

VENTURE CORPORATION LIMITED

Third 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 September 30, 2017. 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 30.09.2017 S\$'000	3 months ended 30.09.2016 S\$'000	% increase/ (decrease)	9 months ended 30.09.2017 S\$'000	9 months ended 30.09.2016 S\$'000	% increase/ (decrease)
<b>Revenue</b>	1,061,858	705,652	50.5	2,918,059	2,019,638	44.5
Other income	1,076	573	87.8	1,919	1,474	30.2
Changes in finished goods, work in progress and raw materials used (Note 1)	(800,606)	(528,902)	51.4	(2,245,609)	(1,529,041)	46.9
Employee benefits expense	(83,945)	(73,577)	14.1	(259,027)	(210,935)	22.8
Depreciation and amortisation expense (Note 2)	(8,854)	(10,375)	(14.7)	(22,591)	(31,525)	(28.3)
Research and development expense	(11,819)	(9,962)	18.6	(26,767)	(24,388)	9.8
Foreign currency exchange (loss) gain	(582)	683	n.m.	(1,189)	2,208	n.m.
Other operating expenses	(26,292)	(27,982)	(6.0)	(92,299)	(79,919)	15.5
Investment revenue	800	641	24.8	2,463	2,198	12.1
Finance costs (interest expense on bank loans)	(329)	(195)	68.7	(845)	(679)	24.4
Share of profit of associates	-	117	n.m.	1,671	1,724	(3.1)
<b>Profit before tax</b>	<b>131,307</b>	<b>56,673</b>	<b>131.7</b>	<b>275,785</b>	<b>150,755</b>	<b>82.9</b>
Income tax expense	(19,939)	(9,236)	115.9	(46,017)	(24,063)	91.2
<b>Profit for the period</b>	<b>111,368</b>	<b>47,437</b>	<b>134.8</b>	<b>229,768</b>	<b>126,692</b>	<b>81.4</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	(18,763)	8,534	n.m.	(62,789)	(44,183)	42.1
Translation gain reclassified to profit or loss on loss of significant influence on an associate	-	-	n.m.	-	(2,108)	n.m.
Fair value gain (loss) on available-for-sale investments	71	34	n.m.	1,056	(56)	n.m.
Fair value (loss) gain on cash flow hedge	(25)	61	n.m.	(4)	(91)	(95.6)
<b>Total comprehensive income for the period</b>	<b>92,651</b>	<b>56,066</b>	<b>65.3</b>	<b>168,031</b>	<b>80,254</b>	<b>109.4</b>
<b>Profit attributable to:</b>						
Owners of the Company	111,398	47,398	135.0	229,833	126,628	81.5
Non-controlling interests	(30)	39	n.m.	(65)	64	n.m.
	<b>111,368</b>	<b>47,437</b>	<b>134.8</b>	<b>229,768</b>	<b>126,692</b>	<b>81.4</b>
<b>Total comprehensive income attributable to:</b>						
Owners of the Company	92,613	56,049	65.2	168,068	80,372	109.1
Non-controlling interests	38	17	123.5	(37)	(118)	(68.6)
	<b>92,651</b>	<b>56,066</b>	<b>65.3</b>	<b>168,031</b>	<b>80,254</b>	<b>109.4</b>

**Note 1**

The increase in Changes in finished goods, work in progress and raw materials used was due to higher revenue and Allowance for Inventories as disclosed in 1.(a)(ii).

**Note 2**

Amortisation charge for 3Q FY2017 and 9M FY2017 decreased by \$4.2 mil and \$13.4 mil respectively as the carrying value of intangible asset for customer relationships was fully amortised in FY2016.

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

	Group			Group		
	3 months ended 30.09.2017 S\$'000	3 months ended 30.09.2016 S\$'000	% increase/ (decrease)	9 months ended 30.09.2017 S\$'000	9 months ended 30.09.2016 S\$'000	% increase/ (decrease)
Overprovision of tax in respect of prior years	30	297	(89.9)	183	47	n.m.
Allowance for doubtful trade receivables	(210)	(35)	n.m.	(6,059)	(3,798)	59.5
Loss on disposal of property, plant and equipment, net	(27)	(25)	8.0	(42)	(108)	(61.1)
Allowance for Inventories (Note 3)	(13,040)	(4,100)	n.m.	(13,285)	(4,731)	n.m.

**Note 3**

The increase in allowance for inventories was mainly due to provision made for aged inventory based on net realisable value and estimates on forecasted usage.

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	
	30.09.2017	31.12.2016	30.09.2017	31.12.2016
	S\$'000	S\$'000	S\$'000	S\$'000
<b>ASSETS</b>				
<b>Current assets:</b>				
Cash and bank balances	599,586	499,736	102,102	212,760
Trade receivables	803,737	712,994	10,712	227,389
Other receivables and prepayments	74,573	38,270	25,124	12,532
Inventories	703,931	622,988	48,639	47,726
Trade receivables due from subsidiaries	-	-	78,723	15,962
Other receivables due from subsidiaries	-	-	17,904	17,959
Income tax recoverable	33	5	-	-
<b>Total current assets</b>	<b>2,181,860</b>	<b>1,873,993</b>	<b>283,204</b>	<b>534,328</b>
<b>Non-current assets:</b>				
Investments in subsidiaries	-	-	1,227,849	1,227,849
Investments in associates	20,746	20,253	-	-
Available-for-sale investments	10,965	8,088	8,118	5,241
Other receivables	2,754	4,231	-	-
Property, plant and equipment	196,538	203,152	39,514	39,170
Intangible assets	714	1,283	469	913
Goodwill	639,708	639,708	-	-
Deferred tax assets	7,350	7,814	-	-
<b>Total non-current assets</b>	<b>878,775</b>	<b>884,529</b>	<b>1,275,950</b>	<b>1,273,173</b>
<b>Total assets</b>	<b>3,060,635</b>	<b>2,758,522</b>	<b>1,559,154</b>	<b>1,807,501</b>
<b>LIABILITIES AND EQUITY</b>				
<b>Current liabilities:</b>				
Bank loans	64,516	92,641	53,605	77,139
Trade payables	627,909	490,936	48,570	53,060
Other payables and accrued expenses	308,420	192,376	55,698	63,045
Trade payables due to subsidiaries	-	-	1,154	126,109
Other payables due to subsidiaries	-	-	22,345	21,223
Income tax payable	31,417	18,234	1,835	3,520
<b>Total current liabilities</b>	<b>1,032,262</b>	<b>794,187</b>	<b>183,207</b>	<b>344,096</b>
<b>Non-current liabilities:</b>				
Deferred tax liabilities	1,883	1,801	-	-
<b>Total non-current liabilities</b>	<b>1,883</b>	<b>1,801</b>	<b>-</b>	<b>-</b>
<b>Capital and reserves:</b>				
Share capital	750,582	713,686	750,582	713,686
Treasury shares	(1,879)	(2,569)	(1,879)	(2,569)
Share-based awards reserve	4,070	5,063	3,386	4,379
Investments revaluation and hedging reserve	1,073	21	1,073	21
Translation reserve	(207,199)	(144,382)	-	-
Other reserves	3,292	3,066	(247)	-
Accumulated profits	1,474,169	1,385,230	623,032	747,888
<b>Equity attributable to owners of the Company</b>	<b>2,024,108</b>	<b>1,960,115</b>	<b>1,375,947</b>	<b>1,463,405</b>
Non-controlling interests	2,382	2,419	-	-
<b>Total equity</b>	<b>2,026,490</b>	<b>1,962,534</b>	<b>1,375,947</b>	<b>1,463,405</b>
<b>Total liabilities and equity</b>	<b>3,060,635</b>	<b>2,758,522</b>	<b>1,559,154</b>	<b>1,807,501</b>

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 30.09.2017		As at 31.12.2016		As at 30.09.2017		As at 31.12.2016	
Secured	Unsecured	Secured	Unsecured	Secured	Unsecured	Secured	Unsecured
S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
25,265	39,251	26,883	65,758	25,265	28,340	26,883	50,256

(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

	3 months ended 30.09.2017 S\$'000	3 months ended 30.09.2016 S\$'000	9 months ended 30.09.2017 S\$'000	9 months ended 30.09.2016 S\$'000
<b>Operating activities:</b>				
Profit before Taxation	131,307	56,673	275,785	150,755
Adjustments for:				
Share of profit of associates	-	(117)	(1,671)	(1,724)
Allowance for Inventories	13,040	4,100	13,285	4,731
Depreciation expense	8,815	6,123	22,469	18,671
Allowance for doubtful trade receivables	210	35	6,059	3,798
Amortisation of intangible assets	143	4,362	562	14,008
Interest income	(800)	(641)	(2,463)	(2,198)
Dividend income	(99)	(57)	(222)	(178)
Interest expense	329	195	845	679
Share-based payments expense	494	487	1,206	859
Loss on disposal of plant and equipment, net	27	25	42	108
Translation gain reclassified to profit or loss on loss of significant influence on an associate	-	-	-	(2,108)
<b>Operating profit before working capital changes</b>	<b>153,466</b>	<b>71,185</b>	<b>315,897</b>	<b>187,401</b>
Trade receivables	(5,186)	(5,262)	(130,200)	(4,306)
Other receivables and prepayments	(13,694)	(10,584)	(36,290)	(1,065)
Inventories	(58,525)	(31,447)	(131,182)	(83,716)
Trade payables	61,889	10,063	164,689	82,991
Other payables and accrued expenses	49,288	32,613	125,692	26,284
<b>Cash generated from operations</b>	<b>187,238</b>	<b>66,568</b>	<b>308,606</b>	<b>207,589</b>
Interest paid	(329)	(195)	(845)	(679)
Income tax paid	(13,301)	(12,131)	(31,696)	(23,526)
<b>Net cash from operating activities</b>	<b>173,608</b>	<b>54,242</b>	<b>276,065</b>	<b>183,384</b>
<b>Investing activities:</b>				
Interest received	531	403	2,073	1,486
Dividend received from associates	628	523	1,078	733
Dividend received from other equity investments	99	57	222	142
Purchase of property, plant and equipment	(9,287)	(7,684)	(26,274)	(26,310)
Proceeds on disposal of plant and equipment	34	32	185	71
Purchase of available-for-sale investments	(1,820)	-	(1,820)	-
<b>Net cash used in investing activities</b>	<b>(9,815)</b>	<b>(6,669)</b>	<b>(24,536)</b>	<b>(23,878)</b>
<b>Financing activities:</b>				
Dividend paid	-	-	(140,728)	(138,403)
Refund of unclaimed dividends	-	-	8	26
Repayment of bank loans (Note 4)	(36,489)	(3,219)	(64,635)	(40,070)
Proceeds from new bank loans (Note 4)	27,510	303	41,695	1,077
Proceeds from issue of shares	11,269	6,162	35,439	9,231
Purchase of treasury shares	-	(248)	-	(488)
<b>Net cash from (used in) financing activities</b>	<b>2,290</b>	<b>2,998</b>	<b>(128,221)</b>	<b>(168,627)</b>
Net increase (decrease) in cash and cash equivalents	166,083	50,571	123,308	(9,121)
Cash and cash equivalents at beginning of period	417,277	353,104	474,728	433,154
Effect of foreign exchange rate changes on the balance of cash held in foreign currencies	(8,446)	(524)	(23,122)	(20,882)
<b>Cash and cash equivalents at end of period</b>	<b>574,914</b>	<b>403,151</b>	<b>574,914</b>	<b>403,151</b>
<b>Cash and cash equivalents comprise:</b>				
Cash	494,374	266,635	494,374	266,635
Fixed deposits	105,212	160,948	105,212	160,948
	599,586	427,583	599,586	427,583
Less: Pledged bank deposits	(24,672)	(24,432)	(24,672)	(24,432)
<b>Cash and cash equivalents on the consolidated cash flow statement</b>	<b>574,914</b>	<b>403,151</b>	<b>574,914</b>	<b>403,151</b>

**Note 4:** Reconciliation of liabilities arising from financing activities between cash and non-cash changes

	30.09.2017 S\$'000	Cash Flows S\$'000	Non-cash changes	31.12.2016 S\$'000
			Foreign exchange movement S\$'000	
Bank loans	64,516	(22,940)	(5,185)	92,641

1.(d)(i) Statement of changes in equity for the period ended September 30, 2016

	Share capital S\$'000	Treasury shares S\$'000	Share-based awards reserve S\$'000	Investments revaluation & Hedging 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
<b>The Group</b>										
<b>Balance at January 1, 2016</b>	693,333	(2,081)	6,375	(135)	(149,897)	2,415	1,343,215	1,893,225	2,584	1,895,809
Total comprehensive income for the period										
Profit for the period	-	-	-	-	-	-	35,839	35,839	9	35,848
Other comprehensive loss for the period	-	-	-	(222)	(43,060)	-	-	(43,282)	(102)	(43,384)
Total	-	-	-	(222)	(43,060)	-	35,839	(7,443)	(93)	(7,536)
Transactions with owners, recognised directly in equity										
Issue of shares	1,209	-	(143)	-	-	-	-	1,066	-	1,066
Appropriation to reserve fund	-	-	-	-	-	668	(668)	-	-	-
Share options lapsed	-	-	(54)	-	-	-	54	-	-	-
Recognition of share-based payments	-	-	121	-	-	-	-	121	-	121
Total	1,209	-	(76)	-	-	668	(614)	1,187	-	1,187
<b>Balance at March 31, 2016</b>	694,542	(2,081)	6,299	(357)	(192,957)	3,083	1,378,440	1,886,969	2,491	1,889,460
Total comprehensive income for the period										
Profit for the period	-	-	-	-	-	-	43,391	43,391	16	43,407
Other comprehensive loss for the period	-	-	-	(20)	(11,605)	-	-	(11,625)	(58)	(11,683)
Total	-	-	-	(20)	(11,605)	-	43,391	31,766	(42)	31,724
Transactions with owners, recognised directly in equity										
Issue of shares	2,255	-	(252)	-	-	-	-	2,003	-	2,003
Purchase of treasury shares	-	(240)	-	-	-	-	-	(240)	-	(240)
Final tax exempt dividend paid in respect of the previous financial year	-	-	-	-	-	-	(138,403)	(138,403)	-	(138,403)
Share options lapsed	-	-	(45)	-	-	-	45	-	-	-
Recognition of share-based payments	-	-	251	-	-	-	-	251	-	251
Share of associate's reserves	-	-	-	-	-	(17)	17	-	-	-
Refund of unclaimed dividends	-	-	-	-	-	-	26	26	-	26
Total	2,255	(240)	(46)	-	-	(17)	(138,315)	(136,363)	-	(136,363)
<b>Balance at June 30, 2016</b>	696,797	(2,321)	6,253	(377)	(204,562)	3,066	1,283,516	1,782,372	2,449	1,784,821
Total comprehensive income for the period										
Profit for the period	-	-	-	-	-	-	47,398	47,398	39	47,437
Other comprehensive loss for the period	-	-	-	95	8,556	-	-	8,651	(22)	8,629
Total	-	-	-	95	8,556	-	47,398	56,049	17	56,066
Transactions with owners, recognised directly in equity										
Issue of shares	6,678	-	(516)	-	-	-	-	6,162	-	6,162
Purchase of treasury shares	-	(248)	-	-	-	-	-	(248)	-	(248)
Share options lapsed	-	-	(253)	-	-	-	253	-	-	-
Recognition of share-based payments	-	-	487	-	-	-	-	487	-	487
Total	6,678	(248)	(282)	-	-	-	253	6,401	-	6,401
<b>Balance at September 30, 2016</b>	703,475	(2,569)	5,971	(282)	(196,006)	3,066	1,331,167	1,844,822	2,466	1,847,288

1.(d)(i) Statement of changes in equity for the period ended September 30, 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	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
<b>The Group</b>										
<b>Balance at January 1, 2017</b>	713,686	(2,569)	5,063	21	(144,382)	3,066	1,385,230	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 gain (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>	723,068	(2,569)	4,598	606	(173,469)	3,539	1,433,651	1,989,424	2,361	1,991,785
Total comprehensive income for the period										
Profit for the period	-	-	-	-	-	-	69,839	69,839	(17)	69,822
Other comprehensive gain (loss) for the period	-	-	-	421	(14,899)	-	-	(14,478)	-	(14,478)
<b>Total</b>	-	-	-	421	(14,899)	-	69,839	55,361	(17)	55,344
Transactions with owners, recognised directly in equity										
Issue of shares	15,879	-	(562)	-	-	-	-	15,317	-	15,317
Treasury shares reissued pursuant to equity compensation plans	-	690	(443)	-	-	(247)	-	-	-	-
Final tax exempt dividend paid in respect of the previous financial year	-	-	-	-	-	-	(140,728)	(140,728)	-	(140,728)
Share options lapsed	-	-	(8)	-	-	-	8	-	-	-
Recognition of share-based payments	-	-	358	-	-	-	-	358	-	358
<b>Total</b>	15,879	690	(655)	-	-	(247)	(140,720)	(125,053)	-	(125,053)
<b>Balance at June 30, 2017</b>	738,947	(1,879)	3,943	1,027	(188,368)	3,292	1,362,770	1,919,732	2,344	1,922,076
Total comprehensive income for the period										
Profit for the period	-	-	-	-	-	-	111,398	111,398	(30)	111,368
Other comprehensive gain (loss) for the period	-	-	-	46	(18,831)	-	-	(18,785)	68	(18,717)
<b>Total</b>	-	-	-	46	(18,831)	-	111,398	92,613	38	92,651
Transactions with owners, recognised directly in equity										
Issue of shares	11,635	-	(366)	-	-	-	-	11,269	-	11,269
Share options lapsed	-	-	(1)	-	-	-	1	-	-	-
Recognition of share-based payments	-	-	494	-	-	-	-	494	-	494
<b>Total</b>	11,635	-	127	-	-	-	1	11,763	-	11,763
<b>Balance at September 30, 2017</b>	750,582	(1,879)	4,070	1,073	(207,199)	3,292	1,474,169	2,024,108	2,382	2,026,490

1.(d)(i) **Statement of changes in equity for the period ended September 30, 2016**

	Share capital S\$'000	Treasury shares S\$'000	Share- based awards reserve S\$'000	Investments revaluation & Hedging reserve S\$'000	Accumulated profits S\$'000	Total equity S\$'000
<b>The Company</b>						
<b>Balance at January 1, 2016</b>	693,333	(2,081)	5,691	(135)	715,464	1,412,272
Total comprehensive income for the period						
Profit for the period	-	-	-	-	21,626	21,626
Other comprehensive loss for the period	-	-	-	(222)	-	(222)
Total	-	-	-	(222)	21,626	21,404
Transactions with owners, recognised directly in equity						
Issue of shares	1,209	-	(143)	-	-	1,066
Share options lapsed	-	-	(54)	-	54	-
Recognition of share-based payments	-	-	121	-	-	121
Total	1,209	-	(76)	-	54	1,187
<b>Balance at March 31, 2016</b>	694,542	(2,081)	5,615	(357)	737,144	1,434,863
Total comprehensive income for the period						
Profit for the period	-	-	-	-	75,395	75,395
Other comprehensive loss for the period	-	-	-	(20)	-	(20)
Total	-	-	-	(20)	75,395	75,375
Transactions with owners, recognised directly in equity						
Issue of shares	2,255	-	(252)	-	-	2,003
Purchase of treasury shares	-	(240)	-	-	-	(240)
Final tax exempt dividend paid in respect of the previous financial year	-	-	-	-	(138,403)	(138,403)
Share options lapsed	-	-	(45)	-	45	-
Recognition of share-based payments	-	-	251	-	-	251
Total	2,255	(240)	(46)	-	(138,358)	(136,389)
<b>Balance at June 30, 2016</b>	696,797	(2,321)	5,569	(377)	674,181	1,373,849
Total comprehensive income for the period						
Profit for the period	-	-	-	-	40,576	40,576
Other comprehensive loss for the period	-	-	-	95	-	95
Total	-	-	-	95	40,576	40,671
Transactions with owners, recognised directly in equity						
Issue of shares	6,678	-	(516)	-	-	6,162
Purchase of treasury shares	-	(248)	-	-	-	(248)
Share options lapsed	-	-	(253)	-	253	-
Recognition of share-based payments	-	-	487	-	-	487
Total	6,678	(248)	(282)	-	253	6,401
<b>Balance at September 30, 2016</b>	703,475	(2,569)	5,287	(282)	715,010	1,420,921

1.(d)(i) Statement of changes in equity for the period ended September 30, 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 income for the period	-	-	-	585	-	-	585
Total	-	-	-	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
Total	9,382	-	(465)	-	-	298	9,215
<b>Balance at March 31, 2017</b>	723,068	(2,569)	3,914	606	-	753,451	1,478,470
Total comprehensive income for the period							
Profit for the period	-	-	-	-	-	5,459	5,459
Other comprehensive income for the period	-	-	-	421	-	-	421
Total	-	-	-	421	-	5,459	5,880
Transactions with owners, recognised directly in equity							
Issue of shares	15,879	-	(562)	-	-	-	15,317
Treasury shares reissued pursuant to equity compensation plans	-	690	(443)	-	(247)	-	-
Final tax exempt dividend paid in respect of the previous financial year	-	-	-	-	-	(140,728)	(140,728)
Share options lapsed	-	-	(8)	-	-	8	-
Recognition of share-based payments	-	-	358	-	-	-	358
Total	15,879	690	(655)	-	(247)	(140,720)	(125,053)
<b>Balance at June 30, 2017</b>	738,947	(1,879)	3,259	1,027	(247)	618,190	1,359,297
Total comprehensive income for the period							
Profit for the period	-	-	-	-	-	4,841	4,841
Other comprehensive income for the period	-	-	-	46	-	-	46
Total	-	-	-	46	-	4,841	4,887
Transactions with owners, recognised directly in equity							
Issue of shares	11,635	-	(366)	-	-	-	11,269
Share options lapsed	-	-	(1)	-	-	1	-
Recognition of share-based payments	-	-	494	-	-	-	494
Total	11,635	-	127	-	-	1	11,763
<b>Balance at September 30, 2017</b>	750,582	(1,879)	3,386	1,073	(247)	623,032	1,375,947



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

As at September 30, 2017, the total number of ordinary shares in issue was 283,566,577 (September 30, 2016: 277,997,577), of which 245,000 were treasury shares (September 30, 2016: 335,000).

The Company did not purchase any ordinary shares during Q3 2017 (Q3 2016: 30,000). 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, 2017	279,119,577	713,686
Add: No. of share options exercised in Q1 2017	1,098,000	9,382
As at March 31, 2017	280,217,577	723,068
Add: No. of share options exercised in Q2 2017	2,002,000	15,879
As at June 30, 2017	282,219,577	738,947
Add: No. of share options exercised in Q3 2017	1,347,000	11,635
As at September 30, 2017	<u>283,566,577</u>	<u>750,582</u>

	No. of treasury shares	S\$'000
As at January 1, 2017 and March 31, 2017	335,000	2,569
Less: Treasury shares transferred pursuant to restricted share plan in Q2 2017	(90,000)	(690)
As at June 30, 2017 and September 30, 2017	<u>245,000</u>	<u>1,879</u>

	As at 30.09.2017	As at 30.09.2016
% of treasury shares against the total ordinary shares in issue	0.1%	0.1%

	No. of shares	S\$'000
Issued shares excluding treasury shares as at January 1, 2017	278,784,577	711,117
Issued shares excluding treasury shares as at March 31, 2017	279,882,577	720,499
Issued shares excluding treasury shares as at June 30, 2017	281,974,577	737,068
Issued shares excluding treasury shares as at September 30, 2017	<u>283,321,577</u>	<u>748,703</u>

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

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

Since the end of the previous financial quarter, 804,000 options (Q3 2016: 797,000) were exercised and 1,000 options (Q3 2016: 209,000) have lapsed.

As at September 30, 2017, there were 1,970,000 unissued shares of the Company under options in the 2004 Scheme (September 30, 2016: 6,895,000).

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

Since the end of the previous financial quarter, 543,000 options (Q3 2016: Nil) were exercised and 17,000 options (Q3 2016: 125,000) have lapsed.

As at September 30, 2017, there were 6,616,000 unissued shares of the Company under options in the 2015 Scheme. (September 30, 2016: 4,803,000).

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 September 30, 2017 the number of RSP shares stood at 960,000 (September 30, 2016: 850,000).

	No. of RSP shares awarded	Lapsed shares	No. of RSP shares net of lapsed shares
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)(iv) **Subsidiary holdings**

There were no subsidiary holdings 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**

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, 2016.

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 30.09.2017	3 months ended 30.09.2016	9 months ended 30.09.2017	9 months ended 30.09.2016
(a) Based on the weighted average number of ordinary shares on issue (cents)	39.5	17.1	81.6	45.7
(b) On a fully diluted basis (cents) (detailing any adjustments made to the earnings)	38.9	17.0	80.5	45.5

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

	Group		Company	
	30.09.2017	31.12.2016	30.09.2017	31.12.2016
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)	714.4	703.1	485.6	524.9

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 30 September 2017, the Group registered revenue of S\$1.1 billion, an increase of 50.5% year-on-year. For the nine months ended 30 September 2017, revenue improved by 44.5% year-on-year to S\$2.9 billion. Revenue improvement for the reported quarter and for the first nine months of 2017 is attributable to the commendable progress achieved by the Group across several strategic and operational imperatives including continuing strong execution of customers' programmes and deepening of collaborative partnership with strategic customers.

In tandem with the revenue growth, the Group recorded profit before tax (PBT) of S\$131.3 million for the quarter ended 30 September 2017, an increase of 131.7% year-on-year. For the first nine months of 2017, the Group recorded PBT of S\$275.8 million, an increase of 82.9% year-on-year. In line with the higher PBT and based on tax incentives granted to its subsidiaries, the Group reported income tax expense of S\$19.9 million for the reported quarter and S\$46.0 million for the first nine months of 2017. Net profit (profit attributable to owners of the Company) rose 135.0% year-on-year to S\$111.4 million for the reported quarter. For the nine months ended 30 September 2017, net profit rose 81.5% year-on-year to S\$229.8 million. Strong revenue growth, value creation through R&D capabilities, astute cost management as well as sustained operational excellence continued to drive improvement in Group's profitability. The Group registered net margin of 10.5% for the reported quarter (3Q 2016: 6.7%) and 7.9% for the first nine months of 2017 (9M 2016: 6.3%).

Diluted Earnings Per Share for the reported quarter was 38.9 cents (3Q 2016: 17.0 cents) and 80.5 cents for the first nine months of 2017 (9M 2016: 45.5 cents).

**FINANCIAL POSITION AND CASHFLOW**

The Group generated operating cash flow of S\$153.5 million before working capital changes for the quarter ended 30 September 2017 (3Q 2016: S\$71.2 million). For the nine months ended 30 September 2017, operating profit before working capital changes amounted to S\$315.9 million (9M 2016: S\$187.4 million). For the quarter ended 30 September 2017, the Group registered an increase in working capital position largely due to trade receivables and inventories balances. Trade receivables balance stood at S\$803.7 million in tandem with the revenue recorded for the reported quarter. The increase in inventories was primarily to support customers' requirements and programmes. For the nine months ended 30 September 2017, the Group generated cash from operations of S\$308.6 million (9M 2016: S\$207.6 million).

As of 30 September 2017, the Group had S\$599.6 million of cash and bank balances (S\$499.7 million as at 31 December 2016). As at the end of the reported quarter, the Group remained net cash positive at S\$535.1 million (S\$407.1 million as at 31 December 2016).

As at 30 September 2017, Equity attributable to owners of the Company was S\$2.0 billion (S\$2.0 billion as at 31 December 2016) and Net Asset Value per share was S\$7.14 (S\$7.03 as at 31 December 2016).

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 Corporation's recent financial results and operational excellence are strong indicators of its progress across multi-platforms of strategic and operational initiatives.

Venture continues to forge deeper and mutually beneficial collaborative partnerships and alliances across its diversified portfolio of ecosystems of interests. Partners selected are typically leaders in fast-growing technology domains of interests. Venture's ambition is to be well positioned to effectively deliver and realise impactful values for its partners.

Success is accomplished inter alia, through growing a critical mass of high quality talents across the management, technical and professional disciplines. Venture remains committed to harness the collective strengths and synergies of its human capital to relentlessly deliver compelling differentiation, advancing Venture's position as a leading global provider of technology solutions, products and services.

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 September 30, 2017 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  
November 3, 2017

**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 third quarter ended September 30, 2017 to be false or misleading in any material aspect.

On behalf of the Directors

(signed)  
Wong Ngit Liong  
Director

(signed)  
Goon Kok Loon  
Director

November 3, 2017