

VITROX CORPORATION BERHAD

(Incorporated in Malaysia)

Company No: 200401011463 (649966-K)


QUARTERLY REPORT ON RESULTS FOR THE THIRD QUARTER ENDED 30 SEPTEMBER 2024
CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
(The figures have not been audited)

	Note	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
		Current quarter ended 30-Sep-24 RM'000	Corresponding preceding quarter ended 30-Sep-23 RM'000	Current period-to-date ended 30-Sep-24 RM'000	Corresponding preceding period-to-date ended 30-Sep-23 RM'000
Revenue		146,702	149,971	403,514	432,692
Other operating income		6,314	6,072	17,323	16,402
Operating expenses		(126,965)	(117,480)	(342,692)	(333,863)
Finance costs		(856)	(1,065)	(2,773)	(3,048)
Share of associate's (loss)/profit		(58)	(644)	(310)	83
Profit before tax	B12	<u>25,137</u>	<u>36,854</u>	<u>75,062</u>	<u>112,266</u>
Tax expense	B5	<u>(2,898)</u>	<u>(3,775)</u>	<u>(7,942)</u>	<u>(8,829)</u>
Profit for the financial period		<u><u>22,239</u></u>	<u><u>33,079</u></u>	<u><u>67,120</u></u>	<u><u>103,437</u></u>
Other comprehensive income for the financial period:-					
Item that may be reclassified subsequently to profit or loss:-					
- Currency translation differences for the foreign operations		(2,251)	(97)	(2,103)	286
- Reclassification adjustment on dissolution of foreign operations		0	(34)	0	(34)
Comprehensive income for the financial period		<u><u>19,988</u></u>	<u><u>32,948</u></u>	<u><u>65,017</u></u>	<u><u>103,689</u></u>
Profit/(loss) for the financial period attributable to:-					
- Owners of the Company		22,451	33,253	67,782	103,903
- Non-controlling interests		<u>(212)</u>	<u>(174)</u>	<u>(662)</u>	<u>(466)</u>
		<u><u>22,239</u></u>	<u><u>33,079</u></u>	<u><u>67,120</u></u>	<u><u>103,437</u></u>
Comprehensive income for the financial period attributable to:-					
- Owners of the Company		20,200	33,122	65,679	104,155
- Non-controlling interests		<u>(212)</u>	<u>(174)</u>	<u>(662)</u>	<u>(466)</u>
		<u><u>19,988</u></u>	<u><u>32,948</u></u>	<u><u>65,017</u></u>	<u><u>103,689</u></u>
Earnings per share attributable to owners of the Company (sen) B10					
- Basic*		<u>1.19</u>	<u>1.76</u>	<u>3.58</u>	<u>5.50</u>
- Diluted*		<u>1.18</u>	<u>1.75</u>	<u>3.57</u>	<u>5.45</u>

* Basic and diluted EPS are calculated based on the weighted average of ordinary shares which has been adjusted for bonus issue retrospectively.

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 2023.

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QUARTERLY REPORT ON RESULTS FOR THE THIRD QUARTER ENDED 30 SEPTEMBER 2024
CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	As at 30-Sep-24 RM'000 (Unaudited)	As at 31-Dec-23 RM'000 (Audited)
ASSETS		
Non-current assets		
Property, plant and equipment	216,475	210,288
Goodwill	3,148	0
Investment properties	46,600	46,600
Right-of-use assets	78,710	79,938
Development expenditure	5,575	5,575
Investment in associate	20,193	17,578
Investments in club memberships, at cost	91	91
Deferred tax assets	1,020	1,026
Prepayments	20,530	3,722
	<u>392,342</u>	<u>364,818</u>
Current assets		
Inventories	210,752	198,575
Receivables	217,023	191,126
Derivatives	5,451	809
Prepayments	33,889	22,098
Current tax assets	1,554	0
Cash and cash equivalents	319,157	388,993
	<u>787,826</u>	<u>801,601</u>
TOTAL ASSETS	<u>1,180,168</u>	<u>1,166,419</u>
EQUITY AND LIABILITIES		
Equity		
Share capital	63,587	59,967
Reserves	942,814	898,939
Equity attributable to owners of the Company	<u>1,006,401</u>	<u>958,906</u>
Non-controlling interests	(2,134)	(1,472)
Total equity	<u>1,004,267</u>	<u>957,434</u>
Non-current liabilities		
Deferred tax liabilities	4,966	4,952
Loans and borrowings	34,980	48,937
Lease liabilities	103	228
Deferred income on government grants	529	539
Total non-current liabilities	<u>40,578</u>	<u>54,656</u>
Current liabilities		
Payables	99,479	115,182
Dividend payable	0	11,817
Loans and borrowings	11,956	13,471
Lease liabilities	183	232
Contract liabilities	21,609	11,078
Current tax liabilities	2,096	2,549
Total current liabilities	<u>135,323</u>	<u>154,329</u>
Total liabilities	<u>175,901</u>	<u>208,985</u>
TOTAL EQUITY AND LIABILITIES	<u>1,180,168</u>	<u>1,166,419</u>
Net assets per ordinary share attributable to owners of the Company (sen)	<u>53.20</u>	<u>50.72</u> *

* Net assets value per share is calculated based on the ordinary shares which has been adjusted for bonus issue retrospectively.

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 2023.

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**QUARTERLY REPORT ON RESULTS FOR THE THIRD QUARTER ENDED 30 SEPTEMBER 2024
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	Revaluation reserve RM'000	Capital reserve* RM'000	Share option reserve RM'000	Share grant reserve RM'000	Currency translation reserve RM'000	Retained profits RM'000			
Year ended 30 September 2024										
Balance at 1 January 2024	59,967	14,160	520	2,286	7,588	806	873,579	958,906	(1,472)	957,434
Share-based payments	0	0	0	0	2,530	0	0	2,530	0	2,530
Issue of shares pursuant to Employees' Share Option Scheme	131	0	0	(35)	0	0	0	96	0	96
Issue of shares pursuant to Share Grant Scheme	3,489	0	0	0	(3,489)	0	0	0	0	0
Transfer of share option reserve to retained profits	0	0	0	(2,251)	0	0	2,251	0	0	0
Dividend	0	0	0	0	0	0	(20,810)	(20,810)	0	(20,810)
Total transactions with owners	3,620	0	0	(2,286)	(959)	0	(18,559)	(18,184)	0	(18,184)
Currency translation differences for foreign operations (representing other comprehensive income for the financial period)	0	0	0	0	0	(2,103)	0	(2,103)	0	(2,103)
Profit/(loss) for the financial period	0	0	0	0	0	0	67,782	67,782	(662)	67,120
Comprehensive income for the financial period	0	0	0	0	0	(2,103)	67,782	65,679	(662)	65,017
Balance at 30 September 2024	63,587	14,160	520	0	6,629	(1,297)	922,802	1,006,401	(2,134)	1,004,267

* 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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**QUARTERLY REPORT ON RESULTS FOR THE THIRD QUARTER ENDED 30 SEPTEMBER 2024
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	Revaluation reserve RM'000	Capital reserve* RM'000	Share option reserve RM'000	Share grant reserve RM'000	Currency translation reserve RM'000	Retained profits RM'000			
Year ended 30 September 2023										
Balance at 1 January 2023	55,946	14,160	520	2,305	4,636	445	796,323	874,335	(757)	873,578
Share-based payments	0	0	0	168	4,729	0	0	4,897	0	4,897
Issue of shares pursuant to Employees' Share Option Scheme	782	0	0	(189)	0	0	0	593	0	593
Issue of shares pursuant to Share Grant Scheme	3,167	0	0	0	(3,167)	0	0	0	0	0
Dividends	0	0	0	0	0	0	(39,229)	(39,229)	0	(39,229)
Total transactions with owners	3,949	0	0	(21)	1,562	0	(39,229)	(33,739)	0	(33,739)
Currency translation differences for foreign operations	0	0	0	0	0	286	0	286	0	286
Reclassification adjustment on dissolution of foreign operations	0	0	0	0	0	(34)	0	(34)	0	(34)
Total other comprehensive income for the financial year	0	0	0	0	0	252	0	252	0	252
Profit/(loss) for the financial period	0	0	0	0	0	0	103,903	103,903	(466)	103,437
Comprehensive income for the financial period	0	0	0	0	0	252	103,903	104,155	(466)	103,689
Balance at 30 September 2023	59,895	14,160	520	2,284	6,198	697	860,997	944,751	(1,223)	943,528

* 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 2023.

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QUARTERLY REPORT ON RESULTS FOR THE THIRD QUARTER ENDED 30 SEPTEMBER 2024
CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
(The figures have not been audited)

	Current period-to-date ended 30-Sep-24 RM'000	Corresponding preceding period-to-date ended 30-Sep-23 RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before tax	75,062	112,266
Adjustments for:-		
Amortisation of deferred income	(10)	(18)
Depreciation	9,508	7,428
Fair value gains on financial instruments	(6,472)	(2,457)
Gain on dissolution of subsidiary	0	(34)
Impairment gains on financial assets	(1,796)	(1,303)
Interest expense	2,773	3,048
Interest income	(9,037)	(6,891)
Inventories written down	26,576	22,654
Property, plant and equipment written-off	4	5
Reversal of inventories written down	(23,716)	(20,259)
Share of associate's loss/(profit)	310	(83)
Share-based payments	2,530	4,897
Unrealised loss/(gain) on foreign exchange	16,021	(723)
Operating profit before working capital changes	<u>91,753</u>	<u>118,530</u>
Changes in:-		
Inventories	(15,038)	6,604
Receivables	(48,163)	67,163
Derivatives	809	282
Prepayments	(28,598)	2,655
Payables	(11,738)	(25,197)
Contract liabilities	10,477	(1,671)
Cash generated from operations	<u>(498)</u>	<u>168,366</u>
Tax paid	(9,768)	(6,707)
Tax refunded	0	944
Net cash (used in)/from operating activities	<u>(10,266)</u>	<u>162,603</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Acquisition of property, plant and equipment	(14,445)	(60,517)
Acquisition of subsidiary, net of cash acquired	(3,503)	0
Acquisition of right-of-use assets	0	(9)
Addition investment in associate	(2,925)	0
Interest and fund distributions received	9,914	10,526
Redemption of redeemable convertible preference shares in associate	0	5,500
Net cash used in investing activities	<u>(10,959)</u>	<u>(44,500)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Dividend paid	(32,627)	(51,037)
Interest paid	(2,899)	(3,026)
Issue of shares	96	592
Payment of lease liabilities	(190)	(118)
Repayment of term loans	(9,422)	(9,422)
Net cash used in financing activities	<u>(45,042)</u>	<u>(63,011)</u>

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**QUARTERLY REPORT ON RESULTS FOR THE THIRD QUARTER ENDED 30 SEPTEMBER 2024
CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS (cont'd)***(The figures have not been audited)*

	Current period-to-date ended 30-Sep-24 RM'000	Corresponding preceding period-to-date ended 30-Sep-23 RM'000
Currency translation differences	(3,568)	929
Net (decrease)/increase in cash and cash equivalents	(69,835)	56,021
Cash and cash equivalents at beginning of the period	388,992	370,402
Cash and cash equivalents at end of the period	<u>319,157</u>	<u>426,423</u>
Cash and cash equivalents consist of:-		
Highly liquid investments	18,858	59,429
Term deposits	217,333	234,937
Cash and bank balances	82,966	132,057
	<u>319,157</u>	<u>426,423</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 2023.

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QUARTERLY REPORT ON RESULTS FOR THE THIRD QUARTER ENDED 30 SEPTEMBER 2024

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 2023 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 2023 except for the adoption of the following MFRSs:-

MFRS	Effective for annual periods beginning on or after
Amendments to MFRS 16 <i>Lease Liability in a Sale and Leaseback</i>	1 January 2024
Amendments to MFRS 101 <i>Non-current Liabilities with Covenants</i>	1 January 2024
Amendments to MFRS 107 and MFRS 7 <i>Supplier Finance Arrangements</i>	1 January 2024

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
Amendments to MFRS 1 <i>Annual Improvements to MFRS Accounting Standards - Volume 11</i>	1 January 2026
Amendments to MFRS 9 and MFRS 7 <i>Classification and Measurement of Financial Instruments</i>	1 January 2026
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 18 <i>Presentation and Disclosure in Financial Statements</i>	1 January 2027
Amendments to MFRS 19 <i>Subsidiaries without Public Accountability: Disclosures</i>	1 January 2027
Amendments to MFRS 121 <i>Lack of Exchangeability</i>	1 January 2025

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.

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.

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QUARTERLY REPORT ON RESULTS FOR THE THIRD QUARTER ENDED 30 SEPTEMBER 2024

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

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

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 1.25 sen per share amounting to RM11,816,894 for the financial year ended 31 December 2023, paid on 15 January 2024; and
- ii) the final tax exempt dividend of 1.10 sen per share amounting to RM20,810,189 for the financial year ended 31 December 2023, paid on 15 July 2024.

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 except as follows:-

ViTrox Capital Sdn. Bhd. ("VCSB"), a wholly-owned subsidiary of the Company, had on 8 April 2024 entered into a conditional share purchase agreement ("SPA") for the acquisition of 100 ordinary shares in LUVOTECH MSC SDN. BHD. (200801037588 (838933-P)) ("LMSB"), representing 100% equity interest in LMSB, for a purchase consideration of RM3,700,000.00 only upon the terms and conditions as stipulated in the SPA ("the Acquisition"). The principal activity of LMSB is engaged in developing software applications and providing programming solutions. The Acquisition was completed on 1 August 2024.

A10 Contingencies

There were no contingent assets or liabilities for the Group since 31 December 2023 up to 30 September 2024.

A11 Contractual commitments

	30-Sep-24 RM'000	30-Sep-23 RM'000
Acquisition of property, plant and equipment	<u>52,499</u>	<u>22,988</u>

A12 Significant related party transactions

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

QUARTERLY REPORT ON RESULTS FOR THE THIRD QUARTER ENDED 30 SEPTEMBER 2024**A. NOTES TO THE INTERIM FINANCIAL REPORT (cont'd)**

A13 Financial instruments**i) Derivatives**

As at 30 September 2024, the Group's outstanding derivatives are as follows:-

	RM'000
Forward exchange contracts - at fair value	
- Current assets	<u>5,451</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 30 September 2024, the Group had contracts with financial institutions due within 1 year to buy RM110,569,000 and sell USD25,550,000 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 30 September 2024.

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 THIRD QUARTER ENDED 30 SEPTEMBER 2024
B. DISCLOSURE REQUIREMENTS AS SET OUT IN APPENDIX 9B OF BURSA SECURITIES
MAIN MARKET LISTING REQUIREMENTS
B1 Review of performance

	INDIVIDUAL QUARTER			
	Current quarter ended 30-Sep-24 RM'000	Corresponding preceding quarter ended 30-Sep-23 RM'000	Changes RM'000	Changes %
Revenue	146,702	149,971	(3,269)	-2.2%
Profit before tax	25,137	36,854	(11,717)	-31.8%
Profit for the financial period	22,239	33,079	(10,840)	-32.8%
Profit attributable to owners of the Company	<u>22,451</u>	<u>33,253</u>	<u>(10,802)</u>	<u>-32.5%</u>

The Group revenue is reported at RM146.7 million in the current quarter review, representing a marginal drop of RM3.3 million or 2.2% from RM150.0 million in the preceding quarter. This is due to a slow recovery of the market demand, causing Automated Board Inspection ("ABI") to experience temporary soft demand.

Profit before tax ("PBT") was reduced by RM11.7 million, or 31.8%, to RM25.1 million, compared to RM36.9 million in the preceding quarter. The weakening of the USD led to a notable unfavorable foreign exchange loss, which resulted in a substantial drop in PBT.

	CUMULATIVE QUARTER			
	Current period-to-date ended 30-Sep-24 RM'000	Corresponding preceding period-to-date ended 30-Sep-23 RM'000	Changes RM'000	Changes %
Revenue	403,514	432,692	(29,178)	-6.7%
Profit before tax	75,062	112,266	(37,204)	-33.1%
Profit for the financial period	67,120	103,437	(36,317)	-35.1%
Profit attributable to owners of the Company	<u>67,782</u>	<u>103,903</u>	<u>(36,121)</u>	<u>-34.8%</u>

Revenue closed at RM403.5 million compared to RM432.7 million for the period ended 30 September 2023, marking a decline of RM29.2 million or 6.7%. The reduction is mainly due to lower sales from ABI but cushioned by favorable sales contributed by the Machine Vision System ("MVS").

PBT decreased from RM112.3 million to RM75.1 million, representing a reduction of 33.1% or RM37.2 million. The main factor for the low PBT is the unfavorable foreign exchange loss, coupled with continuous investment in research and development for the introduction of new products.

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QUARTERLY REPORT ON RESULTS FOR THE THIRD QUARTER ENDED 30 SEPTEMBER 2024
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 30-Sep-24 RM'000	Immediate preceding quarter ended 30-Jun-24 RM'000	Changes RM'000	Changes %
Revenue	146,702	137,199	9,503	6.9%
Profit before tax	25,137	31,077	(5,940)	-19.1%
Profit for the financial period	22,239	27,866	(5,627)	-20.2%
Profit attributable to owners of the Company	<u>22,451</u>	<u>28,101</u>	<u>(5,650)</u>	<u>-20.1%</u>

In the current quarter under review, the Group achieved higher revenue of RM146.7 million, reporting a rise of RM9.5 million or 6.9%, from RM137.2 million in the immediate preceding quarter. The growth is mainly attributable to favorable orders from ABI & MVS.

The decline of PBT from RM31.1 million to RM 25.1 million is mainly due to unfavorable foreign exchange loss.

B3 Prospect

Despite the prolonged global economic recovery, currency fluctuations, and intense pricing competition, the Group remains cautiously optimistic about its prospects for the upcoming quarter ending December 2024. The supply chain disruption due to the Red Sea crisis and U.S. port strikes also affect global shipments and increase shipping costs. However, ViTrox will continue demonstrating resilience and adaptability, seizing every opportunity amidst market volatility while implementing precautionary measures to mitigate the financial impacts of currency instability and the slow economic recovery.

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 30-Sep-24 RM'000	Corresponding preceding quarter ended 30-Sep-23 RM'000	Current period-to-date ended 30-Sep-24 RM'000	Corresponding preceding period-to-date ended 30-Sep-23 RM'000
Current tax	<u>2,898</u>	<u>3,775</u>	<u>7,942</u>	<u>8,829</u>

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QUARTERLY REPORT ON RESULTS FOR THE THIRD QUARTER ENDED 30 SEPTEMBER 2024
B. DISCLOSURE REQUIREMENTS AS SET OUT IN APPENDIX 9B OF BURSA SECURITIES
MAIN MARKET LISTING REQUIREMENTS (cont'd)
B5 Tax expense (cont'd)

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 subsidiary, ViTrox Technologies Sdn. Bhd. ("VTSB").

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 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.

B6 Status of corporate proposals announced

There was no corporate proposal announced and not completed as at the date of this report.

B7 Group borrowings

	As at 30-Sep-24 RM'000	As at 30-Sep-24 USD'000	As at 30-Sep-23 RM'000	As at 30-Sep-23 USD'000
<u>Term loans - secured</u>				
Short-term borrowings	11,956	2,911	13,757	2,933
Long-term borrowings	34,980	8,516	53,336	11,372
	<u>46,936</u>	<u>11,427</u>	<u>67,093</u>	<u>14,305</u>
Exchange rate		<u>4.11</u>		<u>4.69</u>

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

The effective interest rates for the current period ended ranged from 6.18% to 6.35% as compared to 6.18% to 6.31% for the corresponding preceding period.

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

No dividend was proposed and declared by the Company in current quarter under review.

VITROX CORPORATION BERHAD

(Incorporated in Malaysia)

Company No: 200401011463 (649966-K)


QUARTERLY REPORT ON RESULTS FOR THE THIRD QUARTER ENDED 30 SEPTEMBER 2024
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 30-Sep-24	Corresponding preceding quarter ended 30-Sep-23	Current period-to-date ended 30-Sep-24	Corresponding preceding period-to-date ended 30-Sep-23
Profit attributable to owners of the Company (RM'000)	22,451	33,253	67,782	103,903
Weighted average number of shares for computing basis earnings per share ('000)	1,891,507	1,890,232	1,891,507	1,890,232
Basic earnings per share (sen)	<u>1.19</u>	<u>1.76</u>	<u>3.58</u>	<u>5.50</u>
Weighted average number of shares for computing diluted earnings per share ('000)	1,896,874	1,905,360	1,896,874	1,905,360
Diluted earnings per share (sen)	<u>1.18</u>	<u>1.75</u>	<u>3.57</u>	<u>5.45</u>

The weighted average number of ordinary shares has been adjusted for bonus issue retrospectively.

B11 Auditors' report on preceding annual financial statements

The auditors' report on the financial statements for the year ended 31 December 2023 was not subject to any qualification.

B12 Profit before tax

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Current quarter ended 30-Sep-24 RM'000	Corresponding preceding quarter ended 30-Sep-23 RM'000	Current period-to-date ended 30-Sep-24 RM'000	Corresponding preceding period-to-date ended 30-Sep-23 RM'000
Profit before tax is arrived at after charging/(crediting):-				
Amortisation and depreciation	3,166	2,588	9,508	7,428
Fair value losses/(gain) on financial instruments mandatorily measured at fair value through profit or loss:-				
- realised	(3,251)	1,402	(1,297)	3,221
- unrealised	(5,603)	(871)	(5,451)	1,781
(Gain)/Loss on foreign exchange:-				
- realised	5,883	(2,881)	3,544	(5,654)
- unrealised	15,689	2,901	16,021	(723)
Impairment loss/(gain) on financial assets	(533)	568	(1,796)	(1,303)
Interest expense	856	1,065	2,773	3,048
Inventories written down	26,576	22,654	26,576	22,654
Property, plant and equipment written off	0	1	4	5

VITROX CORPORATION BERHAD

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QUARTERLY REPORT ON RESULTS FOR THE THIRD QUARTER ENDED 30 SEPTEMBER 2024
B. DISCLOSURE REQUIREMENTS AS SET OUT IN APPENDIX 9B OF BURSA SECURITIES
MAIN MARKET LISTING REQUIREMENTS (cont'd)

B12 Profit before tax (cont'd)

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Current quarter ended	Corresponding preceding quarter ended	Current period-to-date ended	Corresponding preceding period-to-date ended
	30-Sep-24	30-Sep-23	30-Sep-24	30-Sep-23
	RM'000	RM'000	RM'000	RM'000
Amortisation of deferred income	(3)	(3)	(10)	(18)
Interest income	(3,058)	(2,874)	(9,037)	(6,891)
Reversal of inventories written down	(24,729)	(21,370)	(23,716)	(20,259)

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 October 2024.