VICOM LTD
(Company Registration No. 198100320K)
(Incorporated in the Republic of Singapore)
(the "**Company**")

RESPONSES TO QUESTIONS FROM SHAREHOLDERS IN RELATION TO THE COMPANY'S 43RD ANNUAL GENERAL MEETING

VICOM Ltd (the "**Company**") wishes to thank shareholders for submitting their questions in advance of the Company's 43rd Annual General Meeting which will be convened and held on 24 April 2024 at 10.00 a.m. by way of electronic means and in person at the Auditorium, ComfortDelGro Headquarters, 205 Braddell Road, Singapore 579701.

Please refer to the Annex for our responses to the questions submitted by shareholders.

BY ORDER OF THE BOARD
VICOM LTD

Angeline Joyce Lee Siang Pohr / Cher Ya Li Sheryl
Company Secretaries

17 April 2024

Annex

Questions from Shareholders

1. **Can Management share what will be the likely impact of electric vehicles (EVs) on the Company's business going forward? Is the Company's revenue stream likely to be negatively impacted?**

   The main difference between EVs and internal combustion engine vehicles is that there is no exhaust pipe emission testing for EVs. Nevertheless, EVs still require periodic inspections to ascertain roadworthiness and compliance with the majority of regulations which govern internal combustion engine vehicles. Therefore, the impact of EVs on revenue is not expected to be significant.

2. **Is the Company looking at other revenue streams apart from what is already there?**

   Management is continually exploring new opportunities in the non-vehicle testing market to improve revenue streams. In addition, Management is looking into new revenue streams such as rental income from leasing of workshop space and providing charging points for EVs at the Jalan Papan facility when it becomes operational (currently anticipated to be in the first quarter of FY 2026).

3. **What is the likelihood of the Company increasing its dividend per share and payout ratio going forward?**

   The dividend per share will vary in tandem with the profits generated and will be paid out in accordance with the dividend payout ratio.

   In 2017, the Company's dividend payout ratio was increased from 50% to 90%. This was done with the objective of returning surplus cash to shareholders. However, in light of the Company's expansion plans, which includes a major investment at a site in Jalan Papan, the amount of surplus cash available has been reduced and consequently, the dividend payout ratio was reduced to 70% in 2023. This payout ratio of 70% is what the Board currently deems to be sustainable for the Company's operations. The Board will periodically review the dividend payout ratio to ensure that it is appropriate, bearing in mind the cash flow requirements of the Company.