



VICOM LTD  
Company Registration Number : 198100320K

**Condensed Financial Statements for the second half and  
full year ended 31 December 2024 and Dividend Announcement**

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**A GROUP INCOME STATEMENT**

		Group						
		2nd Half 2024 <sup>1</sup>	2nd Half 2023 <sup>1</sup>	Incr/ (Decr)	FY 2024	FY 2023	Incr/ (Decr)	
Note		\$'000	\$'000	%	\$'000	\$'000	%	
	<b>Revenue</b>	5	63,178	56,023	12.8	119,482	111,903	6.8
	Staff costs		(27,844)	(25,783)	8.0	(53,040)	(52,385)	1.3
	Depreciation and amortisation		(4,307)	(4,170)	3.3	(8,547)	(7,894)	8.3
	Contract services		(4,291)	(1,211)	254.3	(5,971)	(2,367)	152.3
	Materials and consumables		(2,050)	(1,832)	11.9	(3,722)	(3,598)	3.4
	Utilities and communication costs		(1,910)	(1,642)	16.3	(3,708)	(3,074)	20.6
	Premises costs		(1,091)	(1,017)	7.3	(2,270)	(2,002)	13.4
	Repairs and maintenance costs		(1,158)	(1,008)	14.9	(2,090)	(1,985)	5.3
	Other operating costs		(2,741)	(2,887)	(5.1)	(5,510)	(5,548)	(0.7)
	<b>Total operating costs</b>		<u>(45,392)</u>	<u>(39,550)</u>	14.8	<u>(84,858)</u>	<u>(78,853)</u>	7.6
	<b>Operating Profit</b>		17,786	16,473	8.0	34,624	33,050	4.8
	Finance costs		(431)	(438)	(1.6)	(866)	(866)	-
	Interest income		908	908	-	1,938	1,886	2.8
	<b>Profit before Taxation</b>		<u>18,263</u>	<u>16,943</u>	7.8	<u>35,696</u>	<u>34,070</u>	4.8
	Taxation	7	<u>(2,895)</u>	<u>(3,075)</u>	(5.9)	<u>(6,074)</u>	<u>(6,056)</u>	0.3
	<b>Profit after Taxation</b>	8	<u>15,368</u>	<u>13,868</u>	10.8	<u>29,622</u>	<u>28,014</u>	5.7
	Profit attributable to:							
	<b>Shareholders of the Company</b>		15,168	13,669	11.0	29,284	27,601	6.1
	Non-controlling Interests		200	199	0.5	338	413	(18.2)
			<u>15,368</u>	<u>13,868</u>	10.8	<u>29,622</u>	<u>28,014</u>	5.7

**B GROUP COMPREHENSIVE INCOME STATEMENT**

	Group			
	2nd Half 2024 <sup>1</sup>	2nd Half 2023 <sup>1</sup>	FY 2024	FY 2023
	\$'000	\$'000	\$'000	\$'000
<b>Profit after taxation</b>	15,368	13,868	29,622	28,014
<b>Other comprehensive income:</b>				
<b>Items that may be reclassified subsequently to profit or loss</b>				
Exchange differences arising on translation of foreign operations	81	(21)	91	(89)
<b>Items that will not be reclassified subsequently to profit or loss</b>				
Fair value adjustment on equity investments	65	(172)	177	690
<b>Other comprehensive income for the year</b>	146	(193)	268	601
<b>Total comprehensive income for the year</b>	<u>15,514</u>	<u>13,675</u>	<u>29,890</u>	<u>28,615</u>
<b>Total comprehensive income attributable to:</b>				
Shareholders of the Company	15,314	13,476	29,552	28,202
Non-controlling interests	200	199	338	413
	<u>15,514</u>	<u>13,675</u>	<u>29,890</u>	<u>28,615</u>
<b>Earnings per share for profit for the period attributable to the owners of the Company during the period :</b>				
Basic and diluted (in cents)	<u>4.28</u>	<u>3.86</u>	<u>8.26</u>	<u>7.78</u>

**C STATEMENTS OF FINANCIAL POSITION**

	Note	Group		Company	
		31 Dec 2024	31 Dec 2023	31 Dec 2024	31 Dec 2023
		\$'000	\$'000	\$'000	\$'000
<b><u>ASSETS</u></b>					
<b>Current assets</b>					
Cash and cash equivalents		60,705	55,066	57,068	52,071
Trade receivables		17,503	14,378	5,021	2,645
Other receivables and prepayments		2,186	2,315	855	968
Due from subsidiary		-	-	-	3,416
Inventories		12	28	-	-
<b>Total current assets</b>		<b>80,406</b>	<b>71,787</b>	<b>62,944</b>	<b>59,100</b>
<b>Non-current assets</b>					
Subsidiaries		-	-	25,941	25,941
Associate		25	25	-	-
Due from subsidiary		-	-	6,181	-
Financial assets at fair value through other comprehensive income	11	6,439	6,262	6,439	6,262
Vehicles, premises and equipment	13	111,546	105,515	30,456	33,039
Goodwill	12	11,588	11,588	-	-
Intangible assets		8	16	-	-
Deferred tax assets		1,197	1,178	1,048	1,131
<b>Total non-current assets</b>		<b>130,803</b>	<b>124,584</b>	<b>70,065</b>	<b>66,373</b>
<b>Total assets</b>		<b>211,209</b>	<b>196,371</b>	<b>133,009</b>	<b>125,473</b>
<b><u>LIABILITIES AND EQUITY</u></b>					
<b>Current liabilities</b>					
Trade and other payables		26,870	24,024	8,849	7,992
Due to subsidiaries		-	-	26,560	24,760
Lease liabilities	14	1,147	1,444	617	650
Income tax payable		6,602	5,851	3,941	3,335
<b>Total current liabilities</b>		<b>34,619</b>	<b>31,319</b>	<b>39,967</b>	<b>36,737</b>
<b>Non-current liabilities</b>					
Other payables		720	720	-	-
Deferred tax liabilities		2,624	2,053	-	-
Lease liabilities	14	30,733	29,977	24,341	23,774
<b>Total non-current liabilities</b>		<b>34,077</b>	<b>32,750</b>	<b>24,341</b>	<b>23,774</b>
<b>Total liabilities</b>		<b>68,696</b>	<b>64,069</b>	<b>64,308</b>	<b>60,511</b>
<b>Capital, reserves and non-controlling interests</b>					
Share capital	15	36,284	36,284	36,284	36,284
Other reserves		4,875	4,698	4,875	4,698
Foreign currency translation reserve		(89)	(180)	-	-
Accumulated profits		99,700	90,095	27,542	23,980
Equity attributable to shareholders of the Company		140,770	130,897	68,701	64,962
Non-controlling interests		1,743	1,405	-	-
<b>Total equity</b>		<b>142,513</b>	<b>132,302</b>	<b>68,701</b>	<b>64,962</b>
<b>Total liabilities and equity</b>		<b>211,209</b>	<b>196,371</b>	<b>133,009</b>	<b>125,473</b>

**D GROUP CASH FLOW STATEMENT**

	Note	Group	
		FY 2024 \$'000	FY 2023 \$'000
<b>Operating activities</b>			
Profit before taxation		35,696	34,070
<u>Adjustments for:</u>			
Depreciation and amortisation		8,547	7,894
Interest expense		866	866
Interest income		(1,938)	(1,886)
Loss/(gain) on disposal of vehicles, premises and equipment		12	(24)
Writeback of allowance for expected credit losses		(436)	(163)
<b>Operating cash flows before changes in working capital</b>		<b>42,747</b>	<b>40,757</b>
<u>Changes in working capital</u>			
Trade receivables		(2,689)	(1,831)
Other receivables and prepayments		(318)	(286)
Inventories		16	(18)
Trade and other payables and provision for relocation costs		825	(1,243)
<b>Cash flows generated from operations</b>		<b>40,581</b>	<b>37,379</b>
Interest paid		(866)	(866)
Income tax paid		(4,772)	(4,851)
<b>Net cash flows generated from operating activities</b>		<b>34,943</b>	<b>31,662</b>
<b>Investing activities</b>			
Purchase of vehicles, premises and equipment	13	(11,906)	(12,793)
Proceeds from government grant		1,352	-
Interest received		2,385	1,388
Proceeds from disposal of vehicles and equipment		10	40
Purchases of unquoted equity instruments	11	-	(2,355)
Acquisition of subsidiary, net of cash acquired	12	-	(492)
<b>Net cash flows used in investing activities</b>		<b>(8,159)</b>	<b>(14,212)</b>
<b>Financing activities</b>			
Repayments of lease liabilities		(1,524)	(1,301)
Dividends paid	9	(19,679)	(21,522)
<b>Net cash flows used in financing activities</b>		<b>(21,203)</b>	<b>(22,823)</b>
<b>Net effect of foreign exchange rates in consolidating subsidiaries</b>			
		58	(52)
Net increase/(decrease) in cash and cash equivalents		5,639	(5,425)
Cash and cash equivalents at beginning of the year		55,066	60,491
<b>Cash and cash equivalents at end of year</b>		<b>60,705</b>	<b>55,066</b>

**E STATEMENTS OF CHANGES IN EQUITY**

Group	Note	Attributable to shareholders of the Company						
		Share capital	Other reserves	Foreign currency translation reserve	Accumulated profits	Total	Non-controlling interests	Total equity
		\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
At 1 January 2024		36,284	4,698	(180)	90,095	130,897	1,405	132,302
Profit for the year		-	-	-	29,284	29,284	338	29,622
Other comprehensive income		-	177	91	-	268	-	268
Total comprehensive income for the year		-	177	91	29,284	29,552	338	29,890
<u>Contribution by and distributions to shareholders</u>								
Payment of dividends	9	-	-	-	(19,679)	(19,679)	-	(19,679)
Total contributions by shareholders		-	-	-	(19,679)	(19,679)	-	(19,679)
<b>At 31 December 2024</b>		<b>36,284</b>	<b>4,875</b>	<b>(89)</b>	<b>99,700</b>	<b>140,770</b>	<b>1,743</b>	<b>142,513</b>

**E STATEMENTS OF CHANGES IN EQUITY (CONT'D)**

Group	Note	Attributable to shareholders of the Company					Non-controlling interests	Total equity
		Share capital	Other reserves	Foreign currency translation reserve	Accumulated profits	Total		
		\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
At 1 January 2023 (restated)		36,284	4,008	(91)	84,016	124,217	914	125,131
Profit for the year		-	-	-	27,601	27,601	413	28,014
Other comprehensive income		-	690	(89)	-	601	-	601
Total comprehensive income for the year		-	690	(89)	27,601	28,202	413	28,615
<u>Contribution by and distributions to shareholders</u>								
Payment of dividends	9	-	-	-	(21,522)	(21,522)	-	(21,522)
Total contributions by shareholders		-	-	-	(21,522)	(21,522)	-	(21,522)
Acquisitions of subsidiary		-	-	-	-	-	78	78
<b>At 31 December 2023</b>		<b>36,284</b>	<b>4,698</b>	<b>(180)</b>	<b>90,095</b>	<b>130,897</b>	<b>1,405</b>	<b>132,302</b>

**E STATEMENTS OF CHANGES IN EQUITY (CONT'D)**

	Note	Share capital \$'000	Other reserves \$'000	Accumulated profits \$'000	Total equity \$'000
<b>Company</b>					
At 1 January 2024		36,284	4,698	23,980	64,962
Profit for the year		-	-	23,241	23,241
Other comprehensive income		-	177	-	177
Total comprehensive income for the year		-	177	23,241	23,418
<u>Contribution by and distributions to shareholders</u>					
Payment of dividends	9	-	-	(19,679)	(19,679)
Total contributions by shareholders		-	-	(19,679)	(19,679)
At 31 December 2024		36,284	4,875	27,542	68,701
At 1 January 2023 (restated)		36,284	4,008	16,816	57,108
Profit for the year		-	-	28,686	28,686
Other comprehensive income		-	690	-	690
Total comprehensive income for the year		-	690	28,686	29,376
<u>Contribution by and distributions to shareholders</u>					
Payment of dividends	9	-	-	(21,522)	(21,522)
Total contributions by shareholders		-	-	(21,522)	(21,522)
At 31 December 2023		36,284	4,698	23,980	64,962



## **F NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS**

### **1 Corporate information**

VICOM Ltd (the Company) (Registration No. 198100320K) is incorporated in the Republic of Singapore with its registered office at 205 Braddell Road, Singapore 579701. Its principal place of business is at 385 Sin Ming Drive, Singapore 575718. The Company is listed on the Singapore Exchange Securities Trading Limited. These condensed consolidated Financial Statements as at and for the six months and full year ended 31 December 2024 comprise the Company and its subsidiaries (collectively, the Group).

The principal activities of the Company are those of an investment holding company and the provision of motor vehicle evaluation and other related services. The principal activities of the companies in the Group are in the business of testing services which include the provision of motor vehicle inspection services and provision of non-vehicle testing, inspection and consultancy services.

### **2 Basis of preparation**

The condensed Financial Statements for the six months ended 31 December 2024 have been prepared in accordance with SFRS(I) 1-34 Interim Financial Reporting issued by the Accounting Standards Council Singapore. The condensed Financial Statements do not include all the information required for a complete set of Financial Statements. However, selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the Group's financial position and performance of the Group since the last interim Financial Statements for the period ended 30 June 2024.

The accounting policies adopted are consistent with those of the previous financial year which were prepared in accordance with SFRS(I)s, except for the adoption of new and amended standards as set out in Note 2.1

The condensed Financial Statements are presented in Singapore dollar which is the Company's functional currency and all values are expressed in thousand (\$'000) except when otherwise indicated.

#### **2.1 New and amended standards adopted by the Group**

The accounting policies adopted are consistent with those of the previous financial year except in the current financial year, the Group has adopted all the new and revised standards which are effective for annual financial periods beginning on or after 1 January 2024. The adoption of these standards did not have any material effect on the financial performance or position of the Group and the Company.

#### **2.2 Critical accounting judgements and key sources of estimation uncertainty**

In the application of the Group's accounting policies, the management is required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

## 2 Basis of preparation (cont'd)

### 2.2 Critical accounting judgements and key sources of estimation uncertainty (cont'd)

#### Critical judgements in applying the Group's accounting policies

Management is of the opinion that there were no significant judgements made in applying the accounting policies in the consolidated financial statements.

#### Key sources of estimation uncertainty

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period of the revision and future periods if the revision affects both current and future periods.

The key assumptions concerning the future and other key sources of estimation uncertainty at the end of the reporting period, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are discussed below:

#### **Goodwill impairment review**

The Group tests goodwill annually for impairment, or more frequently if there are indicators that goodwill might be impaired.

Determining whether goodwill is impaired requires an estimation of the value in use of the cash-generating units ("CGU") to which goodwill has been allocated. The value in use calculation requires the entity to estimate the future cash flows expected to arise from the cash-generating unit and a suitable discount rate in order to calculate present value. No provision for impairment has been recognised.

The recoverable amounts of the CGUs are determined from value in use calculations. The key assumptions for the value in use calculations are those regarding the discount rates and growth rates.

The Group prepares cash flow forecasts derived from the most recent financial budgets approved by management for the next year and extrapolates cash flows for the next four years based on a range of estimated growth rates of approximately 2.0% to 10.0% (2023: 1.2% to 10.1%). Cash flows for the terminal year have been extrapolated using 2.5% (2023: 2.1%) per annum growth rate. The estimated terminal growth rate does not exceed the average long-term growth rate for the relevant markets in which the CGUs operates. The discount rate applied to the forecast is 7.36% (2023: 7.36%).

#### **Allowance for expected credit losses**

The Group makes allowances for expected credit losses based on an assessment of the recoverability of trade receivables.

The impairment provisions for trade receivables are based on assumptions about risk of default by reference to past default experience and different loss patterns for different customer segments, and incorporate forward looking estimates specific to the debtors and economic environment that the debtors' operation is in. For instance, if forecast economic conditions are expected to deteriorate over the next year which can lead to an increased number of defaults in the relevant sectors in which the customers operate in, the historical default rates are adjusted. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analysed.

The identification of loss allowance requires use of judgement and estimates.

### 3 Seasonal operations

The Group's businesses are not affected significantly by seasonal or cyclical factors during the financial period.

### 4 Segment information

The Group operates predominantly in Singapore. All vehicle inspection and non-vehicle testing services are managed and reported together as one segment in order to improve productivity and efficiency as these services have similar economic characteristics and processes. Hence there are no other reportable segments to be presented.

### 5 Revenue information

#### Revenue

	The Group			
	2H 2024	2H 2023	FY 2024	FY 2023
	\$'000	\$'000	\$'000	\$'000
Inspection and testing services	60,990	54,096	115,084	107,843
Rental income	1,153	1,100	2,326	2,356
Others	1,035	827	2,072	1,704
	<u>63,178</u>	<u>56,023</u>	<u>119,482</u>	<u>111,903</u>

Majority of the revenue is derived from Singapore.

Rental income relates to income arising from subleasing right-of-use assets.

### 6 Financial assets and financial liabilities

	Note	The Group		The Company	
		31 December 2024	31 December 2023	31 December 2024	31 December 2023
		\$'000	\$'000	\$'000	\$'000
<b>Financial assets</b>					
Amortised cost		79,609	71,303	62,510	59,015
Financial assets at FVTOCI	11	6,439	6,262	6,439	6,262
<b>Financial liabilities</b>					
Amortised cost		25,485	22,828	34,918	32,185
Lease liabilities		31,880	31,421	24,958	24,424

## 7 Taxation

The Group calculates the period income tax expense using the tax rate that would be applicable to the expected total annual earnings. The major components of income tax expense in the condensed Group Income Statement are:

	The Group			
	2H 2024	2H 2023	FY 2024	FY 2023
	\$'000	\$'000	\$'000	\$'000
Current income tax expense	2,746	2,350	5,522	5,274
Deferred income tax expense relating to origination and reversal of temporary differences	149	725	552	782
	<u>2,895</u>	<u>3,075</u>	<u>6,074</u>	<u>6,056</u>

## 8 Profit after taxation

### 8.1 Significant items – charges/(credits)

	The Group			
	2H 2024	2H 2023	FY 2024	FY 2023
	\$'000	\$'000	\$'000	\$'000
Directors' fees	404	410	805	781
Foreign currency exchange adjustment loss	17	22	33	75
Net loss/(gain) on disposal of vehicles, premises and equipment	11	2	12	(24)
(Writeback of)/allowance for expected credit losses (net)	(240)	12	(436)	(163)

### 8.2 Related party transactions

The Company is a subsidiary of ComfortDelGro Corporation Limited, incorporated in the Republic of Singapore, which is also the Company's ultimate holding company. Related companies in these condensed Financial Statements refer to members of the holding company's group of companies.

Some of the Group's transactions and arrangements and terms thereof are arranged by or between members of the holding company's group of companies. The intercompany balances are unsecured, interest-free and repayable on demand unless otherwise stated.

Transactions between the Company and its subsidiaries, which are related companies of the Company, have been eliminated on consolidation and are not disclosed in this note.

**8 Profit after taxation (cont'd)****8.2 Related party transactions (cont'd)**

Related company transactions are as follows:

	The Group			
	2H 2024	2H 2023	FY 2024	FY 2023
	\$'000	\$'000	\$'000	\$'000
Inspection and testing services charged to related companies	955	842	1,834	1,769
Refuelling outlet (variable rental) income charged to related company	122	130	243	261
Rental income charged to related companies	143	131	296	274
Assessment fee charged to related companies	18	104	37	120
Other fees charged to related companies	26	37	39	58
Shared services charged by holding company	(563)	(627)	(1,276)	(1,253)
Corporate services charged by holding company	(145)	(174)	(312)	(348)
Subcontractor fees charged by related company	(454)	–	(822)	–
Others charged by related companies	(164)	(207)	(385)	(402)
Lease expense charged by related companies	(151)	(147)	(246)	(237)

No guarantees have been given or received. No expense has been recognised in the period for bad debts allowance in respect of the amounts owed by related companies.

**9 Dividends**

During the period, the Company paid dividends as follows:

	The Group			
	2H 2024	2H 2023	FY 2024	FY 2023
	\$'000	\$'000	\$'000	\$'000
Tax-exempt one-tier final dividend in respect of previous Financial year:				
- 2.75 cents (2023: 3.32 cents) per ordinary share	–	–	9,750	11,772
Tax-exempt one-tier interim dividend in respect of current Financial year:				
- 2.80 cents (2023: 2.75 cents) per ordinary share	9,929	9,750	9,929	9,750
Total dividends paid during the period	9,929	9,750	19,679	21,522

**10 Net asset value per ordinary share**

	The Group		The Company	
	31 December 2024	31 December 2023	31 December 2024	31 December 2023
Net asset value per ordinary share based on issued share capital – cents	39.70	36.92	19.38	18.32

**11 Financial assets at fair value through other comprehensive income (“FVTOCI”)**

	The Group and The Company	
	31 December 2024	31 December 2023
	\$'000	\$'000
<u>Investment in unquoted equity shares designated as at FVTOCI</u>		
Balance as at beginning of the year	6,262	3,217
Additions during the year	–	2,355
Fair value adjustment	–	797
Foreign exchange gain/(loss)	177	(107)
Balance as at end of the year	<u>6,439</u>	<u>6,262</u>

This investment in equity instrument is not held for trading and it is held for medium to long-term strategic purposes. Accordingly, management has elected to designate this investment in equity instrument as at FVTOCI as management believe that recognising short-term fluctuations in the investment's fair value in Profit or Loss would not be consistent with the Group's strategy of holding this investment for long-term purposes and realising its performance potential in the long run.

In prior year, the Group has subscribed to a new round of shares through the latest round of fund raising at the investment for an amount of S\$2,355,000 which was fully paid in cash.

**11.1 Fair value measurement**

The carrying amounts of cash and cash equivalents, trade and other current receivables and payables provisions and other liabilities approximate the respective fair values due to the relatively short-term maturity of these financial instruments.

The Group classifies fair value measurements using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

- quoted prices in active markets for identical assets or liabilities (Level 1);
- inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly (Level 2); and
- inputs for the asset or liability that are not based on observable market data (Level 3).

*Fair value hierarchy*

The table below analyses financial instruments by the levels in the fair value hierarchy based on inputs to valuation techniques.

	The Group and The Company	
	31 December 2024	31 December 2023
	\$'000	\$'000
Financial assets at fair value through other comprehensive income		
- Level 2	–	6,262
- Level 3	<u>6,439</u>	<u>–</u>

## 11 Financial assets at fair value through other comprehensive income (“FVTOCI”) (cont’d)

### 11.1 Fair value measurement (cont’d)

#### *Fair value hierarchy (cont’d)*

In prior year, the fair value of the investment was determined by reference to the price per share in relation to fund-raising exercise during the financial year by the underlying investee.

In current year, the fair value of the investment is based on the net value of the investment with a consideration of comparable companies within the industry. Any significant increase or decrease in the unobservable input relating to the projected share price based on latest round of financing can result in a higher or lower fair value measurement respectively.

## 12 Goodwill

	The Group	
	31 December 2024	31 December 2023
	\$'000	\$'000
Carrying amount:		
At beginning of the year	11,588	11,325
Arising from acquisition of subsidiary	–	263
At end of the year	11,588	11,588

Goodwill acquired in business combination is allocated, at acquisition, to the cash-generating units (“CGUs”) that are expected to benefit from that business combination. The carrying amount of goodwill had been allocated as follows:

	The Group	
	31 December 2024	31 December 2023
	\$'000	\$'000
Testing and inspection services	9,531	9,531
Vehicle inspection services	2,057	2,057
At end of the year	11,588	11,588

#### Business combination

In prior year, the Group completed the acquisition of 70% stake in Setsco-An Security Pte. Ltd. The Company is in the business of providing Information Technology security evaluation and testing services for cybersecurity products such as smart devices, as well as consultancy services in this domain. The acquisition will allow the Group to expand its testing service offerings in this new growth sector.

**12 Goodwill (cont'd)**

Assets acquired and liabilities assumed at the date of acquisition are disclosed accordingly:

	<b>31 December 2023 \$'000</b>
<b>Fair value of assets and liabilities</b>	
<u>Assets</u>	
Cash and cash equivalents	40
Trade and other receivables	231
Intangible assets	116
<u>Liabilities</u>	
Trade and other payables	(9)
Income tax payable	(3)
Less: Non-controlling interest	(78)
Total identifiable net assets at fair value	<u>297</u>
Goodwill arising from acquisition	<u>263</u>
	<u>560</u>
<b>Consideration transferred for the acquisition</b>	
Cash consideration	560
Less: Unpaid purchase consideration as at end of year	(28)
Less: Cash and cash equivalent acquired	(40)
<b>Net cash outflow on acquisition of subsidiary</b>	<u>492</u>

Assets acquired and liabilities assumed

Trade and other receivables acquired comprise gross trade and other receivables amounting to \$231,000, which approximates fair value. It is expected that the full contractual amount of the receivables can be collected.

Goodwill arising from acquisition

Goodwill of \$263,000 represents the synergies expected to be achieved from potential for future growth, access to new markets, expanded product offerings, and the ability to leverage complementary strengths.

Transaction costs

Total transaction costs related to all acquisitions of \$64,000 have been recognised in the 'Other Operating Costs' line item in the Group's profit and loss account for the financial year from 1 January 2023 to 31 December 2023.

Impact of the acquisitions on profit and loss

From acquisition date, the revenue and profit or loss contribution by the subsidiary acquired during the financial year is not material to the Group. Had the acquisitions taken place at the beginning of the financial year, the revenue and profit or loss contribution is not expected to be material as well.

Non-controlling interest

The Group has elected to measure the non-controlling interest at the non-controlling interest's proportionate share of Setsco-An Security's net identifiable assets.



**13 Vehicles, premises and equipment**

During the year ended 31 December 2024, the Group acquired assets amounting to \$13,927,000 (2023: \$8,322,000) and disposed of assets with a net book value of \$22,000 (2023: \$16,000).

As at 31 December 2024, \$3,848,000 (2023: \$1,827,000) of acquired assets remain unpaid under trade and other payables.

**14 Aggregate amount of Group's borrowings**

	The Group	
	31 December 2024	31 December 2023
	\$'000	\$'000
<b><u>Lease liabilities</u></b>		
<b>Secured</b>		
Amount repayable in one year or less, or on demand	1,147	1,444
Amount repayable after one year	30,733	29,977
	<u>31,880</u>	<u>31,421</u>

The lease liabilities of \$31,880,000 relates to the leases recognised in accordance with *SFRS(I) 16 Leases*. The carrying amounts of the lease liabilities approximate fair value as at 31 December 2023 and 2024.

**15 Share capital**

	The Group and the Company			
	31 December 2024	31 December 2023	31 December 2024	31 December 2023
	Number of ordinary shares ( <sup>'000</sup> )		\$'000	
Issued and paid up:				
At beginning and end of year	<u>354,568</u>	<u>354,568</u>	<u>36,284</u>	<u>36,284</u>

Fully paid ordinary shares, which have no par value, carry one vote per share and a right to dividends as and when declared by the Company. The ordinary shares have no par value.

**16 Subsequent events**

There are no known subsequent events which have led to adjustments to this set of condensed Financial Statements.

**G OTHER INFORMATION REQUIRED BY LISTING RULE APPENDIX 7.2****1 Review**

The condensed Financial Statements of the Group and Company for the financial year ended 31 December 2024 have been audited. Please refer to auditor's report in item 9. Results of the Group for 2H 2024 and 2H 2023 have not been audited nor reviewed.

**2 Review of performance of the Group**Performance Review for 2H 2024 vs 2H 2023

## Revenue

The Group's total revenue of \$63.2 million for 2H 2024 was \$7.2 million or 12.8% higher than 2H 2023. The higher revenue is mainly contributed by the On-Board Unit (OBU) project along with an increase in demand for the vehicle emission testing services to meet Worldwide Harmonized Light Vehicles Test Procedure (WLTP) standards.

## Operating Costs

The Group's operating costs of \$45.4 million for 2H 2024 were \$5.8 million or 14.8% higher than 2H 2023. The higher operating cost is mainly due to higher subcontractor fees, raw materials and staff costs in relation to the OBU project.

## Operating Profit

Consequently, the Group's operating profit of \$17.8 million for 2H 2024 was \$1.3 million or 8.0% higher than 2H 2023.

The Group's profit before tax of \$18.3 million for 2H 2024 was \$1.3 million or 7.8% higher than 2H 2023.

Taxation for the Group of \$2.9 million for 2H 2024 was \$0.2 million or 5.9% lower than 2H 2023 due to write back of overprovision for taxation from prior year.

The Group's Profit attributable to Shareholders of the Company of \$15.2 million for 2H 2024 was \$1.5 million or 11.0% higher than 2H 2023.

Performance Review for FY 2024 vs FY 2023

## Revenue

The Group's total revenue of \$119.5 million for FY 2024 was \$7.6 million or 6.8% higher than FY 2023. The higher revenue is mainly contributed by the On-Board Unit (OBU) project along with an increase in demand for the vehicle emission testing services to meet Worldwide Harmonized Light Vehicles Test Procedure (WLTP) standards.

## Operating Costs

The Group's operating costs of \$84.9 million for FY 2024 were \$6.0 million or 7.6% higher than FY 2023. The higher operating cost is mainly due to higher subcontractor fees, raw materials and staff costs in relation to the OBU project.

## 2 Review of performance of the Group (Cont'd)

### Operating Profit

Consequently, the Group's operating profit of \$34.6 million for FY 2024 was \$1.6 million or 4.8% higher than FY 2023.

The Group's profit before tax of \$35.7 million for FY 2024 was \$1.6 million or 4.8% higher than FY 2023.

Taxation for the Group increased marginally to \$6.1 million in FY 2024, mainly due to the increase in taxable profits offset by the write back of overprovision for taxation from prior year.

The Group's Profit attributable to Shareholders of the Company of \$29.3 million for FY 2024 was \$1.7 million or 6.1% higher than FY 2023.

### Statements of Financial Position

Total Equity increased by \$10.2 million to \$142.5 million as at 31 December 2024 mainly due to profits generated from operations of \$29.6 million offset by payment of dividends of \$19.7 million.

Total Assets increased by \$14.8 million to \$211.2 million as at 31 December 2024 due to the increase in Current Assets of \$8.6 million and Non-Current Assets of \$6.2 million. The increase in Current Assets was mainly due to the increase in cash and cash equivalents of \$5.6 million and trade receivables of \$3.1 million, offset by the decrease in other receivables and prepayments of \$0.1 million. The increase in Non-Current Assets was due mainly to the increase in Vehicles, Premises and Equipment of \$6.0 million and financial assets at fair value through other comprehensive income of \$0.2 million.

Total Liabilities increased by \$4.6 million to \$68.7 million as at 31 December 2024 mainly due to the increase in tax liabilities of \$1.3 million, lease liabilities of \$0.5 million and Trade and Other Payable of \$2.8 million.

### Cash Flow

The net cash inflow in the year was \$5.6 million after payment of dividends.

## 3 Any variance between forecast or prospect statement previously disclosed and the actual results

No forecast or prospect statement has been previously disclosed.

## 4 Group outlook

Demand for vehicle testing and related work is expected to be strong, bolstered by the full-scale installation of On-Board Units (OBU) for Electronic Road Pricing (ERP) 2.0.

Demand for non-vehicle testing is expected to increase because of improvement in activity in the manufacturing sector, as well as strong growth in the construction sector.

Barring unforeseen circumstances arising from global geopolitical tensions or headwinds, the Group expects satisfactory performance in the year ahead.

## 5 Dividend information

### a) Current Financial Period Reported on

The Directors are pleased to propose a tax-exempt one-tier final dividend of 3.00 cents (FY 2023: 2.75 cents) per ordinary share. Including interim dividend of 2.80 cents (FY 2023: 2.75 cents), total dividend per ordinary share for FY 2024 is 5.80 cents (FY 2023: 5.50 cents).

Name of Dividend	Final
Dividend Type	Cash; Tax-exempt one-tier
Dividend Amount per ordinary share	3.00 cents
Tax Rate	Tax-exempt one-tier

### b) Corresponding Period of the immediate preceding Financial Year

Name of Dividend	Final
Dividend Type	Cash; Tax-exempt one-tier
Dividend Amount per ordinary share	2.75 cents
Tax Rate	Tax-exempt one-tier

### c) Date Payable

The proposed tax-exempt one-tier final dividend for the financial year ended 31 December 2024, if approved by the Shareholders at the Forty-Fourth Annual General Meeting of VICOM Ltd (“the Company”), will be paid on Friday, 9 May 2025.

### d) Record Date

NOTICE IS HEREBY GIVEN that the Share Transfer Books and Register of Members of the Company will be closed at 5.00 p.m. on 2 May 2025 for the purpose of determining Shareholders’ entitlements to the proposed final dividend.

Duly completed and stamped transfers received by the Company’s Share Registrar, B.A.C.S. Private Limited, at 77 Robinson Road, #06-03 Robinson 77, Singapore 068896, up to 5.00 p.m. on 2 May 2025 will be registered to determine Shareholders’ entitlements to the proposed final dividend. Shareholders (being depositors) whose securities accounts with The Central Depository (Pte) Limited are credited with ordinary shares in the capital of the Company as at 5.00 p.m. on 2 May 2025 will be entitled to such proposed final dividend.

## 6 Interested person transactions

There is no Shareholders’ mandate for interested person transactions pursuant to Rule 920 of the Listing Manual

**7 Disclosure of persons occupying managerial positions**

Pursuant to Rule 704(13) of the Listing Manual of the Singapore Exchange Securities Trading Limited, we confirm that as at 31 December 2024, none of the persons occupying managerial positions in the Company or any of its principal subsidiaries is a relative of a Director or Chief Executive Officer or Substantial Shareholder of the Company.

**8 Confirmation pursuant to Rule 720(1) of the listing manual**

The Company confirms that it has procured the Undertakings from all its Directors and Executive Officers in the format set out in Appendix 7.7 pursuant to Rule 720(1) of the Listing Manual.

**BY ORDER OF THE BOARD**

Angeline Joyce Lee Siang Pohr  
Joint Company Secretary

Singapore  
21 February 2025

## 9 Auditors' Report

The following is the extract of the auditor's report from the full financial statements of VICOM Ltd for the financial year ended 31 December 2024:

### **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF VICOM LTD**

#### **Report on the audit of the financial statements**

##### **Opinion**

We have audited the financial statements of VICOM Ltd (the "Company") and its subsidiaries (collectively, the "Group"), which comprise the statements of financial position of the Group and the Company as at 31 December 2024, the statements of changes in equity of the Group and the Company and the consolidated income statement, consolidated statement of comprehensive income and consolidated cash flow statement of the Group for the year then ended, and notes to the financial statements, including material accounting policy information.

In our opinion, the accompanying consolidated financial statements of the Group, the statement of financial position and the statement of changes in equity of the Company are properly drawn up in accordance with the provisions of the Companies Act 1967 (the "Act") and Singapore Financial Reporting Standards (International) ("SFRS(I)") so as to give a true and fair view of the consolidated financial position of the Group and the financial position of the Company as at 31 December 2024 and of the consolidated financial performance, consolidated changes in equity and consolidated cash flows of the Group and changes in equity of the Company for the year ended on that date.

##### **Basis for opinion**

We conducted our audit in accordance with Singapore Standards on Auditing ("SSAs"). Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial statements* section of our report. We are independent of the Group in accordance with the Accounting and Corporate Regulatory Authority ("ACRA") *Code of Professional Conduct and Ethics for Public Accountants and Accounting Entities* ("ACRA Code") together with the ethical requirements that are relevant to our audit of the financial statements in Singapore, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ACRA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

##### **Key audit matters**

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current year. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have fulfilled our responsibilities described in the Auditor's responsibilities for the audit of the financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying financial statements.

### Goodwill impairment review

The Group is required to test goodwill for impairment annually, or when an indicator of impairment is identified. The carrying value of goodwill is disclosed in Note 13 to the consolidated financial statements. The impairment assessment requires determination of the recoverable amount of the assets based on the higher of value in use and fair value less costs of disposal that are determined by applying valuation techniques such as the discounted cash flow method. This assessment requires the exercise of significant judgement about forecast of future cash flows that are affected by management's plans for sales growth, operational development and capital expenditures, the future economic and market conditions, and the suitable discount rates that reflect the risks associated with the forecasts. These key assumptions and inputs are subject to estimation uncertainty and they can significantly impact the results of the impairment review. As such, we have considered this to be a key audit matter.

We obtained the discounted cash flow workings which were prepared based on financial and operating budgets approved by management and evaluated the reasonableness of key assumptions and inputs used, including but not limited to profit margins, growth and discount rates by comparing to historical information, external market data and observed trends. We evaluated the robustness of management's budgeting process by comparing the actual results to previously forecasted results. We performed sensitivity analysis on certain key assumptions for alternative reasonably possible scenarios. We assessed the reasonableness of the discount rates applied with the assistance of our internal valuation specialist. We also reviewed the disclosures in relation to the Group's goodwill in Notes 3.2(a) and Note 13 to the consolidated financial statements.

### **Other information**

Other information consists of the information included in the Group's 2024 Annual Report other than the financial statements and our auditor's report thereon. We obtained the Directors' Statement prior to the date of our auditor's report, and we expect to obtain the remaining other information included in the annual report after the date of our auditor's report. Management is responsible for the other information.

Our opinion on the financial statements does not cover the other information and we do not and will not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed on the other information obtained prior to the date of the auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

### **Responsibilities of management and Directors for the financial statements**

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the provisions of the Act and SFRS(I), and for devising and maintaining a system of internal accounting controls sufficient to provide a reasonable assurance that assets are safeguarded against loss from unauthorised use or disposition; and transactions are properly authorised and that they are recorded as necessary to permit the preparation of true and fair financial statements and to maintain accountability of assets.

In preparing the financial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The Directors' responsibilities include overseeing the Group's financial reporting process.

## **Auditor's responsibilities for the audit of the financial statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SSAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SSAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group as a basis for forming an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with the Directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the Directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.



From the matters communicated with the Directors, we determine those matters that were of most significance in the audit of the Financial Statements of the current year and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

**Report on other legal and regulatory requirements**

In our opinion, the accounting and other records required by the Act to be kept by the Company and by the subsidiary corporations incorporated in Singapore of which we are the auditors have been properly kept in accordance with the provisions of the Act.

The engagement partner on the audit resulting in this independent auditor's report is Lim Huijing Amanda.

Ernst & Young LLP  
Public Accountants and  
Chartered Accountants  
Singapore

21 February 2025