

**VENTURE CORPORATION LIMITED**

**First Quarter Financial Statements And Dividend Announcement**

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

Quarterly financial statements on consolidated results for the quarter ended March 31, 2018. 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**

	<b>Group</b>		
	<b>3 months ended 31.03.2018 S\$'000</b>	<b>3 months ended 31.03.2017 S\$'000</b>	<b>% increase/ (decrease)</b>
<b>Revenue</b>	856,007	843,064	1.5
Other income	433	520	(16.7)
Changes in finished goods and work in progress, and raw materials used	(628,442)	(654,225)	(3.9)
Employee benefits expense	(80,474)	(81,779)	(1.6)
Depreciation and amortisation expense	(7,684)	(6,835)	12.4
Research and development expense (Note 1)	(15,140)	(7,655)	97.8
Foreign currency exchange gain (loss)	95	(332)	n.m.
Other operating expenses (Note 2)	(27,848)	(33,408)	(16.6)
Investment revenue	1,949	926	n.m.
Finance costs (interest expense on bank loans)	(281)	(273)	2.9
<b>Profit before tax</b>	<b>98,615</b>	<b>60,003</b>	<b>64.4</b>
Income tax expense	(14,898)	(11,425)	30.4
<b>Profit for the period</b>	<b>83,717</b>	<b>48,578</b>	<b>72.3</b>
<b>Other comprehensive income (loss):</b>			
<b>- Items may be reclassified subsequently to profit or loss</b>			
Exchange differences on translation of foreign operations	(19,607)	(29,127)	(32.7)
Fair value gain on available-for-sale investments	138	559	(75.3)
Fair value gain on cash flow hedge	23	26	(11.5)
<b>Total comprehensive income for the period</b>	<b>64,271</b>	<b>20,036</b>	<b>220.8</b>
<b>Profit attributable to:</b>			
Owners of the Company	<b>83,671</b>	<b>48,596</b>	<b>72.2</b>
Non-controlling interests	46	(18)	n.m.
	<b>83,717</b>	<b>48,578</b>	<b>72.3</b>
<b>Total comprehensive income attributable to:</b>			
Owners of the Company	64,137	20,094	n.m.
Non-controlling interests	134	(58)	n.m.
	<b>64,271</b>	<b>20,036</b>	<b>220.8</b>

**Note 1**

Research and development (R&D) expense which comprised prototyping tooling, materials and its related services was higher in Q1 2018 driven by increased customers' requirements. R&D manpower costs are separately recorded under Employee benefits expense.

**Note 2**

Other operating expenses decreased mainly due to non-recurring charges in 2017 as disclosed in 1(a)(ii) and judicious cost management in Q1 2018.

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

	Group		
	3 months ended 31.03.2018 S\$'000	3 months ended 31.03.2017 S\$'000	% increase/ (decrease)
Overprovision (Underprovision) of tax in respect of prior years	374	(2)	n.m.
Allowance for doubtful trade receivables	-	(3,728)	n.m.
(Loss) Gain on disposal of property, plant and equipment, net	(1)	14	(107.1)
Inventories written off	(24)	(134)	(82.1)

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		
	31.03.2018	31.12.2017	01.01.2017	31.03.2018	31.12.2017	01.01.2017
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
	(Restated)	(Restated)		(Restated)	(Restated)	
<b>ASSETS</b>						
<b>Current assets:</b>						
Cash and bank balances	765,272	752,447	499,736	275,856	186,372	212,760
Trade receivables	658,323	762,641	706,987	8,916	10,865	224,144
Other receivables and prepayments	24,578	32,345	26,966	850	762	1,398
Contract assets (Note 3)	30,310	29,088	17,311	-	346	14,379
Inventories	724,726	699,630	622,988	59,678	49,866	47,726
Trade receivables due from subsidiaries	-	-	-	72,525	74,742	15,962
Other receivables due from subsidiaries	-	-	-	17,398	17,611	17,959
Income tax recoverable	5	5	5	-	-	-
<b>Total current assets</b>	<b>2,203,214</b>	<b>2,276,156</b>	<b>1,873,993</b>	<b>435,223</b>	<b>340,564</b>	<b>534,328</b>
<b>Non-current assets:</b>						
Investments in subsidiaries	-	-	-	1,227,849	1,227,849	1,227,849
Investments in associates	757	787	20,253	-	-	-
Available-for-sale investments	24,985	25,087	8,088	9,235	8,929	5,241
Other receivables	461	730	4,231	-	-	-
Property, plant and equipment	232,994	197,860	203,152	39,527	39,444	39,170
Intangible assets	346	209	1,283	-	-	913
Goodwill	639,708	639,708	639,708	-	-	-
Deferred tax assets	3,604	3,668	7,814	-	-	-
<b>Total non-current assets</b>	<b>902,855</b>	<b>868,049</b>	<b>884,529</b>	<b>1,276,611</b>	<b>1,276,222</b>	<b>1,273,173</b>
<b>Total assets</b>	<b>3,106,069</b>	<b>3,144,205</b>	<b>2,758,522</b>	<b>1,711,834</b>	<b>1,616,786</b>	<b>1,807,501</b>
<b>LIABILITIES AND EQUITY</b>						
<b>Current liabilities:</b>						
Bank loans	40,689	30,828	92,641	38,019	28,035	77,139
Trade payables	483,154	581,413	480,085	52,550	46,849	53,060
Other payables and accrued expenses	241,380	260,266	177,688	25,122	40,100	55,359
Contract liabilities (Note 3)	44,478	67,873	25,535	317	317	7,686
Trade payables due to subsidiaries	-	-	-	4,549	2,911	126,109
Other payables due to subsidiaries	-	-	-	21,162	21,209	21,223
Income tax payable	38,855	34,043	18,234	2,506	2,130	3,520
<b>Total current liabilities</b>	<b>848,556</b>	<b>974,423</b>	<b>794,187</b>	<b>144,225</b>	<b>141,551</b>	<b>344,096</b>
<b>Non-current liabilities:</b>						
Deferred tax liabilities	1,700	1,718	1,801	-	-	-
<b>Total non-current liabilities</b>	<b>1,700</b>	<b>1,718</b>	<b>1,801</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Capital and reserves:</b>						
Share capital	785,278	761,706	713,686	785,278	761,706	713,686
Treasury shares	(1,879)	(1,879)	(2,569)	(1,879)	(1,879)	(2,569)
Share-based awards reserve	3,375	3,524	5,063	3,375	3,524	4,379
Investments revaluation and hedging reserve	1,997	1,836	21	2,204	1,876	21
Translation reserve	(95,886)	(76,191)	-	-	-	-
Other reserves	3,647	3,292	3,066	(247)	(247)	-
Accumulated profits	1,556,833	1,473,462	1,240,848	778,878	710,255	747,888
<b>Equity attributable to owners of the Company</b>	<b>2,253,365</b>	<b>2,165,750</b>	<b>1,960,115</b>	<b>1,567,609</b>	<b>1,475,235</b>	<b>1,463,405</b>
Non-controlling interests	2,448	2,314	2,419	-	-	-
<b>Total equity</b>	<b>2,255,813</b>	<b>2,168,064</b>	<b>1,962,534</b>	<b>1,567,609</b>	<b>1,475,235</b>	<b>1,463,405</b>
<b>Total liabilities and equity</b>	<b>3,106,069</b>	<b>3,144,205</b>	<b>2,758,522</b>	<b>1,711,834</b>	<b>1,616,786</b>	<b>1,807,501</b>

**Note 3**

In accordance with SFRS(I) 15 disclosure, Contract Assets and Contract Liabilities have been included in the statement of financial position. The comparatives have also been restated to take this into account. Effect of changes in accounting standards are disclosed in item 5 page 8.

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 31.03.2018		As at 31.12.2017		As at 31.03.2018		As at 31.12.2017	
Secured	Unsecured	Secured	Unsecured	Secured	Unsecured	Secured	Unsecured
S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
26,220	14,469	-	30,828	26,220	11,799	-	28,035

(b) Amount repayable after one year  
Not applicable.

(c) Details of any collateral  
The secured bank loan is secured by pledged bank deposits.

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

	<b>3 months ended</b>	<b>3 months ended</b>
	<b>31.03.2018</b>	<b>31.03.2017</b>
	<b>S\$'000</b>	<b>S\$'000</b>
<b>Operating activities:</b>		<b>(Restated)</b>
Profit before Taxation	98,615	60,003
Adjustments for:		
Allowance for Inventories	24	134
Depreciation expense	7,659	6,583
Allowance for doubtful trade receivables	-	3,728
Amortisation of intangible assets	25	252
Interest income	(1,949)	(926)
Dividend income	(145)	(19)
Interest expense	281	273
Share-based payments expense	487	354
Loss (Gain) on disposal of plant and equipment, net	1	(14)
<b>Operating profit before working capital changes</b>	<b>104,998</b>	<b>70,368</b>
Trade receivables	89,827	(16,959)
Other receivables, prepayments and contract assets	6,767	(16,636)
Inventories	(35,966)	(64,463)
Trade payables	(89,982)	26,504
Other payables, accrued expenses and contract liabilities	(37,449)	8,161
<b>Cash generated from operations</b>	<b>38,195</b>	<b>6,975</b>
Interest paid	(281)	(273)
Income tax paid	(9,672)	(6,836)
<b>Net cash from (used in) from operating activities</b>	<b>28,242</b>	<b>(134)</b>
<b>Investing activities:</b>		
Interest received	1,167	479
Dividend received from associates	30	450
Dividend received from other equity investments	145	19
Purchase of property, plant and equipment (Note 4)	(45,022)	(9,981)
Proceeds on disposal of plant and equipment	53	150
Addition of intangible assets	(158)	-
<b>Net cash used in investing activities</b>	<b>(43,785)</b>	<b>(8,883)</b>
<b>Financing activities:</b>		
Refund of unclaimed dividends	-	8
Repayment of bank loans (Note 5)	(21,340)	(16,982)
Proceeds from new bank loans (Note 5)	31,449	14,185
Proceeds from issue of shares	22,991	8,853
Bank balances pledged as securities for bank facilities	(27,040)	-
<b>Net cash from financing activities</b>	<b>6,060</b>	<b>6,064</b>
Net decrease in cash and cash equivalents	(9,483)	(2,953)
Cash and cash equivalents at beginning of period	752,447	474,728
Effect of foreign exchange rate changes on the balance of cash held in foreign currencies	(4,732)	(9,305)
<b>Cash and cash equivalents at end of period</b>	<b>738,232</b>	<b>462,470</b>
<b>Cash and cash equivalents comprise:</b>		
Cash	499,245	282,225
Fixed deposits	266,027	204,593
	765,272	486,818
Less: Pledged bank deposits	(27,040)	(24,348)
<b>Cash and cash equivalents on the consolidated cash flow statement</b>	<b>738,232</b>	<b>462,470</b>

**Note 4**

In Q1 2018, the Group completed the acquisition of a freehold property, amounting to S\$38.4 million in Milpitas California, United States of America.

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

	<b>31.03.2018</b>	<b>Financing Cash Flows</b>	<b>Non-cash changes</b>	<b>31.12.2017</b>
			<b>Foreign exchange movement</b>	
	<b>S\$'000</b>	<b>S\$'000</b>	<b>S\$'000</b>	<b>S\$'000</b>
<b>Bank loans</b>	40,689	10,109	(248)	30,828

1.(d)(i) Statement of changes in equity for the period ended March 31, 2017

	Share capital S\$'000	Treasury shares S\$'000	Share-based awards reserve S\$'000	Investments revaluation & Hedging reserve S\$'000	Translation reserve S\$'000	Reserve fund S\$'000	Accumulated profits S\$'000	Equity attributable to owners of the Company S\$'000	Non-controlling interests S\$'000	Total equity S\$'000
<b>The Group</b>										
<b>Balance at January 1, 2017</b>	713,686	(2,569)	5,063	21	-	3,066	1,240,848	1,960,115	2,419	1,962,534
Total comprehensive income for the period										
Profit for the period	-	-	-	-	-	-	48,596	48,596	(18)	48,578
Other comprehensive income (loss) for the period	-	-	-	585	(29,087)	-	-	(28,502)	(40)	(28,542)
<b>Total</b>	-	-	-	585	(29,087)	-	48,596	20,094	(58)	20,036
Transactions with owners, recognised directly in equity										
Issue of shares	9,382	-	(529)	-	-	-	-	8,853	-	8,853
Appropriation to reserve fund	-	-	-	-	-	473	(473)	-	-	-
Share options lapsed	-	-	(290)	-	-	-	290	-	-	-
Recognition of share-based payments	-	-	354	-	-	-	-	354	-	354
Refund of unclaimed dividends	-	-	-	-	-	-	8	8	-	8
<b>Total</b>	9,382	-	(465)	-	-	473	(175)	9,215	-	9,215
<b>Balance at March 31, 2017</b>	<b>723,068</b>	<b>(2,569)</b>	<b>4,598</b>	<b>606</b>	<b>(29,087)</b>	<b>3,539</b>	<b>1,289,269</b>	<b>1,989,424</b>	<b>2,361</b>	<b>1,991,785</b>

1.(d)(i) Statement of changes in equity for the period ended March 31, 2018

	Share capital S\$'000	Treasury shares S\$'000	Share-based awards reserve S\$'000	Investments revaluation & Hedging reserve S\$'000	Translation reserve S\$'000	Reserve fund S\$'000	Accumulated profits S\$'000	Equity attributable to owners of the Company S\$'000	Non-controlling interests S\$'000	Total equity S\$'000
<b>The Group</b>										
<b>Balance at January 1, 2018</b>	761,706	(1,879)	3,524	1,836	(76,191)	3,292	1,473,462	2,165,750	2,314	2,168,064
Total comprehensive income for the period										
Profit for the period	-	-	-	-	-	-	83,671	83,671	46	83,717
Other comprehensive income (loss) for the period	-	-	-	161	(19,695)	-	-	(19,534)	88	(19,446)
<b>Total</b>	-	-	-	161	(19,695)	-	83,671	64,137	134	64,271
Transactions with owners, recognised directly in equity										
Issue of shares	23,572	-	(581)	-	-	-	-	22,991	-	22,991
Appropriation to reserve fund	-	-	-	-	-	355	(355)	-	-	-
Share options lapsed	-	-	(55)	-	-	-	55	-	-	-
Recognition of share-based payments	-	-	487	-	-	-	-	487	-	487
<b>Total</b>	23,572	-	(149)	-	-	355	(300)	23,478	-	23,478
<b>Balance at March 31, 2018</b>	<b>785,278</b>	<b>(1,879)</b>	<b>3,375</b>	<b>1,997</b>	<b>(95,886)</b>	<b>3,647</b>	<b>1,556,833</b>	<b>2,253,365</b>	<b>2,448</b>	<b>2,255,813</b>

1.(d)(i) Statement of changes in equity for the period ended March 31, 2017

	Share capital S\$'000	Treasury shares S\$'000	Share- based awards reserve S\$'000	Investments revaluation & Hedging reserve S\$'000	Other reserves S\$'000	Accumulated profits S\$'000	Total equity S\$'000
<b>The Company</b>							
<b>Balance at January 1, 2017</b>	713,686	(2,569)	4,379	21	-	747,888	1,463,405
Total comprehensive income for the period							
Profit for the period	-	-	-	-	-	5,265	5,265
Other comprehensive gain for the period	-	-	-	585	-	-	585
<b>Total</b>	-	-	-	585	-	5,265	5,850
Transactions with owners, recognised directly in equity							
Issue of shares	9,382	-	(529)	-	-	-	8,853
Share options lapsed	-	-	(290)	-	-	290	-
Recognition of share-based payments	-	-	354	-	-	-	354
Refund of unclaimed dividends	-	-	-	-	-	8	8
<b>Total</b>	9,382	-	(465)	-	-	298	9,215
<b>Balance at March 31, 2017</b>	<u>723,068</u>	<u>(2,569)</u>	<u>3,914</u>	<u>606</u>	<u>-</u>	<u>753,451</u>	<u>1,478,470</u>

1.(d)(i) Statement of changes in equity for the period ended March 31, 2018

	Share capital S\$'000	Treasury shares S\$'000	Share- based awards reserve S\$'000	Investments revaluation & Hedging reserve S\$'000	Other reserves S\$'000	Accumulated profits S\$'000	Total equity S\$'000
<b>The Company</b>							
<b>Balance at January 1, 2018</b>	761,706	(1,879)	3,524	1,876	(247)	710,255	1,475,235
Total comprehensive income for the period							
Profit for the period	-	-	-	-	-	68,568	68,568
Other comprehensive income for the period	-	-	-	328	-	-	328
<b>Total</b>	-	-	-	328	-	68,568	68,896
Transactions with owners, recognised directly in equity							
Issue of shares	23,572	-	(581)	-	-	-	22,991
Share options lapsed	-	-	(55)	-	-	55	-
Recognition of share-based payments	-	-	487	-	-	-	487
<b>Total</b>	23,572	-	(149)	-	-	55	23,478
<b>Balance at March 31, 2018</b>	<u>785,278</u>	<u>(1,879)</u>	<u>3,375</u>	<u>2,204</u>	<u>(247)</u>	<u>778,878</u>	<u>1,567,609</u>

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

As at March 31, 2018, the total number of ordinary shares in issue was 287,407,577 (March 31, 2017: 280,217,577), of which 245,000 were treasury shares (March 31, 2017: 335,000).

The Company did not purchase any ordinary shares during Q1 2018 (Q1 2017: Nil). 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. There were no sales, transfers, cancellation and/or use of treasury shares during the period.

	<b>No. of ordinary shares in issue</b>	<b>S\$'000</b>
As at January 1, 2018	284,872,577	761,706
Add: No. of share options exercised in Q1 2018	2,535,000	23,572
As at March 31, 2018	<u>287,407,577</u>	<u>785,278</u>

  

	<b>No. of treasury shares</b>	<b>S\$'000</b>
As at January 1, 2018 and March 31, 2018	<u>245,000</u>	<u>1,879</u>

  

	<b>As at 31.03.2018</b>	<b>As at 31.03.2017</b>
% of treasury shares against the total ordinary shares in issue	<u>0.1%</u>	<u>0.1%</u>

  

	<b>No. of shares</b>	<b>S\$'000</b>
Issued shares excluding treasury shares as at January 1, 2018	<u>284,627,577</u>	<u>759,827</u>
Issued shares excluding treasury shares as at March 31, 2018	<u>287,162,577</u>	<u>783,399</u>

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

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

Since the end of the previous financial quarter, 740,000 options (Q1 2017: 1,028,000) were exercised and 122,000 options (Q1 2017: 4,000) have lapsed.

As at March 31, 2018, there were 216,000 unissued shares of the Company under options in the 2004 Scheme (March 31, 2017: 4,717,000).

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

Since the end of the previous financial quarter, 1,795,000 options (Q1 2017: 70,000) were exercised and 128,000 options (Q1 2017: 31,000) have lapsed.

As at March 31, 2018, there were 4,276,000 unissued shares of the Company under options in the 2015 Scheme. (March 31, 2017: 4,708,000).

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 March 31, 2018 the number of RSP shares stood at 960,000 (March 31, 2017: 760,000).

	<b>No. of RSP shares awarded</b>	<b>Lapsed shares</b>	<b>No. of RSP shares net of lapsed shares</b>
May 2013 Award	120,000	(60,000)	60,000
May 2014 Award	120,000	(20,000)	100,000
May 2015 Award	270,000	(20,000)	250,000
June 2016 Award	280,000	(20,000)	260,000
June 2017 Award	290,000	-	290,000
	<u>1,080,000</u>	<u>(120,000)</u>	<u>960,000</u>

1.(d)(v) **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**

Other than as mentioned in Paragraph 5 regarding the adoption of Singapore Financial Reporting Standards (International) (SFRS(I)) effective 1 January 2018, there were no further changes in accounting policies and methods of computation adopted in the financial statements of the current reporting period as compared to the most recently audited annual financial statements as at 31 December 2017.

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**

The Group adopted the new financial reporting framework - SFRS(I), in accordance with all Singapore-incorporated companies listed on the Singapore Exchange (SGX) for annual periods beginning on or after 1 January 2018. The Group assessed the transition provisions and elected to reset the cumulative translation differences recorded in the foreign translation reserve to \$NIL. The cumulative balance of S\$144.4 million was transferred to accumulated profits as at 1 January 2017.

The Group also adopted the following SFRS(I) pronouncements that are effective for annual periods beginning on or after 1 January 2018:

- SFRS(I) 9 Financial Instruments
- SFRS(I) 15 Revenue from Contracts with Customers

In accordance with SFRS(I) 15 disclosure, Contract Assets and Contract Liabilities have been included in the statement of financial position. The comparatives have also been restated to take this into account.

Other than as disclosed above, the adoption of the above did not result in any substantial change in the financial statements.

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**

	3 months ended 31.03.2018	3 months ended 31.03.2017
(a) Based on the weighted average number of ordinary shares on issue (cents)	29.2	17.4
(b) On a fully diluted basis (cents) (detailing any adjustments made to the earnings)	28.8	17.2

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

	Group		Company	
	31.03.2018	31.12.2017	31.03.2018	31.12.2017
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)	784.7	760.9	545.9	518.3

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 quarter ended 31 March 2018, the Group registered revenue of S\$856.0 million, an increase of 1.5% year-on-year due to the effects of a weakened US dollar. In US dollar terms, revenue for the reported quarter would have grown by 9.1%.

For the quarter ended 31 March 2018, the Group recorded profit before tax (PBT) of S\$98.6 million, an increase of 64.4% year-on-year. The improvement in profitability continued to be driven by impactful value creation through engineering design and development, operational excellence and judicious cost management. In line with the higher PBT, the Group reported income tax expense of S\$14.9 million for the reported quarter.

Net profit (profit attributable to owners of the Company) rose 72.2% year-on-year to S\$83.7 million for the reported quarter. This translates to a net margin of 9.8% for the quarter ended 31 March 2018 (1Q 2017: 5.8%).

Diluted Earnings Per Share was 28.8 cents for the reported quarter (1Q 2017: 17.2 cents).

**FINANCIAL POSITION AND CASHFLOW**

For the quarter ended 31 March 2018, the Group generated operating cash flow of S\$105.0 million before working capital changes. The Group registered an increase in working capital position for the reported quarter mainly due to higher inventory balances to support customers' programmes. The Group generated cash from operations of S\$38.2 million (1Q 2017: S\$7.0 million).

As at the end of the reported quarter, the Group had cash and bank balances of S\$765.3 million (S\$752.4 million as at 31 December 2017) and remained net cash positive at S\$724.6 million (S\$721.6 million as at 31 December 2017).

As at 31 March 2018, shareholders' funds rose to S\$2.3 billion (S\$2.2 billion as at 31 December 2017) and Net Asset Value per share improved to S\$7.85 (S\$7.61 as at 31 December 2017).



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**

In spite of the weakened US dollar and heightened uncertainty due to geo-political environment, the Group managed to report a creditable set of results in the first quarter of 2018.

The Group remains steadfast in execution along several key initiatives. Venture continues to leverage its core capabilities in engineering, advanced manufacturing and supply chain management to drive operational excellence and deep value creation. Venture plans to grow its pool of strategic partnerships and its technological diversity with expansion into new and adjacent ecosystems. Excellent execution of these ongoing and new initiatives will support the Group's endeavor to build sustainable growth and performance.

11. **Dividend**

**(a) Current Financial Period Reported On**

Name of Dividend	Nil
Dividend Type	Nil
Dividend Amount per Share (in cents)	Nil
Tax Rate	Nil

**(b) Corresponding Period of the Immediately Preceding Financial Year**

Name of Dividend	Nil
Dividend Type	Nil
Dividend Amount per Share (in cents)	Nil
Tax Rate	Nil

**(c) Date payable**

Not applicable

**(d) Books closure date**

Not applicable

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

No dividend for the period ended March 31, 2018 is recommended or declared.

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

**BY ORDER OF THE BOARD**

Angeline Khoo Cheng Nee  
Company Secretary  
April 25, 2018

**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 quarter ended March 31, 2018 to be false or misleading in any material aspect.

On behalf of the Directors

(signed)  
Wong Ngit Liong  
Director

(signed)  
Goon Kok Loon  
Director

April 25, 2018