



**VENTURE REPORTS FY 2019 NET PROFIT OF S\$363.1 MILLION
ON REVENUE OF S\$3,633.4 MILLION**

**4Q 2019 NET PROFIT OF S\$96.3 MILLION
ON REVENUE OF S\$932.1 MILLION**

**PROPOSED FINAL DIVIDEND OF S\$0.50 PER SHARE
BRINGING FY 2019 TOTAL DIVIDEND TO S\$0.70 PER SHARE**

SINGAPORE, 27 FEBRUARY 2020 – Venture Corporation Limited today reported its financial performance for the quarter and financial year ended 31 December 2019.

FINANCIAL RESULTS HIGHLIGHTS

- FY 2019 net profit of S\$363.1 million on revenue of S\$3,633.4 million, translating to net profit margin of 10.0%.
- Earnings per share of S\$1.25 in FY 2019.
- Net cash position of S\$713.4 million as at 31 December 2019.
- Free cash flow of S\$256.7 million generated in FY 2019.
- Net asset value per share of S\$8.65 as at 31 December 2019.
- Proposed final dividend of S\$0.50 per share, cumulating to FY 2019 total dividend per share of S\$0.70.

For the financial year ended 31 December 2019, the Group registered revenue of S\$3,633.4 million (+4.3% YoY). For the quarter ended 31 December 2019, the Group registered revenue of S\$932.1 million (+7.2% QoQ, +2.9% YoY). The Group's ability to render strong support to its valued partners to navigate uncertainties in the business and geopolitical environment continue to put Venture in good stead. These contributed to sequential growth in revenue for 4Q 2019 and FY 2019 from its diverse portfolio of customers.

For the twelve months ended 31 December 2019, the Group recorded profit before tax (PBT) of S\$420.0 million (-3.0% YoY). For 4Q 2019, the Group recorded PBT of S\$109.9 million, (+11.4% QoQ, -11.8% YoY). In line with the PBT, the Group reported income tax expense of S\$56.6 million for the full year of 2019 and S\$13.6 million for the reported quarter. The Group recorded net profit (profit attributable to owners of the Company) of S\$363.1 million for FY 2019 (-1.9% YoY). For 4Q 2019,

the Group recorded net profit of S\$96.3 million (+13.0% QoQ, -10.6% YoY). This translates to net margin of 10.0% for the twelve months ended 31 December 2019 (FY 2018: 10.6%) and 10.3% for the reported quarter (4Q 2018: 11.9%).

Diluted Earnings Per Share was 125.3 cents for FY 2019 (FY 2018: 127.3 cents) and 33.3 cents for the reported quarter (4Q 2018: 37.1 cents).

FINANCIAL POSITION AND CASHFLOW

For the financial year ended 31 December 2019, the Group generated cash from operations of S\$291.7 million (FY 2018: S\$311.5 million). For the quarter ended 31 December 2019, the Group registered an increase in working capital position due to higher receivables offset by lower inventories. Cash used in operations for 4Q 2019 amounted to S\$77.2 million while cash generated from operations for 4Q 2018 was S\$34.6 million. As at 31 December 2019, the Group had S\$714.5 million of cash and bank balances (31 Dec 2018: S\$712.8 million). The Group balance sheet remained healthy and robust with a net cash position of S\$713.4 million (31 Dec 2018: S\$711.0 million).

As at 31 December 2019, Equity attributable to owners of the Company grew 6.2% to S\$2,496.2 million (31 Dec 2018: S\$2,349.9 million) and Net Asset Value per share grew 6.0% to S\$8.65 (31 Dec 2018: S\$8.16).

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 2019. Including the interim dividend of S\$0.20 per share paid in September 2019, total dividend for FY 2019 will amount to S\$0.70 per share.

Subject to the approval of shareholders at the upcoming Annual General Meeting to be held in April 2020, the proposed final dividend will be paid on 22 May 2020.

OUTLOOK

China's quarantine measures to contain the COVID-19 outbreak has disrupted the global supply chain. Venture has swiftly implemented corrective action plans to stabilise its assurance of supply. Production capacity from the Group's Clusters of Excellence outside of China, which forms the majority of Venture's manufacturing footprint, remains intact. Starting from the second quarter of 2020, the Group expects to be able to fulfil most, if not all, of customers' orders, including backlog from the first quarter of 2020.

Venture anticipates a stronger second half of 2020, supported by traction with its new and existing partners. The Group will be supporting new product introductions by existing partners across multiple selected technology domains, such as Life Science, Healthcare & Wellness, Instrumentation and Networking &

Communications. It also expects to gain momentum with several new partners in the Life Science & Genomics and Healthcare & Wellness domains with growing contributions beyond 2020. As the Group's manufacturing footprint is mostly located in Southeast Asia, the Group is well positioned to capture new business opportunities as businesses continue to diversify their global supply chain network.

Venture continues to invest into expanding its differentiating capabilities within its ecosystems of interest. This will further strengthen the Group's existing partnerships and deepen Venture's value proposition in its selected technology domains and ecosystems.

Submitted by Devika Rani Davar, Joint Company Secretary, on 27 February 2020 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 ecosystem 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 ecosystem of interests. It stands poised to provide the leading edge and remain relevant in a constantly changing and evolving world.