

**VICOM LTD**

**Minutes of the Thirty-Eighth Annual General Meeting (“AGM”) of VICOM Ltd (“Company”) held on Wednesday, 24 April 2019 at 10.00 a.m. at the Auditorium, Headquarters of ComfortDelGro Corporation Limited, 205 Braddell Road, Singapore 579701**

**Present****Board of Directors:**

Mr Lim Jit Poh	: Chairman
Mr Yang Ban Seng	: Deputy Chairman
Mr Sim Wing Yew	: Director, Chief Executive Officer (CEO)
Mr Goh Yeow Tin	: Director, Lead Independent Director
Ms Seah Lee Kiang, June	: Director
Prof Shim Phiau Wui, Victor	: Director
Mr Soh Chung Hian	: Director
Dr Tan Kim Siew	: Director
Ms Teo Geok Har, Nancy	: Director

**Key Management:**

Mr Sze Thiam Siong	: CEO, Setsco Services Pte Ltd
Ms Lee Peck Kim, Mary	: Chief Financial Officer (CFO)
Mr Yusoo Aynuddin	: VP(SG), Mechanical Technology Div, Setsco Services Pte Ltd
Mr Chung Tying Chun	: VP(SG), Ancillary Operations Div, VICOM Ltd; Biological and Chemical Technology Div, Setsco Services Pte Ltd
Mr Yip Chun Wah	: VP, Operations
Mr Tan Li Koon, Ann	: AVP, Sales & Marketing
Mr Kee Chuen Beng	: AVP, Human Resource
Ms Tammy Tan I-Lin	: Group Chief Corporate Communications Officer, ComfortDelGro Group
Mr Jackson Chia	: Group Chief Risk & Sustainability Officer, ComfortDelGro Group
Mr Choo Peng Yen	: Group Chief Transformation Officer, Group Chief Investor Relations Officer, ComfortDelGro Group
Mr Chong Yew Fuj, Adrian	: Group Chief Internal Audit Officer, ComfortDelGro Group
Ms Chan Wan Tak, Wendy	: Joint Company Secretary
Mr Yeo Tee Yeok, Edwin	: Joint Company Secretary

**Shareholders/Proxies/Others:**

As per Attendance List.

### **Commencement of Meeting**

Chairman took the Chair and called the Meeting to order after having ascertained that a quorum was present.

Chairman said that the Notice of the AGM dated 25 March 2019 ("Notice") had been sent to all Shareholders with the Annual Report in digital format posted on the Company's website on the same day. The Notice was also published in The Business Times on 25 March 2019. With the permission of the Meeting, Chairman took the Notice as read.

Chairman informed the Meeting that all motions at the Meeting would be put to vote by way of a poll. The polling would be conducted in a paperless manner using a wireless hand held device.

Chairman then handed the Meeting to the Joint Company Secretary, Ms Chan Wan Tak, Wendy, to take the Shareholders through the electronic poll voting process. A short presentation was given by Boardroom Corporate & Advisory Services Pte Ltd, the provider of the electronic poll voting service, to explain the voting process.

The Joint Company Secretary then invited the Company's CFO, Ms Mary Lee, to present a summary of the financial performance of the VICOM Group for FY2018 (see **Annex A**). The Joint Company Secretary said that there would be no questions taken on the presentation.

After the presentation, the Joint Company Secretary handed the Meeting back to the Chairman. Chairman said that the minutes of the Meeting would be posted on the Company's website in compliance with the Code of Corporate Governance 2018 and consequently the names of shareholders asking questions would be recorded in the minutes uploaded to the website. Shareholders' consent had been obtained for this purpose pursuant to the Company's Constitution. Chairman then proceeded with the business of the Meeting.

### **Item 1: Adoption of Audited Financial Statements, Directors' Statement and Auditors' Report**

Chairman said that the first item on the Agenda was to receive and adopt the Audited Financial Statements for the Financial Year ended 31 December 2018 together with the Directors' Statement and Auditors' Report. He said that before proceeding with the Resolution, the Directors would be pleased to answer any questions that Shareholders might have relating to the Audited Financial Statements or the Directors' Statement.

Referring to the Chairman's Statement on page 3 of the Annual Report, Mr Chiam Kah Wee asked whether the discounts for vehicle inspection fees offered to Diners Club/VICOM Cobrand Credit or Card or "V" Card holders would result in a loss of revenue for the Company. CEO replied that the discount would have no adverse impact on the Company as it would be paid for by Diner's Club as part of the strategic partnership arrangement. He said

that the discounts offered to "V" Card members would benefit the Company by attracting more customers to carry out their vehicle inspections at VICOM's Inspection Centres.

Mr Desmond Lim Yong Sheng asked whether a breakdown of the Revenue for the Vehicle and Non-Vehicle Inspection & Testing businesses could be provided. Chairman said that the Company did not report on the specific segment results of Vehicle and Non-Vehicle Inspection & Testing businesses for competitive reasons. He said that the Non-Vehicle Testing business was particularly competitive and revealing the breakdown of the financial details would give an unfair advantage to VICOM as our competitors were not publicly listed and thus not required to announce publicly their financial information in the manner required by SGX.

Responding to Mr Desmond Lim Yong Sheng's query regarding the recent decline in the number of vehicle inspections and the impact of the Singapore Government's "zero growth" policy for private cars and motorcycles, CEO said that the Vehicle Inspection business was subject to cyclical effects with the recent years having experienced a downtrend. He said while the Singapore Government's "car-lite" policy could limit the overall volume of vehicle inspections, the additional revenue derived from the increased volume in the emission tests conducted by VICOM Emission Test Laboratory (VETL) and the new High Idle Tests would go towards offsetting the effects of the lower inspection volume.

Replying to Mr Desmond Lim Yong Sheng's query on Setsco Services (M) Sdn Bhd and SETS Services DMCC, CEO said that Setsco Services (M) Sdn Bhd was a relatively small set-up in Malaysia with an annual revenue of approximately S\$1.4m, while SETS Services DMCC, which was established to undertake building inspection services for a project in the United Arab Emirates, had an annual revenue of approximately USD1.5m. Responding to Mr Desmond Lim Yong Sheng's further query, Chairman said that business opportunities for vehicle inspection services outside of Singapore were limited as the industry was highly regulated and subject to a variety of high risks. He added that such overseas investment opportunities would be undertaken by the Company's parent company, ComfortDelGro Corporation Limited.

Responding to Mr Desmond Lim Yong Sheng's query concerning the carrying amount of Goodwill stated on page 80 of the Annual Report, CEO said that about \$9m of the total Goodwill was attributed to Setsco Services Pte Ltd with the remainder attributed to JIC Inspection Services Pte Ltd.

Referring to the Trade Receivables on page 72 of the Annual Report, Mr Desmond Lim Yong Sheng asked if the Company faced any outstanding debts owing from CWT. CEO said that CWT Pte Ltd was a minority shareholder of JIC Inspection Services Pte Ltd (a subsidiary of the Company) and that it was not a trade debtor of the Company.

Mr Lock Chee Peng complimented the Board and Management for a good set of financial results and asked about the prospects of sustaining the dividend payouts in future years. Chairman said that the Company's dividend policy was subject to the Company's profitability whereby at least 90% of the profits would be distributed as dividends. He said that the Company's Vehicle Inspection business would continue for as long as the government regulations were in place, and that while the Non-Vehicle Testing business was competitive, it had been profitable.

As there were no further questions, Chairman then requested Shareholders to propose and second the following Resolution:

"That the Audited Financial Statements for the Financial Year ended 31 December 2018 together with the Directors' Statement and Auditors' Report submitted to this Meeting be adopted."

Mr Sim Choon Eng proposed the Resolution.

Mr Chia Yong Kiang seconded the Resolution.

The Resolution was duly proposed and seconded.

Chairman said that he had been appointed as proxy for several Shareholders to vote on the motions in the Agenda. Hence, he would be voting for and against the motions in accordance with the instructions as stated in the proxy forms received by the Company.

The Resolution was put to the vote. There were 65,178,762 votes representing 100% in favour of the Resolution and 0 votes or 0% against the Resolution.

Chairman declared the Resolution duly carried.

#### **Item 2: Declaration of Final and Special Dividend**

Chairman said that Item 2 of the Agenda was to declare a final dividend. Before proposing the Resolution, Chairman asked if there were any questions from the Shareholders.

As there were no questions, Chairman requested Shareholders to propose and second the following Resolution:

"That a tax-exempt one-tier final dividend of 23.17 cents per ordinary share and a tax-exempt one-tier special dividend of 8.62 cents per ordinary share in respect of the Financial Year ended 31 December 2018, as proposed by the Board of Directors be paid on 10 May 2019 to members whose names appear on the Register of Members as at 5.00 p.m. on 3 May 2019."

Ms Teo Lay Eng or Teo Lay Fong Jan proposed the Resolution.

Mr Chiam Kah Wee seconded the Resolution.

The Resolution was duly proposed and seconded.

The Resolution was put to the vote. There were 65,198,262 votes representing 100% in favour of the Resolution and 0 votes or 0% against the Resolution.

Chairman declared the Resolution duly carried.

**Item 3: Directors' Fees**

Chairman said that Item 3 of the Agenda was to approve Directors' Fees. Before proceeding with the Resolution, Chairman asked if there were any questions from the Shareholders.

As there were no questions, Chairman requested Shareholders to propose and second the following Resolution:

"That the amount of \$427,439 proposed as Directors' Fees for the Financial Year ended 31 December 2018 be approved."

Mr Wong Kok Yee proposed the Resolution.

Mr Teo Lay Eng Or Teo Lay Fong Jan seconded the Resolution.

The Resolution was duly proposed and seconded.

The Resolution was put to the vote. There were 65,174,362 votes representing 99.97% in favour of the Resolution and 18,400 votes or 0.03% against the Resolution.

Chairman declared the Resolution duly carried.

**Item 4: Re-election of Mr Lim Jit Poh as a Director**

Chairman said that pursuant to Regulation 98(b) of the Company's Constitution, three Directors would retire by rotation at this Meeting. They were himself (Mr Lim Jit Poh), Mr Sim Wing Yew and Mr Goh Yeow Tin.

Chairman said that pursuant to Regulation 99 of the Company's Constitution, Mr Soh Chung Hian and Dr Tan Kim Siew would retire at this Meeting.

Chairman said that the retiring Directors had offered themselves for re-election.

Chairman said that Item 4 of the Agenda was to re-elect himself as a Director of the Company. With the permission of the Meeting, Chairman invited Deputy Chairman, Mr Yang Ban Seng, to take over the conduct of the proceedings. Deputy Chairman said that he was happy to do so and as there were no questions, he requested Shareholders to propose and second the following Resolution:

"That Mr Lim Jit Poh be and is hereby re-elected a Director of the Company."

Ms Lio Mui Leng proposed the Resolution.

Mr Low Sing Woh seconded the Resolution.

The Resolution was duly proposed and seconded.

The Resolution was put to the vote. There were 65,179,262 votes representing 99.99% in favour of the Resolution and 6,500 votes or 0.01% against the Resolution.

Deputy Chairman declared the Resolution duly carried. He congratulated Chairman and handed the proceedings back to the Chairman.

**Item 5: Re-election of Mr Sim Wing Yew as a Director**

Chairman said that Item 5 of the Agenda was to re-elect Mr Sim Wing Yew as a Director of the Company.

As there were no questions, Chairman requested Shareholders to propose and second the following Resolution:

"That Mr Sim Wing Yew who retires at this AGM be re-elected a Director of the Company."

Mr Low Sing Woh proposed the Resolution.

Mr Lim Min Chao seconded the Resolution.

The Resolution was duly proposed and seconded.

The Resolution was put to the vote. There were 64,977,762 votes representing 99.98% in favour of the Resolution and 13,000 votes or 0.02% against the Resolution.

Chairman declared the Resolution duly carried.

**Item 6: Re-election of Mr Goh Yeow Tin as a Director**

Chairman said that item 6 of the Agenda was to re-elect Mr Goh Yeow Tin as a Director of the Company.

As there were no questions, Chairman requested Shareholders to propose and second the following Resolution:

"That Mr Goh Yeow Tin who retires at this AGM be re-elected a Director of the Company."

Mr Low Sing Woh proposed the Resolution.

Ms Teo Lay Eng Or Teo Lay Fong Jan seconded the Resolution.

The Resolution was duly proposed and seconded.

The Resolution was put to the vote. There were 64,840,162 votes representing 99.99% in favour of the Resolution and 6,600 votes or 0.01% against the Resolution.

Chairman declared the Resolution duly carried.

**Item 7 : Re-election of Mr Soh Chung Hian as a Director**

Chairman said that Item 7 of the Agenda was to re-elect Mr Soh Chung Hian as a Director of the Company.

As there were no questions, Chairman requested Shareholders to propose and second the following Resolution:

“That Mr Soh Chung Hian, who retires at this AGM be re-elected a Director of the Company.”

Mr Low Sing Woh proposed the Resolution.

Mr Choo Pow Yong seconded the Resolution.

The Resolution was duly proposed and seconded.

The Resolution was put to the vote. There were 63,843,762 votes representing 99.87% in favour of the Resolution and 82,000 votes or 0.13% against the Resolution.

Chairman declared the Resolution duly carried.

**Item 8 : Re-election of Dr Tan Kim Siew as a Director**

Chairman said that Item 8 of the Agenda was to re-elect Dr Tan Kim Siew as a Director of the Company.

As there were no questions, Chairman requested Shareholders to propose and second the following Resolution:

“That Dr Tan Kim Siew, who retires at this AGM be re-elected a Director of the Company.”

Mr Low Sing Woh proposed the Resolution.

Mr Wang Siew Keng seconded the Resolution.

The Resolution was duly proposed and seconded.

The Resolution was put to the vote. There were 63,618,762 votes representing 99.99% in favour of the Resolution and 7,000 votes or 0.01% against the Resolution.

Chairman declared the Resolution duly carried.

**Item 9: Re-appointment of Auditors**

Chairman said that Item 9 of the Agenda was to re-appoint the Auditors. Messrs Deloitte & Touche LLP, the Auditors of the Company, had expressed their willingness to accept re-appointment.

As there were no questions, Chairman requested Shareholders to propose and second the following Resolution:

"That Messrs Deloitte & Touche LLP be re-appointed Auditors of the Company until the next Annual General Meeting at a fee to be agreed between the Directors and Auditors."

Mr Low Sing Woh proposed the Resolution.

Ms Teo Lay Eng Or Teo Lay Fong Jan seconded the Resolution.

The Resolution was duly proposed and seconded.

The Resolution was put to the vote. There were 63,723,062 votes representing 99.87% in favour of the Resolution and 82,200 votes or 0.13% against the Resolution.

Chairman declared the Resolution duly carried.

#### **Closure of Meeting**

With the Agenda for the Meeting fully dealt with, Chairman declared the Meeting closed at 10.40a.m. He thanked all Shareholders for their attendance and support and invited them to refreshments served at the reception area outside the Auditorium.

He reminded Shareholders who would be attending the SBS Transit Ltd's and/or ComfortDelGro Corporation Limited's AGMs over the following two days that it would be held at the Auditorium of the Singapore Chinese Cultural Centre located at 1 Straits Boulevard in Shenton Way.

Certified as a correct record of the proceedings of the Meeting.



Lim Jit Poh  
Chairman