

VICOM'S RESULTS
FOR THE HALF YEAR ENDED 30 JUNE 2021

- *Revenue for the first six months increased 23.4% to \$49.2 million.*
- *Group operating profit increased by 30.5% to \$14.9 million.*
- *Net profit attributable to Shareholders increased by 23.7% to \$12.0 million.*

Singapore, 11 August 2021 – VICOM Ltd today announced its unaudited results for the half year ended 30 June 2021.

Highlights

	1H2021 (\$m)	1H2020 (\$m)	% change
Revenue	49.2	39.8	23.4
Operating Profit	14.9	11.4	30.5
Net Profit Attributable to Shareholders	12.0	9.7	23.7
EBITDA	18.4	15.1	21.8
EPS - cents	3.38	2.74	23.4

Introduction

With the Singapore economy now expected to grow between 6 and 7 per cent this year, demand for the Group's services improved in the first half of 2021. This was especially important for the non-vehicle testing business which is highly dependent on the recovery of the construction, marine & offshore, oil & gas and manufacturing sectors.

Financial Performance

Group revenue increased by 23.4% to \$49.2 million largely due to a stronger second quarter which benefitted from the absence of a complete lockdown which was in effect in the corresponding period in 2020.

Consequently, the Group's operating profit grew by 30.5% to \$14.9 million for the period under review.

Net profit attributable to shareholders increased by 23.7% to \$12.0 million.

VICOM Chief Executive Officer Sim Wing Yew said: "There has been an improvement in the level of economic activity in the last few months but the COVID-19 situation remains fluid and challenging. We continue to manage costs amidst the pandemic, all the while ensuring that the safety of our customers and staff is not compromised."

Dividend

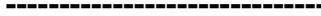
A tax-exempt one-tier interim dividend of 3.04 cents per share has been declared representing a payout ratio of 90%.

Commentary

The demand for the vehicle testing business is expected to remain strong with the implementation of annual periodic inspection for all licensed ride-hail and street-hail service provider vehicles in April 2021.

Demand for the non-vehicle testing business is expected to remain relatively weak with manpower related challenges and high Safe Management Measures compliance costs as Singapore continues to battle the pandemic.

Overall, the Group performance remains challenging as a result of unpredictable COVID-19 developments.



Background

VICOM Ltd is Singapore's leading provider in inspection and technical testing services, offering a comprehensive range of inspection and testing services in vehicle and non-vehicle testing fields including mechanical, biochemical, civil engineering and non-destructive testing.