

VENTURE CORPORATION LIMITED

First Half Financial Statements And Dividend Announcement

The Board of Directors of Venture Corporation Limited wishes to make the following announcement:

Half yearly financial statements on consolidated results for the 6 months ended June 30, 2020.

These figures have not been audited or reviewed.

1.(a)(i) A statement of comprehensive income (for the group), together with a comparative statement for the corresponding period of the immediately preceding financial year

	Group		
	6 months ended 30.06.2020 S\$'000	6 months ended 30.06.2019 S\$'000	% increase/ (decrease)
Revenue (Note 1)	1,365,703	1,832,232	(25.5)
Other income	2,923	409	n.m.
Changes in finished goods, work in progress and raw materials used (Note 1)	(1,002,286)	(1,379,842)	(27.4)
Employee benefits expense (Note 2)	(145,666)	(165,574)	(12.0)
Depreciation and amortisation expense (Note 3)	(21,352)	(17,741)	20.4
Research and development expense	(16,184)	(16,185)	(0.0)
Foreign currency exchange gain	3,074	1,222	151.6
Other operating expenses (Note 4)	(38,744)	(47,908)	(19.1)
Investment revenue	3,894	5,146	(24.3)
Finance costs (interest expenses on bank loans and lease liabilities)	(267)	(201)	32.8
Share of profit of associates	-	36	n.m.
Profit before tax	151,095	211,594	(28.6)
Income tax expense	(20,502)	(29,846)	(31.3)
Profit for the period	130,593	181,748	(28.1)
Other comprehensive (loss) 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)	(1,877)	1,166	n.m.
Other comprehensive income (loss):			
- Items may be reclassified subsequently to profit or loss			
Exchange differences on translation of foreign operations	44,824	(11,880)	n.m.
Total comprehensive income for the period	173,540	171,034	1.5
Profit attributable to:			
Owners of the Company	130,509	181,676	(28.2)
Non-controlling interests	84	72	n.m.
	130,593	181,748	(28.1)
Total comprehensive income attributable to:			
Owners of the Company	173,418	170,981	1.4
Non-controlling interests	122	53	n.m.
	173,540	171,034	1.5

Note 1

Revenue for 1H 2020 was gated by disruption to global supply chain and factory lockdowns in Malaysia, Spain, US and China caused by measures implemented in various countries as a result of COVID 19 pandemic. In line with the lower revenue, Changes in Finished goods, WIP and raw materials used for 1H 2020 declined in tandem.

Note 2

Employee benefits expense for 1H 2020 decreased year on year driven mainly by reductions in staff costs, overtime charges and foreign worker levies through rationalisation of manpower resources and improved productivity.

Note 3

Depreciation and amortisation expense for 1H 2020 increased year on year mainly due to higher depreciation charge for Right-of-Use (ROU) assets totalling S\$5.9 million for 1H 2020 (S\$2.8m ROU depreciation for 1H 2019).

Note 4

Other operating expenses for 1H 2020 decreased year on year from lower utilities, freight, repair and maintenance expenses and manufacturing overheads driven by initiatives to drive continuous operational excellence.

1.(a)(ii) The profit after income tax includes the following (charges)/credits:

	Group		
	6 months ended 30.06.2020 S\$'000	6 months ended 30.06.2019 S\$'000	% increase/ (decrease)
(Under) Overprovision of tax in respect of prior years	(1,015)	1,306	n.m.
Net re-measurement of expected credit loss allowance	47	205	n.m.
Doubtful debts recovery	-	1,077	n.m.
Loss on disposal of property, plant and equipment, net	(147)	(79)	n.m.
Reversal of allowance for inventories	1,878	13	n.m.

Note:
n.m. - not meaningful

1.(b)(i) A statement of financial position (for the issuer and group), together with a comparative statement as at the end of the immediately preceding financial year

	Group		Company	
	30.06.2020	31.12.2019	30.06.2020	31.12.2019
	S\$'000	S\$'000	S\$'000	S\$'000
ASSETS				
Current assets:				
Cash and bank balances	834,075	714,467	319,122	303,794
Trade receivables	624,792	898,910	13,285	15,866
Other receivables and prepayments	28,030	17,327	1,946	2,468
Contract assets	11,771	8,478	-	-
Inventories	798,639	706,150	58,550	59,358
Trade receivables due from subsidiaries	-	-	50,947	50,581
Other receivables due from subsidiaries	-	-	18,010	18,041
Income tax recoverable	4	4	-	-
Total current assets	2,297,311	2,345,336	461,860	450,108
Non-current assets:				
Investments in subsidiaries	-	-	1,227,849	1,227,849
Investments in associates	761	761	-	-
Other financial assets	23,813	25,229	6,034	7,440
Other receivables	-	138	-	-
Property, plant and equipment	227,825	231,739	37,354	38,560
Right-of-use assets	21,972	27,472	12,582	15,637
Intangible assets	282	172	-	-
Goodwill	639,708	639,708	-	-
Deferred tax assets	3,887	3,690	-	-
Total non-current assets	918,248	928,909	1,283,819	1,289,486
Total assets	3,215,559	3,274,245	1,745,679	1,739,594
LIABILITIES AND EQUITY				
Current liabilities:				
Bank loans	1,097	1,058	-	-
Trade payables	416,678	490,329	41,454	32,963
Other payables and accrued expenses	158,514	169,652	21,509	28,155
Contract liabilities	42,075	49,380	1,186	1,209
Lease liabilities	9,797	10,601	5,732	5,732
Trade payables due to subsidiaries	-	-	1,894	2,286
Other payables due to subsidiaries	-	-	20,967	20,567
Income tax payable	36,513	34,274	5,670	4,144
Total current liabilities	664,674	755,294	98,412	95,056
Non-current liabilities:				
Lease liabilities	12,779	17,318	7,305	10,158
Deferred tax liabilities	3,091	3,040	-	-
Total non-current liabilities	15,870	20,358	7,305	10,158
Capital and reserves:				
Share capital	817,562	811,082	817,562	811,082
Treasury shares	(16,674)	(19,993)	(16,674)	(19,993)
Share-based awards reserve	4,270	4,559	4,270	4,559
Investments revaluation reserve	(87)	1,790	251	1,658
Translation reserve	(33,617)	(78,403)	-	-
Other reserves	1,016	2,577	(3,886)	(1,697)
Accumulated profits	1,760,028	1,774,586	838,439	838,771
Equity attributable to owners of the Company	2,532,498	2,496,198	1,639,962	1,634,380
Non-controlling interests	2,517	2,395	-	-
Total equity	2,535,015	2,498,593	1,639,962	1,634,380
Total liabilities and equity	3,215,559	3,274,245	1,745,679	1,739,594

1.(b)(ii) Aggregate amount of group's borrowings and debt securities

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

	Group				Company			
	As at 30.06.2020		As at 31.12.2019		As at 30.06.2020		As at 31.12.2019	
	Secured	Unsecured	Secured	Unsecured	Secured	Unsecured	Secured	Unsecured
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
Bank loans	-	1,097	-	1,058	-	-	-	-
Lease liabilities	9,797	-	10,601	-	5,732	-	5,732	-
Total	9,797	1,097	10,601	1,058	5,732	-	5,732	-

(b) Amount repayable after one year

	Group				Company			
	As at 30.06.2020		As at 31.12.2019		As at 30.06.2020		As at 31.12.2019	
	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	12,779	-	17,318	-	7,305	-	10,158	-

(c) Details of any collateral
Not applicable.

1.(c) A cash flow statement (for the group), together with a comparative statement for the corresponding period of the immediately preceding financial year

	6 months ended 30.06.2020 S\$'000	6 months ended 30.06.2019 S\$'000
Operating activities:		
Profit before taxation	151,095	211,594
Adjustments for:		
Share of profit of associates	-	(36)
Reversal of allowance for inventories	(1,878)	(13)
Depreciation expense	21,265	17,619
Net re-measurement of expected credit loss allowance	(47)	(1,282)
Amortisation of intangible assets	87	122
Interest income	(3,894)	(5,146)
Dividend income	(451)	(483)
Interest expense	267	201
Share-based payments expense	994	602
Loss on disposal of plant and equipment, net	147	79
Operating profit before working capital changes	167,585	223,257
Trade receivables	301,803	37,774
Other receivables, prepayments and contract assets	(13,377)	(20,496)
Inventories	(70,145)	52,293
Trade payables	(89,413)	(49,661)
Other payables, accrued expenses and contract liabilities	(25,170)	(7,531)
Cash generated from operations	271,283	235,637
Interest paid	(267)	(201)
Income tax paid	(18,948)	(30,370)
Net cash generated from operating activities	252,068	205,066
Investing activities:		
Interest received	4,815	5,171
Dividend received from other equity investments	451	483
Purchase of property, plant and equipment	(5,598)	(15,409)
Proceeds on disposal of plant and equipment	10	24
Addition of intangible assets	(188)	(120)
Net cash used in investing activities	(510)	(9,851)
Financing activities:		
Dividend paid	(144,446)	(144,021)
Repayment of bank loans (Note 5)	-	(1,535)
Proceeds from new bank loans (Note 5)	-	1,338
Proceeds from issue of shares	6,334	4,345
Purchase of treasury shares	-	(1,581)
Lease payment (Note 5)	(5,411)	(2,875)
Net cash used in financing activities	(143,523)	(144,329)
Net increase in cash and cash equivalents	108,035	50,886
Cash and cash equivalents at beginning of period	714,467	712,826
Effect of foreign exchange rate changes on the balance of cash held in foreign currencies	11,573	(1,932)
Cash and cash equivalents at end of period	834,075	761,780
Cash and cash equivalents comprise:		
Cash	636,037	542,786
Fixed deposits	198,038	218,994
Cash and cash equivalents on the consolidated cash flow statement	834,075	761,780

Note 5: Reconciliation of liabilities arising from financing activities between cash and non-cash changes

	30.06.2020	Financing Cash Flows	Non-cash changes Foreign exchange movement	31.12.2019
	S\$'000	S\$'000	S\$'000	S\$'000
Bank loans	1,097	-	39	1,058
Lease Liabilities	22,576	(5,411)	68	27,919

1.(d)(i) Statement of changes in equity for the period ended June 30, 2019

	Share capital S\$'000	Treasury shares S\$'000	Share-based awards reserve S\$'000	Investments revaluation reserve S\$'000	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 January 1, 2019	803,220	(19,081)	3,774	665	(55,044)	3,079	1,613,253	2,349,866	2,233	2,352,099
Total comprehensive income for the period										
Profit for the period	-	-	-	-	-	-	181,676	181,676	72	181,748
Other comprehensive income (loss) for the period	-	-	-	1,166	(11,861)	-	-	(10,695)	(19)	(10,714)
Total	-	-	-	1,166	(11,861)	-	181,676	170,981	53	171,034
Transactions with owners, recognised directly in equity										
Issue of shares	4,432	-	(87)	-	-	-	-	4,345	-	4,345
Treasury shares reissued pursuant to equity compensation plans	-	1,266	(384)	-	-	(882)	-	-	-	-
Purchase of treasury shares	-	(1,581)	-	-	-	-	-	(1,581)	-	(1,581)
Appropriation to reserve fund	-	-	-	-	-	380	(380)	-	-	-
Final tax exempt dividend paid in respect of the previous financial year	-	-	-	-	-	-	(144,021)	(144,021)	-	(144,021)
RSP/Share options lapsed	-	-	(168)	-	-	-	168	-	-	-
Recognition of share-based payments	-	-	602	-	-	-	-	602	-	602
Total	4,432	(315)	(37)	-	-	(502)	(144,233)	(140,655)	-	(140,655)
Balance at June 30, 2019	807,652	(19,396)	3,737	1,831	(66,905)	2,577	1,650,696	2,380,192	2,286	2,382,478

1.(d)(i) Statement of changes in equity for the period ended June 30, 2020

	Share capital S\$'000	Treasury shares S\$'000	Share-based awards reserve S\$'000	Investments revaluation reserve S\$'000	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 January 1, 2020	811,082	(19,993)	4,559	1,790	(78,403)	2,577	1,774,586	2,496,198	2,395	2,498,593
Total comprehensive (loss) income for the period										
Profit for the period	-	-	-	-	-	-	130,509	130,509	84	130,593
Other comprehensive (loss) income for the period	-	-	-	(1,877)	44,786	-	-	42,909	38	42,947
Total	-	-	-	(1,877)	44,786	-	130,509	173,418	122	173,540
Transactions with owners, recognised directly in equity										
Issue of shares	6,480	-	(146)	-	-	-	-	6,334	-	6,334
Appropriation to reserve fund	-	-	-	-	-	628	(628)	-	-	-
Treasury shares reissued pursuant to equity compensation plans	-	3,319	(1,130)	-	-	(2,189)	-	-	-	-
Final tax exempt dividend paid in respect of the previous financial year	-	-	-	-	-	-	(144,446)	(144,446)	-	(144,446)
RSP/Share options lapsed	-	-	(7)	-	-	-	7	-	-	-
Recognition of share-based payments	-	-	994	-	-	-	-	994	-	994
Total	6,480	3,319	(289)	-	-	(1,561)	(145,067)	(137,118)	-	(137,118)
Balance at June 30, 2020	817,562	(16,674)	4,270	(87)	(33,617)	1,016	1,760,028	2,532,498	2,517	2,535,015

1.(d)(i) Statement of changes in equity for the period ended June 30, 2019

	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 January 1, 2019	803,220	(19,081)	3,774	1,194	(815)	787,256	1,575,548
Total comprehensive income for the period							
Profit for the period	-	-	-	-	-	94,940	94,940
Other comprehensive income for the period	-	-	-	585	-	-	585
Total	-	-	-	585	-	94,940	95,525
Transactions with owners, recognised directly in equity							
Purchase of treasury shares	-	(1,581)	-	-	-	-	(1,581)
Issue of shares	4,432	-	(87)	-	-	-	4,345
Treasury shares reissued pursuant to equity compensation plans	-	1,266	(384)	-	(882)	-	-
Final tax exempt dividend paid in respect of the previous financial year	-	-	-	-	-	(144,021)	(144,021)
RSP/Share options lapsed	-	-	(168)	-	-	168	-
Recognition of share-based payments	-	-	602	-	-	-	602
Total	4,432	(315)	(37)	-	(882)	(143,853)	(140,655)
Balance at June 30, 2019	807,652	(19,396)	3,737	1,779	(1,697)	738,343	1,530,418

1.(d)(i) Statement of changes in equity for the period ended June 30, 2020

	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 January 1, 2020	811,082	(19,993)	4,559	1,658	(1,697)	838,771	1,634,380
Total comprehensive income for the period							
Profit for the period	-	-	-	-	-	144,107	144,107
Other comprehensive loss for the period	-	-	-	(1,407)	-	-	(1,407)
Total	-	-	-	(1,407)	-	144,107	142,700
Transactions with owners, recognised directly in equity							
Issue of shares	6,480	-	(146)	-	-	-	6,334
Treasury shares reissued pursuant to equity compensation plans	-	3,319	(1,130)	-	(2,189)	-	-
Final tax exempt dividend paid in respect of the previous financial year	-	-	-	-	-	(144,446)	(144,446)
RSP/Share options lapsed	-	-	(7)	-	-	7	-
Recognition of share-based payments	-	-	994	-	-	-	994
Total	6,480	3,319	(289)	-	(2,189)	(144,439)	(137,118)
Balance at June 30, 2020	817,562	(16,674)	4,270	251	(3,886)	838,439	1,639,962

1.(d)(ii) **Share capital and treasury shares**

As at June 30, 2020, the total number of ordinary shares in issue was 290,319,577 (June 30, 2019: 289,401,577), of which 1,055,000 were treasury shares (June 30, 2019: 1,225,000).

The Company did not purchase any ordinary shares during 1H 2020 (1H 2019: 106,000).

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 January 1, 2020	289,725,577	811,082
Add: No. of share options exercised in 1H 2020	594,000	6,480
As at June 30, 2020	<u>290,319,577</u>	<u>817,562</u>

	No. of treasury shares	S\$'000
As at January 1, 2020	1,265,000	19,993
Less: Treasury shares utilised in 1H 2020	(210,000)	(3,319)
As at June 30, 2020	<u>1,055,000</u>	<u>16,674</u>

	As at 30.06.2020	As at 30.06.2019
% of treasury shares against the total ordinary shares in issue	<u>0.4%</u>	<u>0.4%</u>

	No. of shares	S\$'000
Issued shares excluding treasury shares as at January 1, 2020	288,460,577	791,089
Issued shares excluding treasury shares as at June 30, 2020	<u>289,264,577</u>	<u>800,888</u>

1.(d)(iii) **Share-based awards**

Venture Corporation Executives' Share Option Scheme ("The 2004 Scheme")

Since December 31, 2019, no options (1H 2019: 43,000) were exercised and no options (1H 2019: Nil) have lapsed.

As at June 30, 2020, there were no unissued shares of the Company under options in the 2004 Scheme (June 30, 2019: Nil).

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

867,000 new options were granted on June 30, 2020 and 866,500 of them were accepted under "The Scheme".

Options are exercisable at the following subscription prices payable during different exercise periods. The vesting period is one year. If the options remain unexercised after the period of 5 years from the date of grant, the options would expire.

<u>Exercise period</u>	<u>Exercise price</u>
June 30, 2021 to June 29, 2022	\$20.18
June 30, 2022 to June 29, 2023	\$18.56
June 30, 2023 to June 29, 2025	\$16.14

Since the end of December 31, 2019, 594,000 options (1H 2019: 333,000) were exercised and 23,000 options (1H 2019: 3,000) have lapsed.

As at June 30, 2020, there were 3,446,500 unissued shares of the Company under options in the 2015 Scheme. (June 30, 2019: 3,548,000).

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 June 30, 2020 the number of RSP shares stood at 832,000 (June 30, 2019: 950,000).

	No. of RSP shares awarded	Lapsed shares	No. of RSP shares net of lapsed shares
June 2016 Award	280,000	(40,000)	240,000
June 2017 Award	290,000	-	290,000
June 2019 Award	170,000	-	170,000
June 2020 Award	132,000	-	132,000
	<u>872,000</u>	<u>(40,000)</u>	<u>832,000</u>

1.(d)(iv) **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. **Whether the figures have been audited, or reviewed and in accordance with which auditing standard or practice**

These figures have not been audited or reviewed.

3. **Where the figures have been audited or reviewed, the auditors' report (including any qualifications or emphasis of a matter)**

Not applicable.

4. **Whether the same accounting policies and methods of computation as in the issuer's most recently audited annual financial statements have been applied**

Not applicable.

5. **If there are any changes in the accounting policies and methods of computation, including any required by an accounting standard, what has changed, as well as the reasons for, and the effect of, the change**

Not applicable.

6. **Earnings per ordinary share of the group for the current financial period reported on and the corresponding period of the immediately preceding financial year, after deducting any provision for preference dividends**

(a) Based on the weighted average number of ordinary shares on issue (cents)

(b) On a fully diluted basis (cents)
(detailing any adjustments made to the earnings)

	6 months ended 30.06.2020	6 months ended 30.06.2019
(a)	45.2	63.1
(b)	44.9	62.9

7. **Net asset value per ordinary share**

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	
30.06.2020	30.06.2019	30.06.2020	30.06.2019
875.5	825.9	566.9	531.1

8. **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 the six months ended 30 June 2020 (1H 2020), the Group recorded revenue of S\$1,365.7 million. For the three months ended 30 June 2020 (2Q 2020), the Group generated revenue of S\$692.7 million. Revenue performance for 1H 2020 was initially gated by disruptions to global supply chain and factory lockdowns in Malaysia, Spain, US and China caused by measures implemented in various countries as a result of Covid-19 pandemic. While Venture was able to respond swiftly to mitigate the impact, orders from some customers operating in non-essential end market segments were pushed back to later quarters. In tandem with the lower revenue, changes in finished goods, work in progress and raw materials costs reduced accordingly.

The Group recorded profit before tax (PBT) of S\$81.2 million for 2Q 2020 and S\$151.1 million for 1H 2020. PBT for 2Q 2020 registered healthy sequential recovery at +16.1% over 1Q 2020. In line with the PBT, the Group reported income tax expense of S\$20.5 million for 1H 2020. Net profit (profit attributable to owners of the Company) was S\$70.2 million for 2Q 2020 (+16.4% QoQ) and S\$130.5 million for 1H 2020. This translated to a net margin of 10.1% for 2Q 2020 and 9.6% for 1H 2020 (2Q 2019: 10.1%, 1H 2019: 9.9%). Notwithstanding revenue headwinds from this unprecedented situation, the Group delivered strong sequential quarterly recovery underpinned by resiliency from a diversified customers' portfolio and nimble adaptability to business changes. The Group's differentiating capabilities and relentless focus on operational excellence continue to create impactful value for our partners.

Diluted Earnings Per Share was 44.9 cents for the first half of 2020 (1H 2019: 62.9 cents).

FINANCIAL POSITION AND CASH FLOW

The Group generated operating cash flow of S\$167.6 million before working capital changes for 1H 2020 (1H 2019: S\$223.3 million). The Group registered an improvement in working capital position mainly due to lower net receivables and payables position offset by higher inventories to enable delivery of continuous reliable support for customers' programmes. For the six months ended 30 June 2020, the Group generated strong cash flow from operations at S\$271.3 million (1H 2019: S\$235.6 million).

As at 30 June 2020, the Group recorded S\$834.1 million of cash and bank balances (S\$714.5 million as at 31 Dec 2019). On 16 June 2020, the Group paid a final tax-exempt dividend of 50 cents per ordinary share amounting to S\$144.4 million (1H 2019: S\$144.0 million). Notwithstanding the dividend payment, net cash as at 30 June 2020 grew 16.8% to S\$833.0 million (S\$713.4 million as at 31 Dec 2019).

As at 30 June 2020, equity attributable to owners of the Company was S\$2,532.5 million (S\$2,496.2 million as at 31 Dec 2019) and Net Asset Value per share was S\$8.76 (S\$8.65 as at 31 Dec 2019).

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

Not applicable.

10. **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's sequential recovery in 2Q 2020 was enabled by the effective teamwork, resourcefulness and resiliency of its people. The teams received deep appreciation from several customers and partners, with one of them lauding Venture as their "Heroes in Production". Over the past few months, Venture's dedicated taskforces worked unstintingly in their daily executions, in collaboration with a strong supportive network of customers, partners, business associations and government authorities to sustain operational excellence. Through this combined effort, Venture overcame the challenges precipitated by Covid-19 pandemic to deliver on its commitments to its customers and partners.

Venture's consistent and reliable support is critical for its customers who continue to see sustained demand for their essential products and services. These customers are largely from the Life Science, Medical Devices & Equipment, Networking & Communications and Semiconductor-related Equipment domains. With the gradual reopening of some economies since late April 2020, the Group is also working conscientiously to fulfil its customers' orders from the other technology domains serving non-essential end markets. The steady recovery seen in 2Q 2020 is expected to continue into the second half of this year. Venture's R&D labs have plans to subsequently release a number of newly developed products into manufacturing commencing early 2021.

11. **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)	20 cents per ordinary share
Tax Rate	Exempt

(c) Date payable

18 September 2020

(d) Books closure date

5pm on 7 September 2020

12. **If no dividend has been declared (recommended), a statement to that effect.**

Not applicable

13. **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.

14. **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 undertakings from all its directors and executive officers.

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 financial statements for the first half ended June 30, 2020 to be false or misleading in any material aspect.

On behalf of the Directors

(signed)
Wong Ngit Liong
Director

(signed)
Goon Kok Loon
Director

August 7, 2020