

Condensed Consolidated Statement of Profit Or Loss and Other Comprehensive Income
For the Six Months and Full Year Ended 31 December 2022

	Notes to Financial Statements	Group			Group		
		2nd Half		%	Full Year		%
		31 Dec 2022	31 Dec 2021	increase/	31 Dec 2022	31 Dec 2021	increase/
		S\$'000	S\$'000	(decrease)	S\$'000	S\$'000	(decrease)
Revenue (Note A)	5	2,067,600	1,675,257	23.4	3,863,721	3,107,457	24.3
Other income (Note B)		1,499	857	74.9	2,072	2,410	(14.0)
Changes in finished goods, work in progress and raw materials used (Note A)		(1,577,561)	(1,243,408)	26.9	(2,923,640)	(2,297,894)	27.2
Employee benefits expense (Note C)		(189,396)	(170,408)	11.1	(361,613)	(327,350)	10.5
Depreciation and amortisation expense (Note D)		(16,375)	(17,865)	(8.3)	(32,851)	(36,879)	(10.9)
Research and development expense (Note E)		(9,234)	(9,321)	(0.9)	(16,700)	(19,328)	(13.6)
Foreign currency exchange gain		899	2,132	(57.8)	3,447	4,215	(18.2)
Other operating expenses (Note F)		(47,365)	(42,237)	12.1	(94,576)	(79,588)	18.8
Investment revenue (Note G)		6,077	2,859	n.m.	9,232	6,769	36.4
Finance costs		(370)	(191)	93.7	(517)	(423)	22.2
Share of profit of associate		321	199	61.3	321	199	61.3
Profit before tax		236,095	197,874	19.3	448,896	359,588	24.8
Income tax expense (Note H)		(40,477)	(25,917)	56.2	(78,782)	(47,266)	66.7
Profit for the period	3	195,618	171,957	13.8	370,114	312,322	18.5
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)		788	268	n.m.	(1,393)	1,508	n.m.
Other comprehensive income:							
- Items may be reclassified subsequently to profit or loss							
Exchange differences on translation of foreign operations		(50,600)	21,170	n.m.	(30,629)	29,385	n.m.
Total comprehensive income for the period		145,806	193,395	(24.6)	338,092	343,215	(1.5)
Profit attributable to:							
Owners of the Company		195,338	171,655	13.8	369,617	312,051	18.4
Non-controlling interests		280	302	(7.3)	497	271	83.4
		195,618	171,957	13.8	370,114	312,322	18.5
Total comprehensive income attributable to:							
Owners of the Company		145,766	192,998	(24.5)	337,983	342,796	(1.4)
Non-controlling interests		40	397	(89.9)	109	419	(74.0)
		145,806	193,395	(24.6)	338,092	343,215	(1.5)
Basic earnings per share		67.1	59.1		127.1	107.5	
Fully diluted earnings per share		67.0	58.9		126.8	107.0	

Note A

Group revenue for 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 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 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 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 2022 from higher freight and utilities expenses to support increased production activities.

Note G

Investment revenue for 2022 increased year-on-year mainly due to higher interest income recorded.

Note H

Income tax expense for 2022 increased year-on-year on the back of higher taxable profits and tax rate changes applicable on the Group's subsidiaries.

Condensed Statement Of Financial Position
As at 31 December 2022

	Notes to Financial Statements	Group		Company	
		31 Dec 2022 S\$'000	31 Dec 2021 S\$'000	31 Dec 2022 S\$'000	31 Dec 2021 S\$'000
ASSETS					
Current assets:					
Cash and bank balances		812,593	807,934	93,161	379,953
Trade receivables		906,378	829,245	13,918	12,495
Other receivables and prepayments		37,900	30,880	5,934	5,507
Contract assets		10,735	20,033	-	-
Inventories		1,065,300	1,049,429	91,116	83,950
Trade receivables due from subsidiaries		-	-	162,912	84,467
Other receivables due from subsidiaries		-	-	519	467
Total current assets		2,832,906	2,737,521	367,560	566,839
Non-current assets:					
Investments in subsidiaries		-	-	1,227,849	1,227,849
Investment in associate		799	628	-	-
Other financial assets	4	25,429	25,454	9,041	8,760
Property, plant and equipment		224,934	215,169	34,383	34,084
Right-of-use assets		22,745	12,444	10,327	3,430
Intangible assets		1,053	623	-	-
Goodwill		639,708	639,708	-	-
Deferred tax assets		3,829	3,714	-	-
Total non-current assets		918,497	897,740	1,281,600	1,274,123
Total assets		3,751,403	3,635,261	1,649,160	1,840,962
LIABILITIES AND EQUITY					
Current liabilities:					
Trade payables		533,137	643,591	42,973	53,102
Other payables and accrued expenses		173,424	156,361	31,157	27,161
Contract liabilities		121,211	73,052	9,155	9,182
Lease liabilities	6	10,800	8,731	6,299	4,360
Trade payables due to subsidiaries		-	-	931	1,795
Other payables due to subsidiaries		-	-	17,852	17,865
Income tax payable		54,567	25,764	6,753	4,837
Total current liabilities		893,139	907,499	115,120	118,302
Non-current liabilities:					
Deferred tax liabilities		1,888	3,512	-	-
Lease liabilities	6	13,485	4,800	5,462	42
Total non-current liabilities		15,373	8,312	5,462	42
Capital and reserves:					
Share capital	7	838,280	832,827	838,280	832,827
Treasury shares	7	(15,535)	(16,061)	(15,535)	(16,061)
Share-based awards reserve		3,827	5,077	3,827	5,077
Investments revaluation reserve		1,914	3,307	3,259	2,978
Foreign exchange translation reserve		(87,215)	(56,974)	-	-
Other reserves		28	(173)	(7,306)	(5,891)
Accumulated profits		2,098,385	1,948,349	706,053	903,688
Equity attributable to owners of the Company		2,839,684	2,716,352	1,528,578	1,722,618
Non-controlling interests		3,207	3,098	-	-
Total equity		2,842,891	2,719,450	1,528,578	1,722,618
Total liabilities and equity		3,751,403	3,635,261	1,649,160	1,840,962

Condensed Consolidated Statement of Cash Flow
Period ended 31 December 2022

	2nd Half		Full Year	
	31 Dec 2022 S\$'000	31 Dec 2021 S\$'000	31 Dec 2022 S\$'000	31 Dec 2021 S\$'000
Operating activities:				
Profit before income tax	236,095	197,874	448,896	359,588
Adjustments for:				
Share of profit of associate	(321)	(199)	(321)	(199)
(Reversal of) Allowance for inventory provisions	(486)	8,656	767	7,948
Depreciation of property, plant and equipment	10,303	12,306	21,335	25,863
Depreciation of right-of-use assets	5,851	5,373	11,097	10,768
Amortisation of intangible assets	221	186	419	248
Net re-measurement of expected credit loss	381	148	405	162
Interest income	(5,763)	(2,859)	(8,918)	(5,443)
Dividend income	(571)	(428)	(1,048)	(791)
Interest expense	370	191	517	423
Share-based payments expense	475	707	1,008	1,958
Fair value adjustment on derivative instrument	(752)	235	(676)	645
Loss (Gain) on disposal of plant and equipment, net	87	(20)	55	(115)
Gain on disposal of other financial assets	(314)	-	(314)	(1,326)
Operating profit before working capital changes	245,576	222,170	473,222	399,729
Trade receivables	(78,643)	(141,271)	(82,408)	(112,477)
Other receivables, prepayments and contract assets	(524)	1,114	2,514	(14,507)
Inventories	158,826	(279,483)	(29,798)	(382,489)
Trade payables	(117,300)	151,756	(110,657)	236,738
Other payables, accrued expenses and contract liabilities	41,944	37,229	67,783	31,192
Cash generated from (used in) operating activities	249,879	(8,485)	320,656	158,186
Interest paid	(370)	(191)	(517)	(423)
Income tax paid	(28,214)	(28,519)	(51,054)	(55,928)
Net cash generated from (used in) operating activities	221,295	(37,195)	269,085	101,835
Investing activities:				
Interest received	5,224	2,753	8,364	5,162
Dividend received from associate	150	300	150	300
Dividend received from other equity investments	571	428	1,048	791
Purchase of property, plant and equipment	(24,939)	(6,547)	(32,724)	(10,793)
Proceeds on disposal of plant and equipment	126	265	195	367
Addition of intangible assets	(733)	(567)	(872)	(567)
Proceeds from disposal of other financial assets	314	-	314	2,651
Purchase of other financial assets	-	-	(1,353)	-
Net cash used in investing activities	(19,287)	(3,368)	(24,878)	(2,089)
Financing activities:				
Dividends paid	(72,778)	(72,640)	(218,115)	(217,822)
Proceeds from issue of shares	1,683	1,767	5,320	5,724
Purchase of treasury shares	(1,925)	(368)	(2,864)	(2,765)
Repayments of lease liabilities (Note I)	(6,108)	(5,541)	(11,069)	(10,858)
Net cash used in financing activities	(79,128)	(76,782)	(226,728)	(225,721)
Net increase (decrease) in cash and cash equivalents	122,880	(117,345)	17,479	(125,975)
Cash and cash equivalents at beginning of period	704,291	922,169	807,934	928,740
Effect of foreign exchange rate changes on the balance of cash held in foreign currencies	(14,578)	3,110	(12,820)	5,169
Cash and cash equivalents at end of period	812,593	807,934	812,593	807,934
Cash and cash equivalents comprises:				
Cash	246,550	265,715	246,550	265,715
Fixed deposits	566,043	542,219	566,043	542,219
Cash and cash equivalents on the condensed consolidated cash flow statement	812,593	807,934	812,593	807,934

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

	31 Dec 2021	Financing Cash Flows	Non-cash changes		31 Dec 2022
			Net lease liabilities additions	Foreign exchange movement	
			S\$'000	S\$'000	
Lease Liabilities	13,531	(11,069)	21,776	47	24,285

Condensed Statement Of Changes In Equity For The Period Ended 31 December 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 for the year		-	-	-	-	-	-	312,051	312,051	271	312,322
Other comprehensive income for the year		-	-	-	1,508	29,237	-	-	30,745	148	30,893
Total		-	-	-	1,508	29,237	-	312,051	342,796	419	343,215
Transactions with owners, recognised directly in equity											
Issue of shares	7	5,847	-	(123)	-	-	-	-	5,724	-	5,724
Appropriation to reserve fund		-	-	-	-	-	946	(816)	130	-	130
Interim tax exempt dividend paid in respect of the current financial year	9, 10	-	-	-	-	-	-	(72,640)	(72,640)	-	(72,640)
Treasury shares reissued pursuant to equity compensation plans	7	-	3,497	(1,362)	-	-	(2,135)	-	-	-	-
Purchase of treasury shares	7	-	(2,884)	-	-	-	-	-	(2,884)	-	(2,884)
Final tax exempt dividend paid in respect of the previous financial year	9, 10	-	-	-	-	-	-	(145,182)	(145,182)	-	(145,182)
RSP/Share options lapsed	7	-	-	(533)	-	-	-	533	-	-	-
Recognition of share-based payments	7	-	-	1,958	-	-	-	-	1,958	-	1,958
Total		5,847	613	(60)	-	-	(1,189)	(218,105)	(212,894)	-	(212,894)
Balance at 31 December 2021		832,827	(16,061)	5,077	3,307	(56,974)	(173)	1,948,349	2,716,352	3,098	2,719,450

Condensed Statement Of Changes In Equity For The Period Ended 31 December 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		-	-	-	-	-	-	369,617	369,617	497	370,114
Other comprehensive income for the period		-	-	-	(1,393)	(30,241)	-	-	(31,634)	(388)	(32,022)
Total		-	-	-	(1,393)	(30,241)	-	369,617	337,983	109	338,092
Transactions with owners, recognised directly in equity											
Issue of shares	7	5,453	-	(133)	-	-	-	-	5,320	-	5,320
Appropriation to reserve fund		-	-	-	-	-	1,616	(1,616)	-	-	-
Interim tax exempt dividend paid in respect of the current financial year	9, 10	-	-	-	-	-	-	(72,778)	(72,778)	-	(72,778)
Treasury shares reissued pursuant to equity compensation plans	7	-	3,390	(1,975)	-	-	(1,415)	-	-	-	-
Purchase of treasury shares	7	-	(2,864)	-	-	-	-	-	(2,864)	-	(2,864)
Final tax exempt dividend paid in respect of the previous financial year	9, 10	-	-	-	-	-	-	(145,337)	(145,337)	-	(145,337)
Share options lapsed	7	-	-	(150)	-	-	-	150	-	-	-
Recognition of share-based payments	7	-	-	1,008	-	-	-	-	1,008	-	1,008
Total		5,453	526	(1,250)	-	-	201	(219,581)	(214,651)	-	(214,651)
Balance at 31 December 2022		838,280	(15,535)	3,827	1,914	(87,215)	28	2,098,385	2,839,684	3,207	2,842,891

Condensed Statement Of Changes In Equity For The Period Ended 31 December 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		-	-	-	-	-	321,205	321,205
Other comprehensive income for the period		-	-	-	1,649	-	-	1,649
Total		-	-	-	1,649	-	321,205	322,854
Transactions with owners, recognised directly in equity								
Issue of shares	7	5,847	-	(123)	-	-	-	5,724
Appropriation to reserve fund		-	-	-	-	130	-	130
Treasury shares reissued pursuant to equity compensation plans	7	-	3,497	(1,362)	-	(2,135)	-	-
Purchase of treasury shares		-	(2,884)	-	-	-	-	(2,884)
Interim tax exempt dividend paid in respect of the current financial year	9, 10	-	-	-	-	-	(72,640)	(72,640)
Final tax exempt dividend paid in respect of the previous financial year	9, 10	-	-	-	-	-	(145,182)	(145,182)
RSP/Share options lapsed	7	-	-	(533)	-	-	533	-
Recognition of share-based payments	7	-	-	1,958	-	-	-	1,958
Total		5,847	613	(60)	-	(2,005)	(217,289)	(212,894)
Balance at 31 December 2021		832,827	(16,061)	5,077	2,978	(5,891)	903,688	1,722,618

Condensed Statement Of Changes In Equity For The Period Ended 31 December 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		-	-	-	-	-	20,330	20,330
Other comprehensive income for the period		-	-	-	281	-	-	281
Total		-	-	-	281	-	20,330	20,611
Transactions with owners, recognised directly in equity								
Issue of shares	7	5,453	-	(133)	-	-	-	5,320
Treasury shares reissued pursuant to equity compensation plans	7	-	3,390	(1,975)	-	(1,415)	-	-
Purchase of treasury shares	7	-	(2,864)	-	-	-	-	(2,864)
Interim tax exempt dividend paid in respect of the current financial year	9, 10	-	-	-	-	-	(72,778)	(72,778)
Final tax exempt dividend paid in respect of the previous financial year	9, 10	-	-	-	-	-	(145,337)	(145,337)
Share options lapsed	7	-	-	(150)	-	-	150	-
Recognition of share-based payments	7	-	-	1,008	-	-	-	1,008
Total		5,453	526	(1,250)	-	(1,415)	(217,965)	(214,651)
Balance at 31 December 2022		838,280	(15,535)	3,827	3,259	(7,306)	706,053	1,528,578

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 and full year ended 31 December 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 and full year ended 31 December 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 interim financial statements for the period ended 30 June 2022.

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 full year ended 31 December 2021.

The condensed financial statements for the six months and full year ended 31 December 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 (charges) credits:

	Group		Group	
	31 Dec 2022	31 Dec 2021	31 Dec 2022	31 Dec 2021
	S\$'000	S\$'000	S\$'000	S\$'000
Overprovision of tax in respect of prior years	97	2,501	992	2,431
Net re-measurement of expected credit loss	(381)	(148)	(405)	(162)
Recovery of loss allowance	68	-	68	-
(Loss) Gain on disposal of property, plant and equipment, net	(87)	20	(55)	115
Gain on disposal of other financial assets	314	-	314	1,326
Reversal of (Allowance for) inventory provisions	486	(8,656)	(767)	(7,948)

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 assets 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 derivative financial instruments and 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)
	31 Dec 2022 Assets S\$'000	31 Dec 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	676	-	-	-	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	21,228	-	22,607	-	Level 1	Quoted bid prices in an active market
Unquoted equity shares / debt instrument	4,201	-	2,847	-	Level 2	Net tangible asset of the underlying investment / most recent transacted prices which approximate fair value

The Company

Quoted equity shares	9,041	-	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
1 Jul 2022 to 31 Dec 2022				
Revenue:				
External Sales	1,000,219	1,067,381	-	2,067,600
Inter-segment Sales	5,808	6,654	(12,462)	-
Total revenue	1,006,027	1,074,035	(12,462)	2,067,600
Results:				
Segment results	97,245	131,923	-	229,168
Foreign currency exchange gain				899
Investment revenue				6,077
Finance costs				(370)
Share of profit of associate				321
Profit before income tax				236,095
Income tax				(40,477)
Profit for the year				195,618
	Advanced Manufacturing & Design Solutions S\$'000	Technology Products & Design Solutions S\$'000	Eliminations S\$'000	Group S\$'000
1 Jul 2021 to 31 Dec 2021				
Revenue:				
External Sales	850,399	824,858	-	1,675,257
Inter-segment Sales	10,707	11,053	(21,760)	-
Total revenue	861,106	835,911	(21,760)	1,675,257
Results:				
Segment results	88,925	103,950	-	192,875
Foreign currency exchange gain				2,132
Investment revenue				2,859
Finance costs				(191)
Share of profit of associate				199
Profit before income tax				197,874
Income tax				(25,917)
Profit for the year				171,957

a) By Reportable Segments

	Advanced Manufacturing & Design Solutions	Technology Products & Design Solutions	Eliminations	Group
	S\$'000	S\$'000	S\$'000	S\$'000
From 1 Jan 2022 to 31 Dec 2022				
Revenue:				
External Sales	1,919,450	1,944,271	-	3,863,721
Inter-segment Sales	14,337	14,284	(28,621)	-
Total revenue	1,933,787	1,958,555	(28,621)	3,863,721
Results:				
Segment results	196,492	239,921	-	436,413
Foreign currency exchange gain				3,447
Investment revenue				9,232
Finance costs				(517)
Share of profit of associate				321
Profit before income tax				448,896
Income tax				(78,782)
Profit for the year				370,114

	Advanced Manufacturing & Design Solutions	Technology Products & Design Solutions	Eliminations	Group
	S\$'000	S\$'000	S\$'000	S\$'000
From 1 Jan 2021 to 31 Dec 2021				
Revenue:				
External Sales	1,563,448	1,544,009	-	3,107,457
Inter-segment Sales	18,183	17,070	(35,253)	-
Total revenue	1,581,631	1,561,079	(35,253)	3,107,457
Results:				
Segment results	160,134	188,694	-	348,828
Foreign currency exchange gain				4,215
Investment revenue				6,769
Finance costs				(423)
Share of profit of associate				199
Profit before income tax				359,588
Income tax				(47,266)
Profit for the year				312,322

b) By Technology Domains Segments

	2nd Half		Full Year	
	31 Dec 22	31 Dec 21	31 Dec 22	31 Dec 21
	S\$'000	S\$'000	S\$'000	S\$'000
Revenue				
Portfolio A	887,295	723,871	1,700,028	1,288,392
Portfolio B	1,180,305	951,386	2,163,693	1,819,065
	2,067,600	1,675,257	3,863,721	3,107,457

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:

	2nd Half		Full Year	
	31 Dec 22	31 Dec 21	31 Dec 22	31 Dec 21
	S\$'000	S\$'000	S\$'000	S\$'000
Revenue				
Singapore	501,216	417,421	917,598	753,212
Asia-Pacific (excluding Singapore)	1,467,270	1,165,921	2,751,902	2,176,658
Others	99,114	91,915	194,221	177,587
	<u>2,067,600</u>	<u>1,675,257</u>	<u>3,863,721</u>	<u>3,107,457</u>

A breakdown of sales:

	The Group		
	Year ending 31 Dec 2022	Year ending 31 Dec 2021	Increase/ (Decrease)
	S\$'000	S\$'000	%
Sales reported for first half year	1,796,121	1,432,200	25%
Operating profit after tax before deducting non-controlling interests reported for first half year	174,496	140,365	24%
Sales reported for second half year	2,067,600	1,675,257	23%
Operating profit after tax before deducting non-controlling interests reported for second half year	195,618	171,957	14%

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 31 Dec 2022		As at 31 Dec 2021		As at 31 Dec 2022		As at 31 Dec 2021	
	Secured	Unsecured	Secured	Unsecured	Secured	Unsecured	Secured	Unsecured
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
Lease liabilities	10,800	-	8,731	-	6,299	-	4,360	-

(b) Amount repayable after one year

	Group				Company			
	As at 31 Dec 2022		As at 31 Dec 2021		As at 31 Dec 2022		As at 31 Dec 2021	
	Secured	Unsecured	Secured	Unsecured	Secured	Unsecured	Secured	Unsecured
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
Lease liabilities	13,485	-	4,800	-	5,462	-	42	-

(c) Details of any collateral

Not applicable.



7. Share Capital and Treasury Shares

As at 31 December 2022, the total number of ordinary shares in issue was 291,957,577 (31 December 2021: 291,567,577), of which 954,000 were treasury shares (31 December 2021: 1,000,000).

The Company purchased 111,000 ordinary shares during 2H 2022 (2H 2021: 35,800). 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	291,855,577	836,543
Add: No. of share options exercised in 2H 2022	102,000	1,737
As at 31 December 2022	<u>291,957,577</u>	<u>838,280</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	843,000	13,610
Add: Treasury shares repurchased in 2H 2022	111,000	1,925
As at 31 December 2022	<u>954,000</u>	<u>15,535</u>

	As at 31 December 2022	As at 31 December 2021
% of treasury shares against the total ordinary shares in issue	0.3%	0.3%

	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	291,012,577	822,933
Issued shares excluding treasury shares as at 31 December 2022	<u>291,003,577</u>	<u>822,745</u>

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

Since the end of 30 June 2022, 102,000 options (2H 2021: 142,000) were exercised and 118,100 options (2H 2021: 90,000) have lapsed.

As at 31 December 2022, there were 2,089,900 unissued shares of the Company under options in the 2015 Scheme. (31 December 2021: 2,012,500).

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 31 December 2022, the number of RSP shares stood at 480,000 (31 December 2021: 653,000).

8. 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	
	31 Dec 2022	31 Dec 2021	31 Dec 2022	31 Dec 2021
	975.8	934.8	525.3	592.8



9. Dividend

(a) Current Financial Period Reported On

Name of Dividend	Interim (Paid)	Final (Proposed)
Dividend Type	Cash	Cash
Dividend Amount per Share (in cents)	25 cents per ordinary share	50 cents per ordinary share*
Tax Rate	Exempt	Exempt

*subject to shareholder's approval at the forthcoming AGM

(b) Corresponding Period of the Immediately Preceding Financial Year

Name of Dividend	Interim	Final
Dividend Type	Cash	Cash
Dividend Amount per Share (in cents)	25 cents per ordinary share	50 cents per ordinary share
Tax Rate	Exempt	Exempt

(c) Date Payable

23 May 2023

(d) Books Closure Date

5pm on 9 May 2023

10. 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
Final ordinary dividend for 2021 (Paid)	-	145,337
Interim ordinary dividend (Paid)	72,778	72,640
Proposed final ordinary dividend for 2022*	145,502	-
	<u>218,280</u>	<u>217,977</u>

*Based on 291,003,577 issued shares excluding treasury shares as at 31 December 2022.

During the financial year, the Company declared and paid an interim one-tier tax-exempt dividend of \$0.25 per ordinary share totalling \$72,778,000 in respect of the financial year ended 31 December 2022.

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 2022. 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 \$145,502,000.

In respect of the previous financial year ended 31 December 2021, the Company declared and paid an interim one-tier tax-exempt dividend of \$0.25 per ordinary share totalling \$72,640,000 and a final one-tier tax-exempt dividend of \$0.50 per ordinary share totalling \$145,337,000.

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

Group revenue increased 24.3% year-on-year (YoY) to S\$3,863.7 million for the financial year ended 31 December 2022 (FY 2022). For six months ended 31 December 2022 (2H 2022), group revenue increased 23.4% YoY to S\$2,067.6 million. The revenue growth reflects robust customer demand in several technology domains and new product introductions during the year. Healthcare & Wellness, Life Science & Genomics and Test & Measurement Instrumentation technology domains were significant contributors to the overall performance. The Group has executed well to deliver broad-based growth amid supply chain constraints and inflationary pressures.

Group Profit Before Tax (PBT) for FY 2022 increased 24.8% YoY to S\$448.9 million. For 2H 2022, PBT increased 19.3% to S\$236.1 million. Net profit (profit attributable to owners of the Company) increased 18.4% YoY to S\$369.6 million for FY 2022 and 13.8% YoY to S\$195.3 million for 2H 2022. This translates to net margin of 9.6% for FY 2022 (FY 2021: 10.0%).

Diluted Earnings Per Share improved 18.5% YoY to 126.8 cents for FY 2022 (FY 2021: 107.0 cents) and 67.0 cents for 2H 2022 (2H 2021: 58.9 cents).

FINANCIAL POSITION AND CASHFLOW

For the financial year ended 31 December 2022, Group operating cash flow before working capital changes improved 18.4% YoY to S\$473.2 million (FY 2021: S\$399.7 million). The Group registered an increase in working capital position for FY 2022 mainly due to higher net receivables and payables position from the robust top line performance. For FY 2022, the Group delivered higher cash flow generated from operations at S\$269.1 million (FY 2021: S\$101.8 million).

On 15 September 2022, the Group paid an interim tax-exempt dividend of 25 cents per ordinary share amounting to S\$72.8 million. As at 31 December 2022, the Group's balance sheet remained healthy with S\$812.6 million of cash and bank balances (31 Dec 2021: S\$807.9 million).

As at 31 December 2022, Equity attributable to owners of the Company grew 4.5% to S\$2,839.7 million (31 Dec 2021: S\$2,716.4 million) and Net Asset Value per share grew 4.4% to S\$9.76 (31 Dec 2021: S\$9.35).

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.

Venture continued its growth momentum into the final quarter of fiscal year 2022, delivering a full year result that exceeds market expectations.

In the short term, the global macroeconomic and geopolitical environment remain uncertain. Notwithstanding these uncertainties, Venture continues to keep a sharp focus on deepening its partnerships with customers to create outstanding innovative products and services, and to scale up its businesses.

Venture will invest in the development of new differentiating capabilities in multiple technology domains to stay uniquely relevant and immensely impactful. The Group will continue to enhance its human capital, including strategic hires, to ascend new heights and attain its long-term objectives of creating value for all stakeholders.

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.

7. Disclosure of persons occupying managerial positions who are related to a director, CEO or substantial shareholder

Pursuant to Rule 704(13) of the Listing Manual, Venture Corporation Limited confirms that there are no persons occupying a managerial position in the Company or in any of its principal subsidiaries who is a relative of a director, chief executive officer or substantial shareholder of the Company.