

Condensed Consolidated Statement of Profit Or Loss and Other Comprehensive Income

Period ended 30 June 2022

	Notes to Financial Statements	Group		
		30 Jun 2022 S\$'000	30 Jun 2021 S\$'000	% increase/ (decrease)
Revenue (Note A)	5	1,796,121	1,432,200	25.4
Other income (Note B)		573	1,553	(63.1)
Changes in finished goods, work in progress and raw materials used (Note A)		(1,346,079)	(1,054,486)	27.7
Employee benefits expense (Note C)		(172,217)	(156,942)	9.7
Depreciation and amortisation expense (Note D)		(16,476)	(19,014)	(13.3)
Research and development expense (Note E)		(7,466)	(10,007)	(25.4)
Foreign currency exchange gain		2,548	2,083	22.3
Other operating expenses (Note F)		(47,211)	(37,351)	26.4
Investment revenue (Note G)		3,155	3,910	(19.3)
Finance costs		(147)	(232)	(36.6)
Profit before tax		212,801	161,714	31.6
Income tax expense		(38,305)	(21,349)	79.4
Profit for the period	3	174,496	140,365	24.3
Other comprehensive income:				
- Items that will not be reclassified subsequently to profit or loss				
Fair value (loss) gain on other financial assets, through other comprehensive income (FVTOCI)		(2,181)	1,240	n.m.
Other comprehensive income:				
- Items may be reclassified subsequently to profit or loss				
Exchange differences on translation of foreign operations		19,971	8,215	n.m.
Total comprehensive income for the period		192,286	149,820	28.3
Profit (Loss) attributable to:				
Owners of the Company		174,279	140,396	24.1
Non-controlling interests		217	(31)	n.m.
		174,496	140,365	24.3
Total comprehensive income attributable to:				
Owners of the Company		192,217	149,798	28.3
Non-controlling interests		69	22	n.m.
		192,286	149,820	28.3
Basic earnings per share		59.9	48.4	
Fully diluted earnings per share		59.8	48.1	

Note A

Group revenue for 1H 2022 increased on the back of broad-based demand across the Group's diversified portfolio. Changes in finished goods, work-in progress and raw materials used increased accordingly with the higher revenue.

Note B

Other income for 1H 2022 was lower year-on-year due to higher government grants received in the prior year.

Note C

The increase in Employee benefits expense for 1H 2022 was mainly driven by higher headcount, subcontract labour and staff overtime to meet shipments. Lean initiatives and improvement in productivity resulted in better managed costs notwithstanding the higher level of activities.

Note D

Depreciation and amortisation expense for 1H 2022 decreased year-on-year mainly due to more fully depreciated machinery and equipment.

Note E

Research and development (R&D) expenses (which comprised prototyping, tooling, non-recurring engineering (NRE), materials and related services) were lower due to customers' requirements. R&D manpower costs are separately recorded under Employee benefits expense.

Note F

Other operating expenses increased in 1H 2022 from higher freight and utilities expenses to support increased production activities.

Note G

Investment revenue for 1H 2022 decreased year-on-year due to a non-recurring gain on disposal of other financial assets of S\$1.3 million recorded in the prior year (Note 3).

Condensed Statement Of Financial Position

As at 30 June 2022

Notes to Financial Statements	Group		Company	
	30 Jun 2022 S\$'000	31 Dec 2021 S\$'000	30 Jun 2022 S\$'000	31 Dec 2021 S\$'000
ASSETS				
Current assets:				
Cash and bank balances	704,291	807,934	181,888	379,953
Trade receivables	848,236	829,245	12,973	12,495
Other receivables and prepayments	36,542	30,880	5,206	5,507
Contract assets	13,620	20,033	-	-
Inventories	1,250,367	1,049,429	110,979	83,950
Trade receivables due from subsidiaries	-	-	135,364	84,467
Other receivables due from subsidiaries	-	-	502	467
Total current assets	2,853,056	2,737,521	446,912	566,839
Non-current assets:				
Investments in subsidiaries	-	-	1,227,849	1,227,849
Investment in associate	628	628	-	-
Other financial assets	4 24,935	25,454	8,256	8,760
Property, plant and equipment	214,703	215,169	33,865	34,084
Right-of-use assets	8,751	12,444	1,916	3,430
Intangible assets	558	623	-	-
Goodwill	639,708	639,708	-	-
Deferred tax assets	3,836	3,714	-	-
Total non-current assets	893,119	897,740	1,271,886	1,274,123
Total assets	3,746,175	3,635,261	1,718,798	1,840,962
LIABILITIES AND EQUITY				
Current liabilities:				
Trade payables	660,629	643,591	58,013	53,102
Other payables and accrued expenses	143,415	156,361	20,189	27,161
Contract liabilities	117,169	73,052	11,127	9,182
Lease liabilities	6 5,811	8,731	1,984	4,360
Trade payables due to subsidiaries	-	-	1,570	1,795
Other payables due to subsidiaries	-	-	18,056	17,865
Income tax payable	41,584	25,764	6,362	4,837
Total current liabilities	968,608	907,499	117,301	118,302
Non-current liabilities:				
Deferred tax liabilities	3,552	3,512	-	-
Lease liabilities	6 4,385	4,800	998	42
Total non-current liabilities	7,937	8,312	998	42
Capital and reserves:				
Share capital	7 836,543	832,827	836,543	832,827
Treasury shares	7 (13,610)	(16,061)	(13,610)	(16,061)
Share-based awards reserve	3,462	5,077	3,462	5,077
Investments revaluation reserve	1,126	3,307	2,475	2,978
Foreign exchange translation reserve	(36,855)	(56,974)	-	-
Other reserves	28	(173)	(7,306)	(5,891)
Accumulated profits	1,975,769	1,948,349	778,935	903,688
Equity attributable to owners of the Company	2,766,463	2,716,352	1,600,499	1,722,618
Non-controlling interests	3,167	3,098	-	-
Total equity	2,769,630	2,719,450	1,600,499	1,722,618
Total liabilities and equity	3,746,175	3,635,261	1,718,798	1,840,962

Condensed Consolidated Statement of Cash Flow
Period ended 30 June 2022

	6 months ended	
	30 Jun 2022 S\$'000	30 Jun 2021 S\$'000
Operating activities:		
Profit before income tax	212,801	161,714
Adjustments for:		
Allowance for (Reversal of) inventory provisions	1,253	(708)
Depreciation of property, plant and equipment	11,032	13,557
Depreciation of right-of-use assets	5,246	5,395
Amortisation of intangible assets	198	62
Net re-measurement of expected credit loss allowance	24	14
Interest income	(3,155)	(3,910)
Dividend income	(477)	(363)
Interest expense	147	232
Share-based payments expense	533	1,251
Fair value adjustment on derivative instrument	76	410
Gain on disposal of plant and equipment, net	(32)	(95)
Gain on disposal of other financial assets	-	(1,326)
Operating profit before working capital changes	227,646	176,233
Trade receivables	(3,765)	28,794
Other receivables, prepayments and contract assets	3,038	(15,621)
Inventories	(188,624)	(103,006)
Trade payables	6,643	84,982
Other payables, accrued expenses and contract liabilities	25,839	(6,037)
Cash generated from operating activities	70,777	165,345
Interest paid	(147)	(232)
Income tax paid	(22,840)	(27,409)
Net cash generated from operating activities	47,790	137,704
Investing activities:		
Interest received	3,140	3,735
Dividend received from other equity investments	477	363
Purchase of property, plant and equipment	(7,785)	(4,246)
Proceeds on disposal of plant and equipment	69	102
Addition of intangible assets	(139)	-
Proceeds from disposal of other financial assets	-	2,651
Purchase of other financial assets	(1,380)	-
Net cash (used in) generated from investing activities	(5,618)	2,605
Financing activities:		
Dividends paid	(145,337)	(145,182)
Proceeds from issue of shares	3,637	3,957
Purchase of treasury shares	(939)	(2,397)
Repayments of lease liabilities (Note H)	(4,961)	(5,317)
Net cash used in financing activities	(147,600)	(148,939)
Net decrease in cash and cash equivalents	(105,428)	(8,630)
Cash and cash equivalents at beginning of period	807,934	928,740
Effect of foreign exchange rate changes on the balance of cash held in foreign currencies	1,785	2,059
Cash and cash equivalents at end of period	704,291	922,169
Cash and cash equivalents comprises:		
Cash	378,020	526,786
Fixed deposits	326,271	395,383
Cash and cash equivalents on the condensed consolidated cash flow statement	704,291	922,169

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

	30 Jun 2022	Financing Cash Flows	Non-cash changes		31 Dec 2021
			Net lease liabilities additions	Foreign exchange movement	
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
Lease Liabilities	10,196	(4,961)	1,582	44	13,531

Condensed Statement Of Changes In Equity For The Period Ended 30 June 2021

	Notes to Financial Statements	Share capital S\$'000	Treasury shares S\$'000	Share-based awards reserve S\$'000	Investments revaluation reserve S\$'000	Foreign exchange 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 1 January 2021		826,980	(16,674)	5,137	1,799	(86,211)	1,016	1,854,403	2,586,450	2,679	2,589,129
Total comprehensive income for the period											
Profit (loss) for the period		-	-	-	-	-	-	140,396	140,396	(31)	140,365
Other comprehensive income for the period		-	-	-	1,240	8,162	-	-	9,402	53	9,455
Total		-	-	-	1,240	8,162	-	140,396	149,798	22	149,820
Transactions with owners, recognised directly in equity											
Issue of shares	7	4,043	-	(86)	-	-	-	-	3,957	-	3,957
Appropriation to reserve fund		-	-	-	-	-	816	(816)	-	-	-
Treasury shares reissued pursuant to equity compensation plans	7	-	3,497	(1,362)	-	-	(2,135)	-	-	-	-
Purchase of treasury shares	7	-	(2,397)	-	-	-	-	-	(2,397)	-	(2,397)
Final tax exempt dividend paid in respect of the previous financial year	8	-	-	-	-	-	-	(145,182)	(145,182)	-	(145,182)
RSP/Share options lapsed	7	-	-	(139)	-	-	-	139	-	-	-
Recognition of share-based payments	7	-	-	1,251	-	-	-	-	1,251	-	1,251
Total		4,043	1,100	(336)	-	-	(1,319)	(145,859)	(142,371)	-	(142,371)
Balance at 30 June 2021		831,023	(15,574)	4,801	3,039	(78,049)	(303)	1,848,940	2,593,877	2,701	2,596,578

Condensed Statement Of Changes In Equity For The Period Ended 30 June 2022

	Notes to Financial Statements	Share capital S\$'000	Treasury shares S\$'000	Share-based awards reserve S\$'000	Investments revaluation reserve S\$'000	Foreign exchange 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 1 January 2022		832,827	(16,061)	5,077	3,307	(56,974)	(173)	1,948,349	2,716,352	3,098	2,719,450
Total comprehensive income for the period											
Profit for the period		-	-	-	-	-	-	174,279	174,279	217	174,496
Other comprehensive income for the period		-	-	-	(2,181)	20,119	-	-	17,938	(148)	17,790
Total		-	-	-	(2,181)	20,119	-	174,279	192,217	69	192,286
Transactions with owners, recognised directly in equity											
Issue of shares	7	3,716	-	(79)	-	-	-	-	3,637	-	3,637
Appropriation to reserve fund		-	-	-	-	-	1,616	(1,616)	-	-	-
Treasury shares reissued pursuant to equity compensation plans	7	-	3,390	(1,975)	-	-	(1,415)	-	-	-	-
Purchase of treasury shares	7	-	(939)	-	-	-	-	-	(939)	-	(939)
Final tax exempt dividend paid in respect of the previous financial year	8	-	-	-	-	-	-	(145,337)	(145,337)	-	(145,337)
Share options lapsed	7	-	-	(94)	-	-	-	94	-	-	-
Recognition of share-based payments	7	-	-	533	-	-	-	-	533	-	533
Total		3,716	2,451	(1,615)	-	-	201	(146,859)	(142,106)	-	(142,106)
Balance at 30 June 2022		836,543	(13,610)	3,462	1,126	(36,855)	28	1,975,769	2,766,463	3,167	2,769,630

Condensed Statement Of Changes In Equity For The Period Ended 30 June 2021

	Notes to Financial Statements	Share capital S\$'000	Treasury shares S\$'000	Share- based awards reserve S\$'000	Investments revaluation reserve S\$'000	Other reserves S\$'000	Accumulated profits S\$'000	Total equity S\$'000
The Company								
Balance at 1 January 2021		826,980	(16,674)	5,137	1,329	(3,886)	799,772	1,612,658
Total comprehensive income for the period								
Profit for the period		-	-	-	-	-	261,698	261,698
Other comprehensive income for the period		-	-	-	1,215	-	-	1,215
Total		-	-	-	1,215	-	261,698	262,913
Transactions with owners, recognised directly in equity								
Issue of shares	7	4,043	-	(86)	-	-	-	3,957
Treasury shares reissued pursuant to equity compensation plans	7	-	3,497	(1,362)	-	(2,135)	-	-
Purchase of treasury shares		-	(2,397)	-	-	-	-	(2,397)
Final tax exempt dividend paid in respect of the previous financial year	8	-	-	-	-	-	(145,182)	(145,182)
RSP/Share options lapsed	7	-	-	(139)	-	-	139	-
Recognition of share-based payments	7	-	-	1,251	-	-	-	1,251
Total		4,043	1,100	(336)	-	(2,135)	(145,043)	(142,371)
Balance at 30 June 2021		831,023	(15,574)	4,801	2,544	(6,021)	916,427	1,733,200

Condensed Statement Of Changes In Equity For The Period Ended 30 June 2022

	Notes to Financial Statements	Share capital S\$'000	Treasury shares S\$'000	Share- based awards reserve S\$'000	Investments revaluation reserve S\$'000	Other reserves S\$'000	Accumulated profits S\$'000	Total equity S\$'000
The Company								
Balance at 1 January 2022		832,827	(16,061)	5,077	2,978	(5,891)	903,688	1,722,618
Total comprehensive income for the period								
Profit for the period		-	-	-	-	-	20,490	20,490
Other comprehensive income for the period		-	-	-	(503)	-	-	(503)
Total		-	-	-	(503)	-	20,490	19,987
Transactions with owners, recognised directly in equity								
Issue of shares	7	3,716	-	(79)	-	-	-	3,637
Treasury shares reissued pursuant to equity compensation plans	7	-	3,390	(1,975)	-	(1,415)	-	-
Purchase of treasury shares	7	-	(939)	-	-	-	-	(939)
Final tax exempt dividend paid in respect of the previous financial year	8	-	-	-	-	-	(145,337)	(145,337)
Share options lapsed	7	-	-	(94)	-	-	94	-
Recognition of share-based payments	7	-	-	533	-	-	-	533
Total		3,716	2,451	(1,615)	-	(1,415)	(145,243)	(142,106)
Balance at 30 June 2022		836,543	(13,610)	3,462	2,475	(7,306)	778,935	1,600,499

SELECTED NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

1. Corporate Information

Venture Corporation Limited (Registration No. 198402886H) is incorporated in the Republic of Singapore with its principal place of business and registered office at 5006 Ang Mo Kio Avenue 5, #05-01/12 TECHplace II, Singapore 569873. The Company is listed on the mainboard of the Singapore Exchange Securities Trading Limited ("SGX-ST"). These condensed consolidated financial statements as at and for the six months ended 30 June 2022 comprise the Company and its subsidiaries (collectively, the Group). The Company is a leading global provider of technology solutions, products and services.

The principal activities of the Group can be found in Note 11 to annual financial statements for the year ended 31 December 2021.

2. Basis of Preparation

The condensed financial statements for the six months ended 30 June 2022 have been prepared in accordance with SFRS(I) 1-34 *Interim Financial Reporting* issued by the Accounting Standards Council Singapore. The condensed financial statements do not include all the information required for a complete set of financial statements. However, selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the Group's financial position and performance of the Group since the last annual financial statements for the year ended 31 December 2021.

The condensed financial statements are presented in Singapore dollar which is the Company's functional currency.

The accounting policies adopted are consistent with those of the previous financial year which were prepared in accordance with SFRS(I)s, except for the adoption of new and amended standards applicable for the current reporting period. The Group did not have to change its accounting policies or make retrospective adjustments as a result of adopting those standards. Standards issued but not effective can be found in Note 35 to annual financial statements for the year ended 31 December 2021.

The condensed financial statements for the six months period ended 30 June 2022 have not been audited or reviewed.

2.1 Use of Judgements and Estimates

In preparing the condensed financial statements in conformity with SFRS(I)1-34 *Interim Financial Reporting*, the management is required to make judgement, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. These estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected. In applying the Group's accounting policies, the judgements and the key sources of estimation uncertainty made were the same as those that applied to the consolidated financial statements as at and for the year ended 31 December 2021. Details can be found in Note 3 to annual financial statements for the year ended 31 December 2021.

3. Profit after Income Tax

The profit after income tax includes the following credits (charges):

	Group	
	6 months ended	
	30 Jun 2022	30 Jun 2021
	S\$'000	S\$'000
Over (Under) provision of tax in respect of prior years	895	(70)
Net re-measurement of expected credit loss allowance	(24)	(14)
Gain on disposal of property, plant and equipment, net	32	95
Gain on disposal of other financial assets	-	1,326
(Allowance for) Reversal of inventory provisions	(1,253)	708

4. Financial Assets measured at Fair Value

4.1 Fair Value Measurement

The Group classifies financial assets measured at fair value using a fair value hierarchy which reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

- Quoted prices (unadjusted) in active markets for identical assets or liabilities (Level 1);
- Inputs other than quoted prices included within Level 1 which are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices) (Level 2); and
- Inputs for the asset or liability which are not based on observable market data (unobservable inputs) (Level 3).

Fair value of financial assets and financial liabilities

Other than the fair values of other financial assets, the carrying amounts of cash and bank balances, trade and other receivables, and trade and other payables approximate their respective fair values due to the relatively short-term maturity of these financial instruments.

Financial Assets/Liabilities	Fair Value as at				Fair Value Hierarchy	Valuation Technique(s) and Key Input(s)
	30 Jun 2022 Assets S\$'000	30 Jun 2022 Liabilities S\$'000	31 Dec 2021 Assets S\$'000	31 Dec 2021 Liabilities S\$'000		

Derivative Financial Instruments

The Group and the Company

Foreign exchange forward contract	-	76	-	-	Level 2	Forward pricing: The fair value is determined using quoted forward exchange rates at the reporting date discounted at a rate that reflects credit risk of counterparties
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Other Financial Assets

The Group

Quoted equity shares	20,708	-	22,607	-	Level 1	Quoted bid prices in an active market
Unquoted equity shares	4,227	-	2,847	-	Level 2	Net tangible asset of the underlying investment / most recent transacted prices which approximate fair value

The Company

Quoted equity shares	8,256	-	8,760	-	Level 1	Quoted bid prices in an active market
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There were no significant transfers between Level 1 and Level 2 of the fair value hierarchy during the year.

5. Segment and Revenue Information

The Group operates predominantly as a provider of manufacturing, engineering, design and fulfilment services to the electronics industry. Information reported to the Group's chief operating decision maker for the purposes of resource allocation and assessment of segment performance are as follows:

- (i) Advanced Manufacturing & Design Solutions ("AMDS").
- (ii) Technology Products & Design Solutions ("TPS").

Accordingly, the above are the Group's reportable segments under SFRS(I) 8 *Operating Segments*.

a) By Reportable Segments

	Advanced Manufacturing & Design Solutions S\$'000	Technology Products & Design Solutions S\$'000	Eliminations S\$'000	Group S\$'000
1H 2022				
Revenue:				
External Sales	919,231	876,890	-	1,796,121
Inter-segment Sales	8,529	7,630	(16,159)	-
Total revenue	927,760	884,520	(16,159)	1,796,121
Results:				
Segment results	99,247	107,998	-	207,245
Foreign currency exchange gain				2,548
Investment revenue				3,155
Finance costs				(147)
Profit before income tax				212,801
Income tax				(38,305)
Profit for the year				174,496
1H 2021				
Revenue:				
External Sales	713,049	719,151	-	1,432,200
Inter-segment Sales	7,476	6,017	(13,493)	-
Total revenue	720,525	725,168	(13,493)	1,432,200
Results:				
Segment results	71,209	84,744	-	155,953
Foreign currency exchange gain				2,083
Investment revenue				3,910
Finance costs				(232)
Profit before income tax				161,714
Income tax				(21,349)
Profit for the year				140,365

b) By Technology Domains Segments

	1H 2022 S\$'000	1H 2021 S\$'000
Revenue		
Portfolio A	812,734	564,521
Portfolio B	983,387	867,679
	1,796,121	1,432,200

Portfolio A 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 B 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.

The majority of the revenue is recognised at a point in time, with revenue recognised over time contributing less than 10% of the total revenue.

c) By Geographical Segments

The Group operates in the following principal geographical areas:

	1H 2022 S\$'000	1H 2021 S\$'000
Revenue		
Singapore	416,382	335,791
Asia-Pacific (excluding Singapore)	1,284,632	1,010,737
Others	95,107	85,672
	1,796,121	1,432,200

6. Aggregate Amount of Group's Borrowings and Debt Securities

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

	Group				Company			
	As at 30 Jun 2022		As at 31 Dec 2021		As at 30 Jun 2022		As at 31 Dec 2021	
	Secured S\$'000	Unsecured S\$'000	Secured S\$'000	Unsecured S\$'000	Secured S\$'000	Unsecured S\$'000	Secured S\$'000	Unsecured S\$'000
Lease liabilities	5,811	-	8,731	-	1,984	-	4,360	-

(b) Amount repayable after one year

	Group				Company			
	As at 30 Jun 2022		As at 31 Dec 2021		As at 30 Jun 2022		As at 31 Dec 2021	
	Secured S\$'000	Unsecured S\$'000	Secured S\$'000	Unsecured S\$'000	Secured S\$'000	Unsecured S\$'000	Secured S\$'000	Unsecured S\$'000
Lease liabilities	4,385	-	4,800	-	998	-	42	-

(c) Details of any collateral

Not applicable.

7. Share Capital and Treasury Shares

As at 30 June 2022, the total number of ordinary shares in issue was 291,855,577 (30 June 2021: 291,425,577), of which 843,000 were treasury shares (30 June 2021: 964,200).

The Company purchased 53,000 ordinary shares during 1H 2022 (1H 2021: 129,200). 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 1 January 2022	291,567,577	832,827
Add: No. of share options exercised in 1H 2022	288,000	3,716
As at 30 June 2022	<u>291,855,577</u>	<u>836,543</u>
	No. of treasury shares	S\$'000
As at 1 January 2022	1,000,000	16,061
Less: Treasury shares utilised in 1H 2022	(210,000)	(3,390)
Add: Treasury shares repurchased in 1H 2022	53,000	939
As at 30 June 2022	<u>843,000</u>	<u>13,610</u>
	As at 30 June 2022	As at 30 June 2021
% of treasury shares against the total ordinary shares in issue	<u>0.3%</u>	<u>0.3%</u>
	No. of shares	S\$'000
Issued shares excluding treasury shares as at 1 January 2022	290,567,577	816,766
Issued shares excluding treasury shares as at 30 June 2022	<u>291,012,577</u>	<u>822,933</u>

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

Since 31 December 2021, 288,000 options (1H 2021: 338,000) were exercised and 167,000 options (1H 2021: 70,000) have lapsed.

As at 30 June 2022, there were 1,557,500 unissued shares of the Company under options in the 2015 Scheme. (30 June 2021: 2,244,500).

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 30 June 2022, the number of RSP shares stood at 354,000 (30 June 2021: 736,000).

8. Dividend

(a) Current Financial Period Reported On

Name of Dividend	Interim
Dividend Type	Cash
Dividend Amount per Share (in cents)	25 cents per ordinary share
Tax Rate	Exempt

(b) Corresponding Period of the Immediately Preceding Financial Year

Name of Dividend	Interim
Dividend Type	Cash
Dividend Amount per Share (in cents)	25 cents per ordinary share
Tax Rate	Exempt

(c) Date Payable

15 September 2022

(d) Books Closure Date

5pm on 5 September 2022

9. Net Asset Value

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	
30 Jun 2022	30 Jun 2021	30 Jun 2022	30 Jun 2021
950.6	893.0	550.0	596.7

OTHER INFORMATION

1. 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. 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 six months ended 30 June 2022 (1H 2022), the Group reported revenue of S\$1,796.1 million, an increase of 25.4% year-on-year (YoY). Revenue recorded steady growth from broad-based expansion in all technology domains across the Group's diversified portfolio. Whilst there were challenges from the ongoing global supply chain problems and periodic lockdowns in China in the second quarter of this year, Venture delivered a creditable performance for 1H 2022.

In tandem with revenue growth, the Group profit before tax (PBT) recorded S\$212.8 million for 1H 2022 (+31.6% YoY). Notwithstanding rising inflationary pressures, the Group's differentiated R&D capabilities and continued productivity gains kept PBT margin healthy at 11.8% for 1H 2022 (1H 2021: 11.3%). 1H 2022 Net Profit attributable to owners of the Company grew 24.1% YoY to S\$174.3 million, translating to a healthy net profit margin of 9.7% despite a higher effective tax rate.

Diluted Earnings Per Share registered improvement of +24.3% YoY to 59.8 cents for 1H 2022 (1H 2021: 48.1 cents).

FINANCIAL POSITION AND CASH FLOW

The Group generated operating cash flow of S\$227.6 million before working capital changes for 1H 2022 (1H 2021: S\$176.2 million). Working capital increased primarily due to higher inventories to support its customer order fulfilment in response to the ongoing material constraints in key components. As at 30 June 2022, the Group recorded cash and bank balances of S\$704.3 million (S\$807.9 million as at 31 December 2021).

As at 30 June 2022, equity attributable to owners of the Company was S\$2,766.5 million, compared to S\$2,716.4 million as at 31 December 2021. Net Asset Value per share was S\$9.51, up from S\$9.35 as at 31 December 2021.

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

Not applicable.

4. 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.

For the first half of 2022, Venture recorded 25.4% YoY increase in revenue and 24.1% YoY increase in net profit. Expansion was broad-based across all of its technology domains.

Based on customer/business partnerships' order patterns, Venture expects demand to remain unabated in 2H 2022. The Group sees resilient demand across its diversified customer base, especially in the Life Science & Genomics, Healthcare & Wellness, Networking & Communications, Test & Measurement Instrumentation and Process & Test equipment in the semiconductor technology domains.

The industry continues to see supply lagging behind demand with challenges from global supply chain constraints, rising inflationary pressures and a tight labour situation. Notwithstanding these and other impediments over the next 12 months, with operational excellence and increased focus on inventory management, Venture expects to end the year well.

Looking into the longer-term horizon, the Group will maintain a sharp focus on its business sustainability goals and strategic direction. With planned investments into the expansion of its human capital, development of new differentiating technologies and capabilities, and new manufacturing capacity, Venture will be focusing on execution of its transformational journey to propel the Group's network of Clusters of Excellence to the next level.

5. 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.

6. 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 undertaking from all its directors and executive officers in the format as set out in Appendix 7.7 under Rule 720(1) of the Listing Manual of the SGX-ST.



VENTURE CORPORATION LIMITED
Company Registration Number 198402886H

CONFIRMATION BY THE BOARD PURSUANT TO RULE 705(5) OF THE LISTING MANUAL

On behalf of the Board of Directors of the Company, we, the undersigned, hereby confirm to the best of our knowledge that nothing has come to the attention of the Board of Directors of the Company which may render the condensed financial statements for the half year ended 30 June 2022 to be false or misleading in any material aspect.

On behalf of the Directors

(signed)
Wong Ngit Liong
Director

(signed)
Tan Seok Hoong @ Mrs Audrey Liow
Director

5 August 2022