

**VITROX CORPORATION BERHAD**

(Incorporated in Malaysia)

Company No: 200401011463 (649966-K)


**QUARTERLY REPORT ON RESULTS FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2021  
CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME**
*(The figures have not been audited)*

	Note	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
		Current quarter ended 31-Dec-21 RM'000	Corresponding preceding quarter ended 31-Dec-20 RM'000	Current year-to-date ended 31-Dec-21 RM'000	Corresponding preceding year-to-date ended 31-Dec-20 RM'000
Revenue		185,755	159,794	680,124	470,379
Other operating income		3,147	813	7,774	5,770
Operating expenses		(136,707)	(126,938)	(507,579)	(363,485)
Finance costs		(153)	(182)	(644)	(1,152)
Share of associate's loss		(524)	(315)	(1,485)	(1,203)
Profit before tax	B12	51,518	33,172	178,190	110,309
Tax expense	B5	(5,523)	(1,253)	(8,792)	(4,689)
Profit for the financial period/year		<u>45,995</u>	<u>31,919</u>	<u>169,398</u>	<u>105,620</u>
Other comprehensive income:-					
<i>Item that may be reclassified subsequently to profit or loss:-</i>					
- Currency translation differences for the foreign operation		204	88	1,047	572
Other comprehensive income for the financial period/year		<u>204</u>	<u>88</u>	<u>1,047</u>	<u>572</u>
Comprehensive income for the financial period/year		<u>46,199</u>	<u>32,007</u>	<u>170,445</u>	<u>106,192</u>
Profit/(loss) for the financial period/year attributable to:-					
- Owners of the Company		46,117	31,920	169,664	105,621
- Non-controlling interests		(122)	(1)	(266)	(1)
		<u>45,995</u>	<u>31,919</u>	<u>169,398</u>	<u>105,620</u>
Comprehensive income for the financial period/year attributable to:-					
- Owners of the Company		46,321	32,008	170,711	106,193
- Non-controlling interests		(122)	(1)	(266)	(1)
		<u>46,199</u>	<u>32,007</u>	<u>170,445</u>	<u>106,192</u>
Earnings per share attributable to owners of the Company (sen) B10					
- Basic		9.77	6.77	35.93	22.40
- Diluted		<u>9.76</u>	<u>6.76</u>	<u>35.92</u>	<u>22.37</u>

The Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the accompanying explanatory notes and audited financial statements for the financial year ended 31 December 2020.

**VITROX CORPORATION BERHAD**

(Incorporated in Malaysia)

Company No: 200401011463 (649966-K)


**QUARTERLY REPORT ON RESULTS FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2021**  
**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION**

	As at 31-Dec-21 RM'000 (Unaudited)	As at 31-Dec-20 RM'000 (Audited)
<b>ASSETS</b>		
<b>Non-current assets</b>		
Property, plant and equipment	109,414	96,473
Investment properties	40,600	40,600
Right-of-use assets	81,776	34,084
Investment in associate	21,674	7,584
Investments in club memberships, at cost	91	91
Deferred tax assets	1,018	8
	<u>254,573</u>	<u>178,840</u>
<b>Current assets</b>		
Inventories	194,058	136,114
Receivables	231,635	177,923
Derivatives	0	785
Prepayments	9,446	5,100
Current tax assets	1,398	3,087
Cash and cash equivalents	255,941	258,118
	<u>692,478</u>	<u>581,127</u>
<b>TOTAL ASSETS</b>	<u>947,051</u>	<u>759,967</u>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity</b>		
Share capital	55,455	54,649
Reserves	656,149	514,359
Equity attributable to owners of the Company	<u>711,604</u>	<u>569,008</u>
Non-controlling interests	(261)	(1)
<b>Total equity</b>	<u>711,343</u>	<u>569,007</u>
<b>Non-current liabilities</b>		
Term loans - secured	27,522	33,513
Lease liabilities	92	116
Deferred tax liabilities	2,653	2,387
Deferred income on government grants	586	801
<b>Total non-current liabilities</b>	<u>30,853</u>	<u>36,817</u>
<b>Current liabilities</b>		
Payables	167,984	131,328
Derivatives	48	0
Dividend payable	11,807	8,261
Term loans - secured	7,401	7,122
Lease liabilities	107	103
Contract liabilities	14,521	6,909
Current tax liabilities	2,987	420
<b>Total current liabilities</b>	<u>204,855</u>	<u>154,143</u>
<b>Total liabilities</b>	<u>235,708</u>	<u>190,960</u>
<b>TOTAL EQUITY AND LIABILITIES</b>	<u>947,051</u>	<u>759,967</u>
Net assets per ordinary share attributable to owners of the Company (sen)	<u>150.62</u>	<u>120.54</u>

The Condensed Consolidated Statement of Financial Position should be read in conjunction with the accompanying explanatory notes and audited financial statements for the financial year ended 31 December 2020.

**VITROX CORPORATION BERHAD**


(Incorporated in Malaysia)

Company No: 200401011463 (649966-K)

**QUARTERLY REPORT ON RESULTS FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2021  
CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**
*(The figures have not been audited)*

	Non-distributable					Distributable	Equity attributable to owners of the Company RM'000	Non-controlling interests RM'000	Total equity RM'000
	Share capital RM'000	Capital reserve* RM'000	Share option reserve RM'000	Revaluation reserve RM'000	Currency translation reserve RM'000	Retained profits RM'000			
<b>Period ended 31 December 2021</b>									
Balance at 1 January 2021	54,649	520	51	14,160	62	499,566	569,008	(1)	569,007
Share-based payments	0	0	1,753	0	0	0	1,753	0	1,753
Issue of shares pursuant to Employees' Share Option Scheme	806	0	(217)	0	0	0	589	0	589
Issue of shares to non-controlling interests	0	0	0	0	0	0	0	6	6
Dividends	0	0	0	0	0	(30,457)	(30,457)	0	(30,457)
Total transactions with owners	806	0	1,536	0	0	(30,457)	(28,115)	6	(28,109)
Currency translation differences for foreign operation (representing other comprehensive income for the financial year)	0	0	0	0	1,047	0	1,047	0	1,047
Profit/(loss) for the financial year	0	0	0	0	0	169,664	169,664	(266)	169,398
Comprehensive income for the financial year	0	0	0	0	1,047	169,664	170,711	(266)	170,445
Balance at 31 December 2021	55,455	520	1,587	14,160	1,109	638,773	711,604	(261)	711,343

\* This represents the cumulative amount transferred from the retained profits of a subsidiary under the statutory requirements of the People's Republic of China.

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Company No: 200401011463 (649966-K)

**QUARTERLY REPORT ON RESULTS FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2021  
CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (cont'd)**
*(The figures have not been audited)*

	Non-distributable					Distributable	Equity attributable to owners of the Company RM'000	Non-controlling interests RM'000	Total equity RM'000
	Share capital RM'000	Capital reserve* RM'000	Share option reserve RM'000	Revaluation reserve RM'000	Currency translation reserve RM'000	Retained profits RM'000			
<b>Period ended 31 December 2020</b>									
Balance at 1 January 2020	52,018	520	803	14,160	(510)	415,397	482,388	0	482,388
Share-based payments	0	0	72	0	0	0	72	0	72
Issue of shares pursuant to Employees' Share Option Scheme	2,631	0	(824)	0	0	0	1,807	0	1,807
Dividends	0	0	0	0	0	(21,452)	(21,452)	0	(21,452)
Total transactions with owners	2,631	0	(752)	0	0	(21,452)	(19,573)	0	(19,573)
Currency translation differences for foreign operation (representing other comprehensive income for the financial year)	0	0	0	0	572	0	572	0	572
Profit/(Loss) for the financial year	0	0	0	0	0	105,621	105,621	(1)	105,620
Comprehensive income for the financial year	0	0	0	0	572	105,621	106,193	(1)	106,192
Balance at 31 December 2020	54,649	520	51	14,160	62	499,566	569,008	(1)	569,007

\* This represents the cumulative amount transferred from the retained profits of a subsidiary under the statutory requirements of the People's Republic of China.

The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the accompanying explanatory notes and audited financial statements for the financial year ended 31 December 2020.

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(Incorporated in Malaysia)

Company No: 200401011463 (649966-K)


**QUARTERLY REPORT ON RESULTS FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2021**  
**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS**
*(The figures have not been audited)*

	Current year-to-date ended 31-Dec-21 RM'000	Corresponding preceding year-to-date ended 31-Dec-20 RM'000
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Profit before tax	178,190	110,309
Adjustments for:-		
Amortisation and depreciation	6,531	7,568
Amortisation of deferred income	(216)	(745)
Fair value losses/(gains) on financial instruments	48	(785)
Gain on disposal of interest in associate	(641)	0
Gain on disposal of property, plant and equipment	(433)	(759)
Impairment gains on financial assets	133	345
Interest expense	644	1,152
Interest income	(3,396)	(4,148)
Inventories written down	15,637	10,817
Property, plant and equipment written-off	4	37
Reversal of inventories written down	(10,817)	(7,784)
Share-based payments	1,753	72
Share of associate's loss	1,485	1,203
Unrealised loss on foreign exchange	2,344	3,663
Operating profit before working capital changes	<u>191,266</u>	<u>120,945</u>
Changes in:-		
Inventories	(62,765)	(27,652)
Receivables	(54,046)	(56,828)
Derivatives	785	439
Prepayments	(4,346)	(651)
Payables	36,812	64,311
Contract liabilities	7,612	1,685
Cash generated from operations	<u>115,318</u>	<u>102,249</u>
Tax paid	<u>(5,280)</u>	<u>(4,453)</u>
Net cash from operating activities	<u>110,038</u>	<u>97,796</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Acquisition of property, plant and equipment	(18,760)	(4,292)
Acquisition of right-of-use assets	(48,331)	0
Addition investment in associate	(15,000)	0
Interest received	3,396	4,148
Proceeds from disposal of property, plant and equipment	446	776
Proceeds from disposal of shares in associate	66	(4,724)
Net cash used in investing activities	<u>(78,183)</u>	<u>(4,092)</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Dividends paid	(26,912)	(20,256)
Interest paid	(652)	(1,234)
Issue of shares	589	1,807
Issue of shares to non-controlling interests	6	0
Payment of lease liabilities	(111)	(98)
Repayment of term loans	(7,361)	(7,361)
Net cash used in financing activities	<u>(34,441)</u>	<u>(27,142)</u>

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**QUARTERLY REPORT ON RESULTS FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2021  
CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS (cont'd)***(The figures have not been audited)*

	Current year-to-date ended 31-Dec-21 RM000	Corresponding preceding year-to-date ended 31-Dec-20 RM000
Currency translation differences	409	(28)
Net (decrease)/increase in cash and cash equivalents	(2,177)	66,534
Cash and cash equivalents at beginning of the period	258,118	191,584
Cash and cash equivalents at end of the period	<u>255,941</u>	<u>258,118</u>
Cash and cash equivalents consist of:-		
Highly liquid investments	164,042	173,851
Term deposits	13,590	13,211
Cash and bank balances	78,309	71,056
	<u>255,941</u>	<u>258,118</u>

The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the accompanying explanatory notes and audited financial statements for the financial year ended 31 December 2020.

## VITROX CORPORATION BERHAD

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### QUARTERLY REPORT ON RESULTS FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2021

#### A. NOTES TO THE INTERIM FINANCIAL REPORT

##### A1 Basis of preparation of Interim Financial Report

The interim financial report is unaudited and has been prepared in compliance with *Malaysian Financial Reporting Standards ("MFRS") 134, Interim Financial Reporting* issued by the Malaysian Accounting Standards Board, Paragraph 9.22 and Appendix 9B of the Listing Requirements of Bursa Malaysia Securities Berhad.

The interim financial report should be read in conjunction with the audited financial statements of the Group for the financial year ended 31 December 2020 and the accompanying explanatory notes attached to this interim financial report.

The significant accounting policies and method of computation adopted in the interim financial report are consistent with those adopted in the annual financial statements for the financial year ended 31 December 2020 except for the adoption of the following MFRSs:-

MFRS	Effective for annual periods beginning on or after
Amendments to MFRS 9, MFRS 139, MFRS 7, MFRS 4 and MFRS 16 <i>Interest Rate Benchmark Reform - Phase 2</i>	1 January 2021
MFRS 16 Covid-19-Related Rent Concessions beyond 30 June 2021	1 April 2021

The initial application of the above MFRSs did not have any significant impacts on the financial statements.

The Group has not applied the following MFRSs which have been issued as at the end of reporting period but are not yet effective:-

MFRS (issued as at the end of the reporting period)	Effective for annual periods beginning on or after
MFRS 17 <i>Insurance Contracts</i>	1 January 2023
Amendments to MFRS 3 <i>Reference to the Conceptual Framework</i>	1 January 2022
Amendments to MFRS 10 and MFRS 128 <i>Sale or Contribution of Assets between an Investor and its Associate or Joint Venture</i>	Deferred
Amendments to MFRS 17 <i>Insurance Contracts</i>	1 January 2023
Amendment to MFRS 17 Initial Application of MFRS 17 and MFRS 9 - Comparative Information	
Amendments to MFRS 101 <i>Classification of Liabilities as Current or Non-current</i>	1 January 2023
Amendments to MFRS 101 <i>Disclosure of Accounting Policies</i>	1 January 2023
Amendments to MFRS 108 <i>Definition of Accounting Estimates</i>	1 January 2023
Amendments to MFRS 112 <i>Deferred Tax related to Assets and Liabilities arising from a Single Transaction</i>	1 January 2023
Amendments to MFRS 116 <i>Property, Plant and Equipment – Proceeds before Intended Use</i>	1 January 2022
Amendments to MFRS 137 <i>Onerous Contracts - Cost of Fulfilling a Contract</i>	1 January 2022
Annual Improvements to MFRS Standards 2018 - 2020	1 January 2022

Management foresees that the initial application of the above MFRSs will not have any significant impacts on the financial statements.

##### A2 Seasonal or cyclical of operations

The Group's operation is dependent on the cyclical trend of the semiconductors and electronics industries.

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### QUARTERLY REPORT ON RESULTS FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2021

#### A. NOTES TO THE INTERIM FINANCIAL REPORT (cont'd)

#### A3 Unusual items affecting assets, liabilities, equity, net income or cash flows

There were no unusual items affecting assets, liabilities, equity, net income or cash flows during the current interim period.

#### A4 Material changes in estimates

There were no changes in estimates of amounts reported in prior interim period of the current financial year or changes in estimate of amounts reported in prior financial year.

#### A5 Debts and equity securities

During the current quarter, the Company issued 56,400 new ordinary shares at average exercise price of RM2.79 pursuant to the Employee Shares Option Scheme ("ESOS").

Saved as disclosed above, there were no other issuances, cancellations, repurchases, resale or repayments of debts and equity securities during the current quarter under review.

#### A6 Dividend paid

Since the end of the previous financial year, the Company paid the following dividends :-

- i) an interim tax exempt dividend of 1.75 sen per share amounting to RM8,260,985 for the financial year ended 31 December 2020, paid on 21 January 2021; and
- ii) the final tax exempt dividend of 3.95 sen per share amounting to RM18,650,908 for the financial year ended 31 December 2020, paid on 16 July 2021.

#### A7 Segment reporting

No segment reporting has been prepared as the Group is principally engaged in development and production of vision inspection system and printed circuit board assemblies for microprocessor applications.

#### A8 Material events subsequent to the end of the quarter

There were no material events subsequent to the end of the current reporting period that have not been reflected in the interim financial report.

#### A9 Changes in the composition of the Group

There were no material changes in the composition of the Group during the current quarter under review.

#### A10 Contingencies

There were no contingent assets or liabilities for the Group since 31 December 2020 up to 31 December 2021.

#### A11 Contractual commitments

	31-Dec-21 RM'000	31-Dec-20 RM'000
Acquisition of property, plant and equipment	<u>5,852</u>	<u>10,667</u>

#### A12 Significant related party transactions

There were no significant related party transactions during the current quarter under review.



## VITROX CORPORATION BERHAD

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### QUARTERLY REPORT ON RESULTS FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2021

#### A. NOTES TO THE INTERIM FINANCIAL REPORT (cont'd)

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##### A13 Financial instruments

###### i) Derivatives

As at 31 December 2021, the Group's outstanding derivatives are as follows:-

	RM'000
Forward exchange contracts - at fair value	
- Current liabilities	<u>48</u>

Derivatives consist of forward exchange contracts which are used to hedge the exposure to currency risk. The Group does not apply hedge accounting. As at 31 December 2021, the Group had contracts with financial institutions due within 1 year to buy RM134,791,000 and sell USD32,032,000 at contractual forward rates.

The fair values of forward exchange contracts were quoted by the financial institutions, which normally measured the fair values using present value technique by discounting the differences between contractual forward prices and observable current market forward prices using risk-free interest rate (i.e. Level 2).

###### ii) Gains/(Losses) arising from fair value changes of financial liabilities

There were no gains/(losses) arising from fair value changes of financial liabilities for the current quarter and period ended 31 December 2021.

###### iii) Fair value

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

The inputs to valuation techniques used to measure fair value are categorised into the following levels of fair value hierarchy:-

- (i) Level 1 - quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date.
- (ii) Level 2 - inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.
- (iii) Level 3 - unobservable inputs for the asset or liability.

As at end of the current quarter under review, the carrying amounts of receivables, cash and cash equivalents and payables which are short-term in nature or repayable on demand are reasonable approximations of fair values.

The fair value of long term loans are measured using present value technique by discounting the expected future cash flows using observable current market interest rates for similar liabilities (i.e. Level 2). The fair values measured are considered to be reasonably close to the carrying amount reported as the observable current market interest rates also approximate to the effective interest rates of term loans.

The fair value of forward exchange contracts were quoted by the financial institutions, which normally measured the fair values using present value technique by discounting the differences between contractual forward prices and observable current market forward prices using risk-free interest rate (i.e. Level 2).

There were no transfers between levels of fair value hierarchy during the current quarter under review.

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**QUARTERLY REPORT ON RESULTS FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2021**  
**B. DISCLOSURE REQUIREMENTS AS SET OUT IN APPENDIX 9B OF BURSA SECURITIES**  
**MAIN MARKET LISTING REQUIREMENTS**
**B1 Review of performance**

	INDIVIDUAL QUARTER		Changes RM'000	Changes %
	Current quarter ended 31-Dec-21 RM'000	Corresponding preceding quarter ended 31-Dec-20 RM'000		
Revenue	185,755	159,794	25,961	16.25%
Profit before tax	51,518	33,172	18,346	55.31%
Profit for the financial period	45,995	31,919	14,076	44.10%
Profit attributable to owners of the Company	<u>46,117</u>	<u>31,920</u>	<u>14,197</u>	<u>44.48%</u>

The revenue in the current quarter under review increased from RM160.0 million to RM185.8 million, showing an increase of 16.3%. The increase is contributed by favorable sales demand from Automated Board Inspection (“ABI”) and Machine Vision System (“MVS”).

The profit before tax (“PBT”) of RM51.5 million is increased in tandem with revenue growth coupled with effective cost measure and strengthening of USD against MYR.

	CUMULATIVE QUARTER		Changes RM'000	Changes %
	Current year-to-date ended 31-Dec-21 RM'000	Corresponding preceding year-to-date ended 31-Dec-20 RM'000		
Revenue	680,124	470,379	209,745	44.59%
Profit before tax	178,190	110,309	67,881	61.54%
Profit for the financial year	169,398	105,620	63,778	60.38%
Profit attributable to owners of the Company	<u>169,664</u>	<u>105,621</u>	<u>64,043</u>	<u>60.63%</u>

The Group attained the record high revenue for the year ended 31 December 2021 since its inception, representing an increase of 44.6% or RM209.7 million. The Group generated RM680.1 million of revenue as compared to RM470.4 million in preceding year. The tremendous growth in the revenue is achieved due to robust sales demand from MVS and ABI.

Simultaneously, the PBT also achieved the highest record, showing a surge of 61.5% or RM67.9 million to RM178.2 million in the current year under review. The positive growth in PBT is mainly derived from higher revenue, boosted by effective cost measure and appreciation of USD.

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**QUARTERLY REPORT ON RESULTS FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2021**  
**B. DISCLOSURE REQUIREMENTS AS SET OUT IN APPENDIX 9B OF BURSA SECURITIES**  
**MAIN MARKET LISTING REQUIREMENTS (cont'd)**
**B2 Variation of results against immediate preceding quarter**

	Current quarter ended 31-Dec-21 RM'000	Immediate preceding quarter ended 30-Sep-21 RM'000	Changes RM'000	Changes %
Revenue	185,755	168,293	17,462	10.38%
Profit before tax	51,518	42,941	8,577	19.97%
Profit for the financial period	45,995	42,143	3,852	9.14%
Profit attributable to owners of the Company	<u>46,117</u>	<u>42,221</u>	<u>3,896</u>	<u>9.23%</u>

In the quarter under review, the revenue of the Group increased from RM168.3 million to RM185.8 million, representing 10.4% growth. The sales order especially ABI ramped up significantly in the current quarter under review and contributed to the increase in revenue.

The Group's PBT increased by RM8.6 million from RM42.9 million to RM51.5 million, representing a 20.0% growth in tandem with the higher revenue in the current reporting quarter.

**B3 Prospect**

The worldwide economy is expected to recover gradually with more countries relaxing or removing their measure control to allow more businesses and travel to resume to pre-COVID level. The Board is optimistic on the business prospect for the year 2022. With the rising demand of 5G related devices and deployment of 5G network infrastructure, electric vehicles, autonomous driving, and high performance computing (HPC), the global shortage of semiconductor components is expected to continue till 2022. The Group will continue to stay vigilant and ensure appropriate counter measures are taken to overcome the challenges faced on supply chains such as material shortage and long lead times. In order to cater for sustainable business growth for year 2022 and beyond, the Group has commenced its expansion projects in Batu Kawan.

**B4 Profit forecast, profit guarantee and internal targets**

The Group did not provide any profit forecast, profit guarantee and internal targets in any public document or any announcements made.

**B5 Tax expense**

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Current quarter ended 31-Dec-21 RM'000	Corresponding preceding quarter ended 31-Dec-20 RM'000	Current year-to-date ended 31-Dec-21 RM'000	Corresponding preceding year-to-date ended 31-Dec-20 RM'000
Current tax	<u>5,523</u>	<u>1,253</u>	<u>8,792</u>	<u>4,689</u>

The effective tax rate of the Group for the current financial period is lower than the statutory tax rate of 24%. This was mainly due to tax incentive enjoyed by its wholly-owned subsidiaries, ViTrox Technologies Sdn. Bhd. ("VTSB") and ViE Technologies Sdn. Bhd. ("ViE").

**QUARTERLY REPORT ON RESULTS FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2021**  
**B. DISCLOSURE REQUIREMENTS AS SET OUT IN APPENDIX 9B OF BURSA SECURITIES**  
**MAIN MARKET LISTING REQUIREMENTS (cont'd)**

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**B5 Tax expense (cont'd)**

VTSB has been granted pioneer status by MITI for a period of 5 years to undertake activities relating to development and production of embedded intelligent robotic inspection systems and machines with M2M connectivity and predictive analytic capability for semiconductor and electronics industries. The incentive commenced from 17 June 2015 to 16 June 2020 (extendable for further 5 years). With effective from 17 August 2018 until 16 June 2020 (extendable for further 5 years), the pioneer activities have been extended to its related modules.

VTSB has also obtained the MIDA approval letter for further 5 years' extension for the above mentioned pioneer status till 16 June 2025. The current provision of income tax is in respect of certain non-business income and non-tax exempted income generated from non-pioneer products and services.

ViE had been granted pioneer status by MITI for a period of 3 years to undertake activities for design, development and manufacturing of Industrial Internet of Things (IIoT) devices for data acquisition and machine communication/control with intelligent and predictive capabilities for semiconductor and electronics industries. The incentive commenced from 1 June 2018 to 31 May 2021 (extendable for further 2 years). The current provision of income tax is in respect of certain non-business income and non-tax exempted income generated from non-pioneer products of ViE.

**B6 Status of corporate proposals announced**

Save as disclosed below, there was no corporate proposal announced and not completed as at the date of this report:-

On 8 November 2021, Affin Hwang Investment Bank Berhad ("Affin Hwang IB") on behalf of the board of directors of ViTrox ("Board"), announced that the Company proposed to undertake the following:

- (i) bonus issue of up to 472,431,300 new ordinary shares in ViTrox ("ViTrox Share(s)") ("Bonus Share(s)") on the basis of 1 Bonus Share for every 1 existing ViTrox Share held by the shareholders whose names appear in the Record of Depositors as at the close of business on an entitlement date to be determined and announced later ("Proposed Bonus Issue"); and
- (ii) establishment of an employees' share grant scheme of up to 5% of the total number of issued shares of the Company (excluding treasury shares, if any) at any point of time during the duration of the scheme for the eligible executive directors and employees of ViTrox and its subsidiary companies (excluding subsidiary companies which are dormant, if any) ("Proposed SGS" or "Scheme").

On 16 November 2021, the Company proposed to seek its shareholders' approval on the Proposed Granting of ESOS Options to Mary Yeo Chew Yen, an Independent Non-Executive Director of the Company.

On behalf of the Board, Affin Hwang IB further announced that the listing application in relation to the Proposed Bonus Issue and Proposed SGS has been submitted to Bursa Malaysia Securities Berhad ("Bursa Securities") on 17 November 2021.

**VITROX CORPORATION BERHAD**

(Incorporated in Malaysia)

Company No: 200401011463 (649966-K)


**QUARTERLY REPORT ON RESULTS FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2021**  
**B. DISCLOSURE REQUIREMENTS AS SET OUT IN APPENDIX 9B OF BURSA SECURITIES**  
**MAIN MARKET LISTING REQUIREMENTS (cont'd)**
**B6 Status of corporate proposals announced (cont'd)**

On 25 November 2021, Affin Hwang IB was pleased to announce that Bursa Securities had, vide its letter dated 25 November 2021, resolved to approve the listing of and quotation for the following:

- (i) up to 472,431,300 Bonus Shares to be issued pursuant to the Proposed Bonus Issue on the Main Market of Bursa Securities; and
- (ii) such number of new ViTrox Shares, representing up to 5% of the total number of issued shares of ViTrox (excluding treasury shares, if any) to be issued pursuant to the Proposed SGS on the Main Market of Bursa Securities.

At an Extraordinary General Meeting of the Company held on 23 December 2021, the following were approved by the Shareholders:-

- 1) Proposed Bonus Issue;
- 2) Proposed SGS;
- 3) Proposed Granting of SGS Shares to Su Pek Fuen; and
- 4) Proposed Granting of ESOS Options to Mary Yeo Chew Yen.

On 21 January 2022, on behalf of the Board, Affin Hwang IB announced that the Bonus Issue has been completed following the listing of and quotation for 472,282,800 Bonus Shares issued pursuant to the Bonus Issue on the Main Market of Bursa Securities on 21 January 2022.

**B7 Group borrowings**

	As at 31-Dec-21 RM'000	As at 31-Dec-21 USD'000	As at 31-Dec-20 RM'000	As at 31-Dec-20 USD'000
<b><u>Term loans - secured</u></b>				
Short-term borrowings	7,401	1,772	7,122	1,775
Long-term borrowings	<u>27,522</u>	<u>6,591</u>	<u>33,513</u>	<u>8,351</u>
	<u>34,923</u>	<u>8,363</u>	<u>40,635</u>	<u>10,126</u>
Exchange rate		<u>4.18</u>		<u>4.01</u>

The decline in the term loan is due to the monthly repayment of term loan.

The effective interest rates of term loans at current period end and corresponding preceding period was 1.65%.

**B8 Material litigation**

As of the date of this announcement, the Group is not engaged in any material litigation and the Board of Directors do not have any knowledge of any proceedings pending or threatened against the Group.

**B9 Dividend**

On 1 December 2021, the Company declared an interim tax exempt dividend of 2.50 sen per share amounting to RM11,806,682 for the financial year ended 31 December 2021 which was paid to all holders of ordinary share on 17 January 2022 whose name appeared in the Record of Depositors at the close of business for 31 December 2021.

**VITROX CORPORATION BERHAD**

(Incorporated in Malaysia)

Company No: 200401011463 (649966-K)


**QUARTERLY REPORT ON RESULTS FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2021**  
**B. DISCLOSURE REQUIREMENTS AS SET OUT IN APPENDIX 9B OF BURSA SECURITIES**  
**MAIN MARKET LISTING REQUIREMENTS (cont'd)**
**B10 Earnings per share**

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Current quarter ended 31-Dec-21	Corresponding preceding quarter ended 31-Dec-20	Current year-to-date ended 31-Dec-21	Corresponding preceding year-to-date ended 31-Dec-20
Profit attributable to owners of the Company (RM'000)	46,117	31,920	169,664	105,621
Weighted average number of shares for computing basis earnings per share ('000)	472,267	471,537	472,267	471,537
Basic earnings per share (sen)	<u>9.77</u>	<u>6.77</u>	<u>35.93</u>	<u>22.40</u>
Weighted average number of shares for computing diluted earnings per share ('000)	472,392	472,251	472,392	472,251
Diluted earnings per share (sen)	<u>9.76</u>	<u>6.76</u>	<u>35.92</u>	<u>22.37</u>

**B11 Auditors' report on preceding annual financial statements**

The auditors' report on the financial statements for the year ended 31 December 2020 was not subject to any qualification.

**B12 Profit before tax**

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Current quarter ended 31-Dec-21 RM'000	Corresponding preceding quarter ended 31-Dec-20 RM'000	Current year-to-date ended 31-Dec-21 RM'000	Corresponding preceding year-to-date ended 31-Dec-20 RM'000
Profit before tax is arrived at after charging/(crediting):-				
Amortisation and depreciation	1,726	1,778	6,531	7,568
Fair value (gains)/losses on financial instruments mandatorily measured at fair value through profit or loss:-				
- realised	(460)	(1,258)	1,610	(457)
- unrealised	(205)	(272)	48	(785)
(Gain)/Loss on foreign exchange:-				
- realised	(1,282)	2,856	(6,077)	(342)
- unrealised	1,872	1,160	2,344	3,663
Interest expense	153	182	644	1,152
Inventories written down	15,637	10,817	15,637	10,817
Property, plant and equipment written off	2	34	4	37

**VITROX CORPORATION BERHAD**

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**QUARTERLY REPORT ON RESULTS FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2021**  
**B. DISCLOSURE REQUIREMENTS AS SET OUT IN APPENDIX 9B OF BURSA SECURITIES**  
**MAIN MARKET LISTING REQUIREMENTS (cont'd)**


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**B12 Profit before tax (cont'd)**

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Current quarter ended 31-Dec-21 RM'000	Corresponding preceding quarter ended 31-Dec-20 RM'000	Current year-to-date ended 31-Dec-21 RM'000	Corresponding preceding year-to-date ended 31-Dec-20 RM'000
Amortisation of deferred income	(4)	(131)	(216)	(745)
Gain on disposal of interest in associate	(641)	0	(641)	0
(Gain)/Loss on disposal of property, plant and equipment	(2)	1	(433)	(759)
Impairment losses/(gains) on financial assets	(424)	372	61	345
Interest income	(1,115)	(859)	(3,396)	(4,148)
Reversal of inventories written down	(14,287)	(10,199)	(10,817)	(7,784)

Save as disclosed above, the other items as required under Appendix 9B, Part A (16) of the Bursa Securities Main Market Listing Requirements are not applicable.

**B13 Authorisation for issue**

The interim financial statements are authorised for issue by the Board of Directors on 24 February 2022.