



VENTURE DELIVERS STRONG 1H 2022 PERFORMANCE DECLARES INTERIM DIVIDEND OF S\$0.25 PER ORDINARY SHARE

- 1H 2022 Revenue up 25.4% year-on-year (YoY) to S\$1,796.1 million
- 1H 2022 Net Profit grew 24.1% YoY to S\$174.3 million
- Well-positioned to support its customers in their future growth
- Always striving to provide exceptional value to customers

SINGAPORE, 5 AUGUST 2022 – Venture Corporation Limited (Venture, or the “Group”) today reported its financial performance for the six months ended 30 June 2022.

FINANCIAL RESULTS HIGHLIGHTS

	1H 2022	1H 2021	Chg (%)
Revenue	1,796.1	1,432.2	25.4
Net Profit¹	174.3	140.4	24.1
Net Profit Margin (%)	9.7	9.8	-
Earnings Per Share (cents)	59.8	48.1	24.3

	30 Jun 2022	31 Dec 2021
Cash and bank balances	704.3	807.9
Net Asset Value per share (cents)	950.6	934.8

In S\$ million unless otherwise stated

¹ Net profit attributable to owners of the Company

For the six months ended 30 June 2022 (1H 2022), the Group reported revenue of S\$1,796.1 million, an increase of 25.4% YoY. Revenue recorded steady growth from broad-based expansion in all technology domains across the Group’s diversified portfolio. In particular, Healthcare & Wellness, Life Science & Genomics and Test & Measurement Instrumentation technology domains registered strong performance. Despite the ongoing global supply chain challenges and periodic lockdowns in China in the second quarter of this year, Venture delivered a creditable performance exceeding market consensus.

In tandem with revenue growth, 1H 2022 profit before tax (PBT) grew 31.6% YoY to S\$212.8 million. Notwithstanding rising inflationary pressures, the Group’s differentiating R&D capabilities and continued productivity gains contributed to a strong PBT margin of 11.8% in 1H 2022.

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 (EPS) increased 24.3% YoY to 59.8 cents in 1H 2022, up from 48.1 cents in 1H 2021.

FINANCIAL POSITION AND CASH FLOW

The Group generated operating cash flow of S\$227.6 million before working capital changes in 1H 2022, compared to S\$176.2 million in 1H 2021. 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's cash and bank balances were S\$704.3 million.

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.

DECLARED INTERIM DIVIDEND

The Board of Directors has declared an interim dividend of S\$0.25 per share on a one-tier tax-exempt basis, in line with the interim dividend for the same period last year. The 1H 2022 interim dividend payment date is set on 15 September 2022.

OUTLOOK

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.

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Submitted by Devika Rani Davar, Company Secretary, on 5 August 2022 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 formed in 1989 as an electronic services provider after the merger of three companies. Today, it is a leading global provider of technology services, products and solutions 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, 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 interests.

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 ecosystems of interests. It stands poised to be a leading provider of cutting-edge technology in an ever-evolving world.