



3Q 2020
Executive Summary
and
General Comments

6 November 2020

3Q 2020 Results – QoQ Comparison



(S\$m)	3Q 2020	2Q 2020	%
Revenue	818.4	692.7	18.2
Profit before tax	92.9	81.2	14.4
PBT Margin (%)	11.3	11.7	
Income tax expense	(12.7)	(11.0)	15.5
Effective Tax Rate (%)	13.6	13.5	
Net profit	80.2	70.2	14.2
Net Margin (%)	9.8	10.1	
EPS (cents)	27.5	24.2	13.6

- Venture continued its quarter-on-quarter recovery in 3Q 2020 on the back of broad-based growth across the Group's portfolios of technology domains.
- In particular, there was strong demand from customers in the Life Science & Genomics, Medical Devices & Equipment, Healthcare & Wellness, Networking & Communications and Semiconductor-related Equipment technology domains.
- This included heightened demand for our customers' essential products and services, such as ventilators and qPCR/dPCR equipment.

3Q 2020 Results – YoY Comparison



(S\$m)	3Q 2020	3Q 2019	%
Revenue	818.4	869.1	(5.8)
Profit before tax	92.9	98.6	(5.8)
PBT Margin (%)	11.3	11.3	
Income tax expense	(12.7)	(13.2)	(4.2)
Effective Tax Rate (%)	13.6	13.4	
Net profit	80.2	85.2	(5.9)
Net Margin (%)	9.8	9.8	
EPS (cents)	27.5	29.1	(5.5)

- Venture maintained a stable Profit Before Tax Margin of 11.3% and Net Margin of 9.8% year-on-year, reflecting the Group's diversity in product and business mix, which underpin its resiliency in this dynamic operating landscape.
- Compared to the prior two quarters, the year-on-year variance in 3Q 2020 narrowed significantly to a single-digit decline, driven by the strong recovery in the reported quarter.



2020 Sequential Quarters Summary



(S\$m)	1Q 2020	2Q 2020	3Q 2020	9M 2020
Revenue	673.0	692.7	818.4	2,184.1
Profit before tax	69.9	81.2	92.9	244.0
PBT Margin (%)	10.4	11.7	11.3	11.2
Income tax expense	(9.6)	(11.0)	(12.7)	(33.2)
Effective Tax Rate (%)	13.7	13.5	13.6	13.6
Net profit	60.3	70.2	80.2	210.7
Net Margin (%)	9.0	10.1	9.8	9.6
EPS (cents)	20.8	24.2	27.5	72.5

Despite Covid-19 disruptions that started in late 1Q 2020 and continued into early 2Q 2020, Venture was able to mitigate with swift action plans to deliver consecutive quarters of recovery.

Balance Sheet Summary

(\$'m)	30 September 2020	31 December 2019	
Cash & Bank Balances	830.8	714.5	 Net cash position remains healthy even after interim dividend payment of S\$72.5m in September 2020.
Bank Loans	(1.1)	(1.1)	
Net Cash Position	829.7	713.4	
Trade Receivables	689.4	898.9	
Trade Payables	(429.5)	(490.3)	
Inventories	753.7	706.2	
Working Capital	1,013.6	1,114.7	 Working Capital continues to be closely monitored and managed.
Shareholders' Equity	2,528.4	2,496.2	
Total Equity	2,531.1	2,498.6	
Net Asset Value per Share	S\$8.72	S\$8.65	

- ▼ In 3Q 2020, Venture has continued its trajectory of recovery, mitigating the adverse impact of Covid-19. We expect to deliver a stronger 2H 2020 compared to 1H 2020, if the Covid-19-induced lockdowns and disruptions do not deteriorate further.
- ▼ During the 1H and 2H of 2021, new products/solutions engineered and developed in Venture's R&D labs are scheduled for release into the end markets by our partners and customers in several technology domains. These include fast-growing domains and ecosystems such as Life Science & Genomics, Healthcare & Wellness, as well as Covid-19-related detection, testing, diagnostic products and solutions. Demand for Medical Devices & Equipment, Networking & Communications and Semiconductor-related Modules & Equipment appears unabated as well.
- ▼ Venture's sequential improvement over the past two quarters clearly demonstrates the competency, resourcefulness and the resilience of our people as well as the consistent and invaluable support of our business community. Indeed, our teams' commitment and dedicated support were recognised through the deep appreciation of customers and partners.
- ▼ Over the next few years, we will continue to execute our plans to strengthen and deepen our Clusters of Excellence in the USA, China and Southeast Asia. The diversity of our capabilities and technical skills and expertise will drive the expansion of our participation in selected technology domains and ecosystems, to create significant value proposition for all our stakeholders.

This presentation may contain certain forward-looking statements including, but not limited to, statements as to future operating results and plans.

These statements are based on our assumptions and estimates and are subject to known and unknown risks and uncertainties and other factors which may cause the actual results, performance or achievements of the Group to differ materially from any future results, performance or achievements expressed or implied by those projected in the forward-looking statements.

Consequently, readers are cautioned not to place undue reliance on any forward-looking statements.