



VENTURE REPORTS YEAR-ON-YEAR GROWTH FOR REVENUE AND NET PROFIT IN 1Q 2019

1Q 2019 NET PROFIT OF S\$90.9 MILLION ON REVENUE OF S\$928.8 MILLION

SINGAPORE, 25 APRIL 2019 – Venture Corporation Limited recorded revenue of S\$928.8 million and net profit of S\$90.9 million for the quarter ended 31 March 2019.

1Q 2019 RESULTS HIGHLIGHTS



FINANCIAL PERFORMANCE

- ▼ Revenue 8.5% higher year-on-year to S\$928.8 million.
- ▼ Net profit grew 8.6% year-on-year to S\$90.9 million.
- ▼ Earnings per share improved to 31.5 Singapore cents.



FINANCIAL POSITION & CASH FLOW

- ▼ Healthy net cash position of S\$805.2 million as at 31 March 2019.
- ▼ Free cash flow of S\$100.7 million generated in 1Q 2019.
- ▼ Net asset value per share improved to S\$8.45 as at 31 March 2019.

FINANCIAL PERFORMANCE

For the quarter ended 31 March 2019, the Group registered revenue of S\$928.8 million, an increase of 8.5% year-on-year on the back of broad-based growth across the Group's portfolio of technology domains and solid execution of customers' programmes.

For the quarter ended 31 March 2019, the Group recorded profit before tax (PBT) of S\$106.2 million, an increase of 7.7% year-on-year. The increase is in tandem with the higher revenue despite pricing pressures and intense competition in the business environment. The sustained profitability is driven by deep value creation through differentiated engineering capabilities and continuous lean initiatives to drive productivity gains, along with astute cost management. In line with the higher PBT, the Group reported income tax expense of S\$15.4 million for the reported quarter.

Net profit (profit attributable to owners of the Company) rose 8.6% year-on-year to S\$90.9 million for the reported quarter. This translates to a net margin of 9.8% for the quarter ended 31 March 2019 (1Q 2018: 9.8%).

Diluted Earnings Per Share was 31.5 cents for the reported quarter (1Q 2018: 28.8 cents).

FINANCIAL POSITION AND CASH FLOW

For the quarter ended 31 March 2019, the Group generated operating cash flow of S\$112.8 million before working capital changes (1Q 2018: S\$105.0 million). The Group registered a decrease in working capital position for the reported quarter mainly due to higher trade payable balances offset by higher inventory balances to support customers' programmes. The Group generated cash from operations of S\$109.0 million (1Q 2018: S\$38.2 million).

As at the end of the reported quarter, the Group had cash and bank balances of S\$806.8 million (S\$712.8 million as at 31 Dec 2018). Net cash as at 31 March 2019 grew 13.2% to S\$805.2 million (S\$711.0 million as at 31 Dec 2018).

As at 31 March 2019, Equity attributable to owners of the Company rose to S\$2,432.2 million (S\$2,349.9 million as at 31 Dec 2018) and Net Asset Value per share improved to S\$8.45 (S\$8.16 as at 31 Dec 2018).

OUTLOOK

Venture has started the year with positive momentum but remains vigilant to the overhang of several macroeconomic factors, such as the protracted trade tensions and the global economy slowdown. These have led to a mixed business sentiment across the Group's diversified customer base. Some customers' product transitions might introduce near-term volatility to the Group's performance, but this will be mitigated by customers' new product launches in the second half of 2019. Contribution from new customers won in past years is also expected to grow year-on-year in 2019.

To stay ahead of competition, Venture will continue to execute its differentiating strategy and harness synergies from its collective strengths in operational excellence, R&D solutions and engineering capabilities. The Group endeavours to scale new heights of excellence across its broad-based technology domains of interest. To achieve this, Venture will continue to create impactful value for its partners, while capturing value along multiple pathways in several selected ecosystems.

Submitted by Devika Rani Davar, Company Secretary, on 25 April 2019 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.