

VENTURE CORPORATION LIMITED

Second 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 June 30, 2014. 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			Group		
	3 months ended 30.06.2014 S\$'000	3 months ended 30.06.2013 S\$'000	% increase/ (decrease)	6 months ended 30.06.2014 S\$'000	6 months ended 30.06.2013 S\$'000	% increase/ (decrease)
Revenue	601,117	587,707	2.3	1,192,106	1,118,204	6.6
Other operating income	480	104	361.5	662	348	90.2
Changes in inventories of finished goods and work in progress	(895)	(4,248)	(78.9)	(5,347)	(29,567)	(81.9)
Raw materials and consumables used	(461,035)	(449,366)	2.6	(913,334)	(834,332)	9.5
Employee benefits expense	(62,555)	(63,155)	(1.0)	(125,258)	(121,567)	3.0
Depreciation and amortisation expense	(10,403)	(10,556)	(1.4)	(20,593)	(21,195)	(2.8)
Research and development expense	(6,862)	(7,592)	(9.6)	(11,637)	(12,644)	(8.0)
Foreign currency exchange adjustment (loss) gain	(1,208)	2,325	n.m.	(1,303)	4,199	n.m.
Other expenses	(22,589)	(22,293)	1.3	(45,614)	(42,270)	7.9
Investment revenue	342	440	(22.3)	721	752	(4.1)
Finance costs (interest on bank borrowings)	(289)	(293)	(1.4)	(533)	(595)	(10.4)
Share of profit of associates	1,165	939	24.1	1,167	1,149	1.6
Profit before tax	37,268	34,012	9.6	71,037	62,482	13.7
Income tax	(3,715)	(3,967)	(6.4)	(6,699)	(4,478)	49.6
Profit for the period	33,553	30,045	11.7	64,338	58,004	10.9
Other comprehensive income:						
- Items may be reclassified subsequently to profit or loss						
Exchange differences arising on translation of foreign operations	(8,666)	14,530	n.m.	(13,397)	28,043	n.m.
Gain (loss) on available-for-sale investments taken to equity	117	(623)	n.m.	52	(508)	n.m.
Total comprehensive income for the period	25,004	43,952	(43.1)	50,993	85,539	(40.4)
Profit attributable to:						
Owners of the Company	33,546	30,063	11.6	64,316	58,075	10.7
Non-controlling interests	7	(18)	n.m.	22	(71)	n.m.
	33,553	30,045	11.7	64,338	58,004	10.9
Total comprehensive income attributable to:						
Owners of the Company	25,026	43,891	(43.0)	51,093	85,507	(40.2)
Non-controlling interests	(22)	61	n.m.	(100)	32	n.m.
	25,004	43,952	(43.1)	50,993	85,539	(40.4)

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

	Group			Group		
	3 months ended 30.06.2014 S\$'000	3 months ended 30.06.2013 S\$'000	% increase/ (decrease)	6 months ended 30.06.2014 S\$'000	6 months ended 30.06.2013 S\$'000	% increase/ (decrease)
(Underprovision) overprovision of tax in respect of prior years	(254)	(360)	(29.4)	(159)	338	n.m.
Allowance for doubtful trade receivables	-	(77)	(100.0)	-	(149)	(100.0)
Bad debt written off	-	-	n.m.	(3)	-	n.m.
Gain (loss) on disposal of property, plant and equipment, net	257	(126)	n.m.	208	(17)	n.m.
Allowance for inventories	(265)	(230)	15.2	(141)	(620)	(77.3)
Inventories written off	(21)	(34)	(38.2)	(2)	(35)	(94.3)

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	
	30.06.2014	31.12.2013	30.06.2014	31.12.2013
	S\$'000	S\$'000	S\$'000	S\$'000
ASSETS				
Current assets:				
Cash and cash equivalents	310,387	390,889	94,278	207,762
Trade receivables	514,692	520,282	68,946	78,069
Other receivables and prepayments	36,326	42,186	2,080	6,416
Inventories	538,704	527,923	49,246	49,489
Trade receivables due from subsidiaries	-	-	38,892	28,012
Other receivables due from subsidiaries	-	-	6,987	6,926
Trade receivables due from associates	-	4	-	-
Income tax recoverable	773	62	-	-
Total current assets	1,400,882	1,481,346	260,429	376,674
Non-current assets:				
Investments in subsidiaries	-	-	1,227,849	1,227,849
Investments in associates	75,351	75,160	51,300	51,300
Available-for-sale investments	10,738	25,733	1,360	16,309
Property, plant and equipment	186,331	152,644	40,644	2,017
Intangible assets	51,435	60,889	6,877	8,235
Goodwill	639,708	639,708	-	-
Deferred tax assets	7,288	6,885	-	-
Total non-current assets	970,851	961,019	1,328,030	1,305,710
Total assets	2,371,733	2,442,365	1,588,459	1,682,384
LIABILITIES AND EQUITY				
Current liabilities:				
Bank loans	173,174	161,795	74,940	68,337
Trade payables	356,231	335,124	40,491	45,002
Other payables and accrued expenses	84,177	100,121	22,223	24,833
Trade payables due to subsidiaries	-	-	4,584	4,150
Other payables due to subsidiaries	-	-	21,346	21,356
Trade payables due to associates	-	-	-	-
Income tax payable	6,051	6,098	1,487	1,030
Total current liabilities	619,633	603,138	165,071	164,708
Non-current liabilities:				
Deferred tax liabilities	8,411	9,981	-	-
Total non-current liabilities	8,411	9,981	-	-
Capital and reserves:				
Share capital	678,370	678,370	678,370	678,370
Treasury shares	(2,081)	(2,081)	(2,081)	(2,081)
Share-based awards reserve	42,040	41,719	41,373	41,052
Investments revaluation reserve	(40,494)	(40,546)	(38,297)	(38,349)
Translation reserve	(259,455)	(246,180)	-	-
Reserve fund	1,916	1,592	-	-
Capital reserve	17	17	-	-
Accumulated profits	1,321,059	1,393,938	744,023	838,684
Equity attributable to owners of the Company	1,741,372	1,826,829	1,423,388	1,517,676
Non-controlling interests	2,317	2,417	-	-
Total equity	1,743,689	1,829,246	1,423,388	1,517,676
Total liabilities and equity	2,371,733	2,442,365	1,588,459	1,682,384

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 30.06.2014		As at 31.12.2013		As at 30.06.2014		As at 31.12.2013	
Secured	Unsecured	Secured	Unsecured	Secured	Unsecured	Secured	Unsecured
S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
-	173,174	-	161,795	-	74,940	-	68,337

(b) Amount repayable after one year
Not applicable.

(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

	3 months ended 30.06.2014 S\$'000	3 months ended 30.06.2013 S\$'000	6 months ended 30.06.2014 S\$'000	6 months ended 30.06.2013 S\$'000
Operating activities:				
Profit before tax	37,268	34,012	71,037	62,482
Adjustments for:				
Share of profit of associates	(1,165)	(939)	(1,167)	(1,149)
Allowance for inventories	265	230	141	620
Inventories written off	21	34	2	35
Depreciation expense	6,081	6,226	11,948	12,538
Bad debt written off	-	-	3	-
Allowance for doubtful trade receivables	-	77	-	149
Amortisation of intangible assets	4,981	5,295	10,004	9,999
Interest income	(342)	(440)	(721)	(752)
Dividend income	(21)	(369)	(327)	(386)
Interest expense	289	293	533	595
Share-based payments expense	488	892	818	1,843
Write off of investment in associate	23	114	46	228
(Gain) loss on disposal of plant and equipment, net	(257)	126	(208)	17
Operating profit before working capital changes	47,631	45,551	92,109	86,219
Trade receivables	(14,901)	377	(991)	20,721
Other receivables and prepayments	1,674	(9,191)	5,198	(16,873)
Inventories	(11,201)	(5,194)	(18,185)	(27,409)
Amount due from associates	(10)	(8)	4	(6)
Trade payables	24,152	23,136	25,754	18,822
Other payables and accrued expenses	(88)	4,467	(14,860)	(10,273)
Cash generated from operations	47,257	59,138	89,029	71,201
Interest paid	(275)	(282)	(565)	(521)
Income tax paid	(5,383)	(6,103)	(9,301)	(8,194)
Net cash from operating activities	41,599	52,753	79,163	62,486
Investing activities:				
Interest received	342	440	721	752
Dividend received from associates	428	428	488	578
Dividend received from other equity investments	21	369	327	386
Purchase of property, plant and equipment	(5,227)	(12,089)	(49,554)	(16,096)
Proceeds on disposal of plant and equipment	635	41	1,793	509
Addition of intangible assets	(277)	(680)	(609)	(2,442)
Proceeds on disposal of an available-for-sale investments	38	-	15,038	87
Purchase of an available-for-sale investment	-	-	-	(526)
Net cash used in investing activities	(4,040)	(11,491)	(31,796)	(16,752)
Financing activities:				
Dividends paid	(137,368)	(137,456)	(137,368)	(137,456)
Repayment of bank loans	(6,900)	(18,242)	(7,408)	(89,252)
Proceeds from new bank loans	3,407	34,549	21,198	71,638
Proceeds from issue of shares	-	3,456	-	5,147
Purchase of treasury shares	-	(740)	-	(947)
Net cash used in financing activities	(140,861)	(118,433)	(123,578)	(150,870)
Net decrease in cash and cash equivalents	(103,302)	(77,171)	(76,211)	(105,136)
Cash and cash equivalents at beginning of period	416,148	429,400	390,889	453,424
Effect of foreign exchange rate changes on the balance of cash held in foreign currencies	(2,459)	5,108	(4,291)	9,049
Cash and cash equivalents at end of period	310,387	357,337	310,387	357,337
Cash and cash equivalents at end of period includes the following:				
Cash	230,513	353,463	230,513	353,463
Fixed deposits	79,874	3,874	79,874	3,874
Cash and cash equivalents at the end of the period	310,387	357,337	310,387	357,337

1.(d)(i) Statement of changes in equity for the period ended June 30, 2013

	Share capital S\$'000	Treasury shares S\$'000	Share-based awards reserve S\$'000	Investments revaluation reserve S\$'000	Translation reserve S\$'000	Reserve fund S\$'000	Capital reserve 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, 2013	673,223	(569)	41,190	(39,901)	(277,676)	1,592	42	1,399,451	1,797,352	2,450	1,799,802
Total comprehensive income for the period											
Profit for the period	-	-	-	-	-	-	-	28,012	28,012	(53)	27,959
Other comprehensive income for the period	-	-	-	115	13,489	-	-	-	13,604	24	13,628
Total	-	-	-	115	13,489	-	-	28,012	41,616	(29)	41,587
Transactions with owners, recognised directly in equity											
Issue of shares	1,691	-	-	-	-	-	-	-	1,691	-	1,691
Repurchase of shares	-	(207)	-	-	-	-	-	-	(207)	-	(207)
Share options lapsed	-	-	(70)	-	-	-	-	70	-	-	-
Recognition of share-based payments	-	-	951	-	-	-	-	-	951	-	951
Total	1,691	(207)	881	-	-	-	-	70	2,435	-	2,435
Balance at March 31, 2013	674,914	(776)	42,071	(39,786)	(264,187)	1,592	42	1,427,533	1,841,403	2,421	1,843,824
Total comprehensive income for the period											
Profit for the period	-	-	-	-	-	-	-	30,063	30,063	(18)	30,045
Other comprehensive income for the period	-	-	-	(623)	14,451	-	-	-	13,828	79	13,907
Total	-	-	-	(623)	14,451	-	-	30,063	43,891	61	43,952
Transactions with owners, recognised directly in equity											
Issue of shares	3,456	-	-	-	-	-	-	-	3,456	-	3,456
Repurchase of shares	-	(740)	-	-	-	-	-	-	(740)	-	(740)
Final tax exempt dividend paid in respect of the previous financial year	-	-	-	-	-	-	-	(137,456)	(137,456)	-	(137,456)
Share options lapsed	-	-	(367)	-	-	-	-	367	-	-	-
Recognition of share-based payments	-	-	892	-	-	-	-	-	892	-	892
Total	3,456	(740)	525	-	-	-	-	(137,089)	(133,848)	-	(133,848)
Balance at June 30, 2013	678,370	(1,516)	42,596	(40,409)	(249,736)	1,592	42	1,320,507	1,751,446	2,482	1,753,928

1.(d)(i) Statement of changes in equity for the period ended June 30, 2014

	Share capital S\$'000	Treasury shares S\$'000	Share-based awards reserve S\$'000	Investments revaluation reserve S\$'000	Translation reserve S\$'000	Reserve fund S\$'000	Capital reserve 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, 2014	678,370	(2,081)	41,719	(40,546)	(246,180)	1,592	17	1,393,938	1,826,829	2,417	1,829,246
Total comprehensive income for the period											
Profit for the period	-	-	-	-	-	-	-	30,770	30,770	15	30,785
Other comprehensive income for the period	-	-	-	(65)	(4,638)	-	-	-	(4,703)	(93)	(4,796)
Total	-	-	-	(65)	(4,638)	-	-	30,770	26,067	(78)	25,989
Transactions with owners, recognised directly in equity											
Appropriation to reserve fund	-	-	-	-	-	324	-	(324)	-	-	-
Share options lapsed	-	-	(367)	-	-	-	-	367	-	-	-
Recognition of share-based payments	-	-	330	-	-	-	-	-	330	-	330
Total	-	-	(37)	-	-	324	-	43	330	-	330
Balance at March 31, 2014	678,370	(2,081)	41,682	(40,611)	(250,818)	1,916	17	1,424,751	1,853,226	2,339	1,855,565
Total comprehensive income for the period											
Profit for the period	-	-	-	-	-	-	-	33,546	33,546	7	33,553
Other comprehensive income for the period	-	-	-	117	(8,637)	-	-	-	(8,520)	(29)	(8,549)
Total	-	-	-	117	(8,637)	-	-	33,546	25,026	(22)	25,004
Transactions with owners, recognised directly in equity											
Final tax exempt dividend paid in respect of the previous financial year	-	-	-	-	-	-	-	(137,368)	(137,368)	-	(137,368)
Share options lapsed	-	-	(130)	-	-	-	-	130	-	-	-
Recognition of share-based payments	-	-	488	-	-	-	-	-	488	-	488
Total	-	-	358	-	-	-	-	(137,238)	(136,880)	-	(136,880)
Balance at June 30, 2014	678,370	(2,081)	42,040	(40,494)	(259,455)	1,916	17	1,321,059	1,741,372	2,317	1,743,689

1.(d)(i) **Statement of changes in equity for the period ended June 30, 2013**

	Share capital S\$'000	Treasury shares S\$'000	Share-based awards reserve S\$'000	Investments revaluation reserve S\$'000	Accumulated profits S\$'000	Total equity S\$'000
The Company						
Balance at January 1, 2013	673,223	(569)	40,523	(37,704)	679,471	1,354,944
Total comprehensive income for the period						
Profit for the period	-	-	-	-	155,995	155,995
Other comprehensive income for the period	-	-	-	115	-	115
Total	-	-	-	115	155,995	156,110
Transactions with owners, recognised directly in equity						
Issue of shares	1,691	-	-	-	-	1,691
Repurchase of shares	-	(207)	-	-	-	(207)
Share options lapsed	-	-	(70)	-	70	-
Recognition of share-based payments	-	-	951	-	-	951
Total	1,691	(207)	881	-	70	2,435
Balance at March 31, 2013	674,914	(776)	41,404	(37,589)	835,536	1,513,489
Total comprehensive income for the period						
Profit for the period	-	-	-	-	101,113	101,113
Other comprehensive income for the period	-	-	-	(623)	-	(623)
Total	-	-	-	(623)	101,113	100,490
Transactions with owners, recognised directly in equity						
Issue of shares	3,456	-	-	-	-	3,456
Repurchase of shares	-	(740)	-	-	-	(740)
Final tax exempt dividend paid in respect of the previous financial year	-	-	-	-	(137,456)	(137,456)
Share options lapsed	-	-	(367)	-	367	-
Recognition of share-based payments	-	-	892	-	-	892
Total	3,456	(740)	525	-	(137,089)	(133,848)
Balance at June 30, 2013	678,370	(1,516)	41,929	(38,212)	799,560	1,480,131

1.(d)(i) **Statement of changes in equity for the period ended June 30, 2014**

	Share capital S\$'000	Treasury shares S\$'000	Share-based awards reserve S\$'000	Investments revaluation reserve S\$'000	Accumulated profits S\$'000	Total equity S\$'000
The Company						
Balance at January 1, 2014	678,370	(2,081)	41,052	(38,349)	838,684	1,517,676
Total comprehensive income for the period						
Profit for the period	-	-	-	-	32,077	32,077
Other comprehensive income for the period	-	-	-	(65)	-	(65)
Total	-	-	-	(65)	32,077	32,012
Transactions with owners, recognised directly in equity						
Share options lapsed	-	-	(367)	-	367	-
Recognition of share-based payments	-	-	330	-	-	330
Total	-	-	(37)	-	367	330
Balance at March 31, 2014	678,370	(2,081)	41,015	(38,414)	871,128	1,550,018
Total comprehensive income for the period						
Profit for the period	-	-	-	-	10,133	10,133
Other comprehensive income for the period	-	-	-	117	-	117
Total	-	-	-	117	10,133	10,250
Transactions with owners, recognised directly in equity						
Final tax exempt dividend paid in respect of the previous financial year	-	-	-	-	(137,368)	(137,368)
Share options lapsed	-	-	(130)	-	130	-
Recognition of share-based payments	-	-	488	-	-	488
Total	-	-	358	-	(137,238)	(136,880)
Balance at June 30, 2014	678,370	(2,081)	41,373	(38,297)	744,023	1,423,388

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

As at June 30, 2014, the total number of ordinary shares in issue was 275,011,577 (June 30, 2013: 275,011,577), of which 275,000 were treasury shares (June 30, 2013: 200,000).

The Company did not purchase any ordinary share during Q2 2014 (Q2 2013: 100,000 shares purchased). 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, disposal, cancellation and/or use of treasury shares during the period.

	No. of ordinary shares in issue	S\$'000
As at January 1, 2014 and June 30, 2014	<u>275,011,577</u>	<u>678,370</u>
	No. of treasury shares	S\$'000
As at January 1, 2014 and June 30, 2014	<u>275,000</u>	<u>2,081</u>
	No. of shares	S\$'000
Issued shares excluding treasury shares as at January 1, 2014 and June 30, 2014	<u>274,736,577</u>	<u>676,289</u>

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

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

Since the end of the previous financial quarter, no options were exercised (June 30, 2013: 413,000). As at June 30, 2014, there were 15,471,000 unissued shares of the Company under options in the 2004 Scheme (June 30, 2013: 11,762,000).

Since the end of the previous financial quarter, 191,000 options (June 30, 2013: 349,000) have lapsed.

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 Q2 2014, the number of RSP shares is 390,000.

	No. of RSP shares awarded	Lapsed shares	No. of RSP shares net of lapsed shares
May 2012 Award	180,000	(30,000)	150,000
May 2013 Award	120,000	-	120,000
May 2014 Award	120,000	-	120,000
	<u>420,000</u>	<u>(30,000)</u>	<u>390,000</u>

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**

The Group has adopted the same accounting policies and methods of computation in the financial statements for the current reporting period compared with the audited financial statements for the year ended December 31, 2013.

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**

There are no changes in accounting policies and methods of computation.

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 30.06.2014	3 months ended 30.06.2013	6 months ended 30.06.2014	6 months ended 30.06.2013
(a) Based on the weighted average number of ordinary shares on issue (cents)	12.2	10.9	23.4	21.1
(b) On a fully diluted basis (cents) (detailing any adjustments made to the earnings)	12.2	10.9	23.4	21.1

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

	Group		Company	
	30.06.2014	31.12.2013	30.06.2014	31.12.2013
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)	633.8	664.9	518.1	552.4

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.

The Group registered revenue of S\$601.1 million for the quarter ended 30 June 2014, a slight increase of 2.3% compared to the corresponding quarter of the prior year. The Test & Measurement/Medical/Others segment and the Networking & Communications segment registered year-on-year revenue growth of 18.4% and 4.6% respectively. This improvement was offset by the year-on-year revenue decline in the other segments, namely Computer Peripherals & Data Storage (-17.9%), Retail Store Solutions & Industrial Products (-2.8%) and Printing & Imaging (-5.7%). Revenue for the first six months of this year grew 6.6% year-on-year to S\$1,192.1 million.

For the quarter ended 30 June 2014, the Group registered profit attributable to owners of the company ("net profit") of S\$33.5 million, an increase of 11.6% compared to the corresponding quarter of the prior year. The Group's profitability is mainly derived from its operations. At a pre-tax level, profitability stood at S\$37.3 million with PBT (profit before tax) margin of 6.2% (2Q 2013: 5.8%). For the six months ended 30 June 2014, the Group recorded a net profit of S\$64.3 million, 10.7% higher than the prior year period.

Diluted Earnings Per Share for the quarter was 12.2 cents (2Q 2013: 10.9 cents).

For the quarter ended 30 June 2014, the Group recorded S\$47.6 million of operating profit before working capital changes and generated cash from operations of S\$47.3 million. Working capital stood at S\$697.2 million. During the quarter, the Group made further progress in managing its working capital.

For the six months ended 30 June 2014, the Group reported S\$92.1 million of operating profit before working capital changes and generated cash from operations of S\$89.0 million. During the quarter, the Group declared and paid a final one-tier tax-exempt dividend of 50¢ per Ordinary Share amounting to S\$137.4 million. This lowered the Group's cash and cash equivalent balances to S\$310.4 million, compared to S\$390.9 million as at the end of 2013. The Group remained net cash positive at S\$137.2 million.

As at 30 June 2014, equity attributable to owners of the Company was S\$1,741.4 million (As at 31 December 2013: S\$1,826.8 million) and the Net Asset Value per share was S\$6.34 (As at 31 December 2013: S\$6.65).

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**

Business sentiment of most of the Group's customers has been generally positive. However, continued M&A (Mergers & Acquisitions) and consolidation activities among some of the Group's customers may present some short-term uncertainty. Nevertheless, the Group continues to pursue opportunities to grow with the merged entities.

Going forward, the Group will strive for continuous improvement in its key differentiating strengths. These differentiators include the Group's proven ability to manage a highly diversified product portfolio; its growing and expanding engineering and R&D capabilities; and Kaizen initiatives for sustaining excellence in every aspect of its business. The Group is also well recognized for its ability to attain high value creation through innovation in product and system development, complete with software and firmware.

The Group continues to invest in growing its Centres of Excellence in selected domain areas. Through collaborations with partners in the same ecosystem, new Clusters of Excellence are being forged and developed for long-term competitive advantage.

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 June 30, 2014 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.

BY ORDER OF THE BOARD

Angeline Khoo
Company Secretary
August 8, 2014

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 second quarter ended June 30, 2014 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 8, 2014