million (2H 2019: S\$57.7 million). Notwithstanding the higher dividend payment, net cash as at 31 December 2020 remained strong at S\$928.7 million (S\$713.4 million as at 31 Dec 2019).

As at 31 December 2020, Equity attributable to owners of the Company grew 3.6% to S\$2,586.5 million (31 Dec 2019: S\$2,496.2 million) and Net Asset Value per share grew 3.1% to S\$8.92 (31 Dec 2019: S\$8.65).

PROPOSED FINAL DIVIDEND

The Board of Directors has recommended a final dividend of S\$0.50 per share on a one-tier tax-exempt basis for the financial year ended 31 December 2020. Including the interim dividend of S\$0.25 per share paid in September 2020, total dividend for FY 2020 will amount to S\$0.75 per share.

Subject to the approval of shareholders at the upcoming Annual General Meeting to be held in April 2021, the proposed final dividend will be paid on 25 May 2021.

OUTLOOK

Venture has amassed rich R&D capabilities and technical knowhow across various technology domains. Leveraging on this breadth of diverse experience, we are excited about the opportunities for us to grow in our existing domains and enter new ones.

Venture has made good headway in the Life Science Technologies, Medical Devices/Equipment and Lifestyle and Wellness Consumer Products domains. With a proven track record of delivering quality products and viable solutions that have supported clinical, medical and research breakthroughs, the Group continues to attract new partners seeking our complete end-to-end solutions from R&D right through to product commercialisation.

The wide-ranging advances and growing applications of Photonics, Networking and Communications and Advanced Semiconductor-related Equipment domains is expected to drive our growth in these segments. As we continue to scale up our participation and contribution in these domains, we are optimistic about new value creation and capture opportunities in the Battery Electric Vehicle industry and the Robotics, Automation and Artificial Intelligence domains.

Our beachhead in existing domains and entries into new up-and-coming ones will transform Venture into an active and influential contributor in its selected ecosystems of interest. Venture's well thought out multi-year strategy will further enhance our strong Clusters of Excellence to support this transformation. Tapping on technological advancements, we will continue to improve our operational excellence through higher productivity and better management of our global supply chain. Talent recruitment and development remains key too, as we continue to build our bench strength to integrate new differentiating capabilities, while upskilling and developing our people to hone our existing expertise. In the new decade ahead, Venture will unfold new business models and collaborations in new ecosystems that will elevate the Group's value proposition to our customers, partners and all stakeholders.

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Submitted by Devika Rani Davar, Company Secretary, on 26 February 2021 to the Singapore Exchange Securities Trading Limited.

This press release is also available at www.venture.com.sg.
(Company Reg. No.: 198402886H)

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ABOUT VENTURE (www.venture.com.sg)

Venture Corporation Limited (“**Venture**” or the “**Group**”) was founded in 1989 as an electronic services provider after the merger of three companies. Today, it is a leading global provider of technology solutions, products and services with established capabilities spanning marketing research, design and development, product and process engineering, design for manufacturability, supply chain management, as well as product refurbishment and technical support across a widely diversified range of technology domains.

Headquartered in Singapore, the Group comprises more than 30 companies with global clusters in Southeast Asia, Northeast Asia, America and Europe and employs over 12,000 people worldwide.

The Group has built know-how and intellectual property with expertise in several technology domains. These include life science, genomics, molecular diagnostics, medical devices and equipment, healthcare and wellness technology, lifestyle consumer technology, health improvement products, instrumentation, test and measurement technology, networking and communications, fintech, as well as computing, printing and imaging technology. The Group manages a portfolio of more than 5,000 products and solutions and continues to expand into new technology domains through its collaborations with customers and partners in selected ecosystems of interest.

Venture is a strategic partner of choice for over 100 global companies including Fortune 500 corporations. It ranks among the best in managing the value chain for leading electronics companies. The Group is committed to enhancing its competencies through further investments in technologies, market access capabilities, its people and expanding connectivity with other enterprises and research-intensive organisations/institutions in its ecosystem of interests. It stands poised to provide the leading edge and remain relevant in a constantly changing and evolving world.