

RESPONSE TO SGX QUERIES ON THE COMPANY'S ANNUAL REPORT 2021

The Board of Directors of Vicplas International Ltd ("**Company**") would like to respond to the following queries raised by the Singapore Exchange Securities Trading Limited on 16 November 2021 (respectively, "**SGX Query**").

SGX Query 1:

Provision 8.2 of the Code of Corporate Governance 2018 states that the Company should disclose the names and remuneration of employees who are substantial shareholders of the Company, or are immediate family members of a director, the CEO or a substantial shareholder of the Company, and whose remuneration exceeds S\$100,000 during the year, in bands no wider than S\$100,000, in its annual report. The Company had disclosed on page 20 of the Annual Report that "Mr. Cheng Hsheng @ Zhong Zixian (Group Operations Director) is the son of Mr. Cheng Liang (Group Chief Executive Officer) and his remuneration is within the band of S\$250,000 to S\$499,999." Please disclose the remuneration of Mr. Cheng Hsheng @ Zhong Zixian in bands no wider than S\$100,000, or explain the variation from the requirement under Provision 8.2 of the Code of Corporate Governance 2018.

Company's response to SGX Query 1:

With regard to the above query, the remuneration of Mr. Cheng Hsheng @ Zhong Zixian is within the band of S\$250,000 to S\$350,000.

SGX Query 2:

Listing Rule 907 prescribes the format of disclosure for interested person transactions entered into during the financial year under review and requires the Company to disclose, amongst others, the nature of relationship with the interested person. The Company had not disclosed the nature of relationship of the interested person in its disclosure of interested person transactions on page 25 of the Annual Report. Please disclose the nature of the relationship with the interested person as required under Listing Rule 907.

Company's response to SGX Query 2:

Venner Capital S.A. is an interested person of the Company as it is a controlling shareholder of the Company. As disclosed on page 77 of the Company's Annual Report 2021, the Company is a subsidiary of Venner Capital S.A., which is also its ultimate holding company.

The nature of relationship with the interested person is set out in the following table.

Name of interested person	Nature of relationship	Aggregate value of all interested person transactions during the financial year under review (excluding transactions less than S\$100,000 and transactions conducted under shareholders' mandate pursuant to Rule 920)	Aggregate value of all interested person transactions conducted under shareholders' mandate pursuant to Rule 920 (excluding transactions less than S\$100,000)
		S\$'000	S\$'000
Venner Capital S.A. and subsidiaries and related parties	Venner Capital S.A. is a controlling shareholder of the Company	-	1,335

SGX Query 3:

Listing Rule 1207(10C) requires the Audit Committee to provide its comments on whether the internal audit function is independent, effective and adequately resourced. Please disclose the Audit Committee's comments as required under Listing Rule 1207(10C).

Company's response to SGX Query 3:

As disclosed on page 23 of the Company's Annual Report 2021, the Group had outsourced its internal audit function to Foo Kon Tan Advisory Services Pte. Ltd. ("**Foo Kon Tan**"), an accounting firm that is not affiliated to the external auditor. Foo Kon Tan is a reputable accounting firm and is independent of the external auditor.

According to Foo Kon Tan, the internal audit was led by its Partner who holds a Certified Internal Auditor qualification from the Institute of Internal Auditors, and has over 16 years of internal audit and risk advisory experience. With regard to the internal audit performed by Foo Kon Tan in relation to the Group, the Partner was assisted and supported by a team of suitably qualified auditors and such internal audit was conducted in accordance with the International Standards for the Professional Practice of Internal Auditing issued by the Institute of Internal Auditors.

The internal auditor reports to the Audit and Risk Committee ("**ARC**"), is independent in relation to the activities it audits, and has unrestricted access to the documents, records, properties and personnel in the Group.

Based on the above, the ARC is satisfied that the internal audit function is independent, effective and adequately resourced.

BY ORDER OF THE BOARD

Cheng Liang
Group Chief Executive Officer
18 November 2021