

**VITROX CORPORATION BERHAD**  
Registration No. 200401011463 (649966-K)  
(Incorporated in Malaysia)

Key matters deliberated during the 17<sup>th</sup> Annual General Meeting of the Company held on a fully virtual basis at Broadcast Venue: the Auditorium of ViTrox Campus 2.0, 746, Persiaran Cassia Selatan 3, Batu Kawan Industrial Park, 14110 Bandar Cassia, Penang on Thursday, 20 May 2021 at 10.00 a.m.

<b>No.</b>	<b><u>Enquiries / Concerns</u></b>	<b><u>Company's response</u></b>
1.	<p><b>Operational and Financial matters</b></p> <p>In the year under review, the Group successfully achieved more than double digit revenue growth as compared to FYE2019, in all the top five revenue contributing countries except in Mexico (page 36 of Annual Report 2020 (“AR2020”). Based on sales distribution by country, Mexico contributed 6% (2019: 16%) to the Group’s total revenue.</p> <p>a) Revenue contribution from Mexico decreased to RM28.9 million (2019: RM53.9 million) (page 149 of AR2020). Why has revenue contribution from Mexico decrease significantly?</p> <p>b) What is the outlook in terms of demand for the Group’s products by customers in Mexico, going forward?</p>	<p>a) Due to COVID-19 pandemic, revenue from Mexico decreased as a result of excess of capacity and delayed expansion plan from customers. Based on the Annual International Trade Statistics by Country (HS02), total importation for all commodities of Mexico reduced from US455bil in 2019 to US383.3bil in 2020, representing a decreased of 15.8%. The decrease in ViTrox’s export to Mexico was in tandem with the decrease in the total importation of Mexico in 2020.</p> <p>b) We see encouraging demand from Mexico in Q1’21 and we believe that with the roll out of vaccination in the country, the business activities in the country will recover in 2H’21.</p>
2.	<p>ViTrox will accelerate its multi-year expansion plan to significantly increase the manufacturing capacity by at least 30% to fulfil the overwhelming orders from its customers around the world (page 38 of AR2020).</p> <p>When does the Group expect to complete its expansion plan to significantly increase its manufacturing capacity by at least 30%?</p>	<p>The 30% increase in manufacturing capacity is expected to be completed by late Q2’21 or early Q3’21.</p>
3.	<p>The Group is experiencing robust demand from various sectors, especially in 5G, Electric Vehicles, Computing and Artificial Intelligence. At the same time, the Group is strategising and combating the global shortage of certain raw materials used in the Group’s products (page 11 of 1st Quarter Report for FY2021).</p> <p>To what extent has the global shortage of certain raw materials used in the Group’s products affected the Group? If the shortage continues to persist, how will it impact the delivery time of products to customers?</p>	<p>The global shortage of certain raw materials has minimum impact to our products. We are aggressively purchasing critical raw materials ahead of demand. We are able to secure sufficient raw material ahead of the surge in demand through global sourcing, aggressive buying and re-qualifying alternative parts in our products. Besides, we are also revisiting various sourcing options and evaluating the solutions with our local and oversea part suppliers.</p>
4	<p><b><u>Corporate Governance Matters</u></b></p> <p>Datuk Ir. Dr. Ahmad Fadzil Bin Mohamad Hani, the Independent Non-Executive Director of the Company only attended 3 out of 5 Board meetings and Audit Committee meetings – 60% attendance</p>	

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	<p>during the financial year (pages 17 &amp; 87 of AR2020).</p> <p>What are the reasons for him not being able to attend the other two Board meetings and the Audit Committee meetings during the financial year?</p>	<p>Due to the work commitment, Datuk Ir. Dr. Ahmad Fadzil Bin Mohamad Hani was not able to attend Board and Audit Committee Meetings, held on 27 February 2020 and 23 July 2020.</p>
5	<p>Chapter 9, Paragraph 9.21(2) of the Main Market Listing Requirements requires companies to publish the summary of Key Matters Discussed at the previous AGM onto the companies' website. As at 11 May 2021, the Company has not published the summary of Key Matters Discussed at its 16th AGM, held in 29 June 2020 onto its website.</p> <p>Please explain.</p>	<p>Please be informed that vide the announcement on the Outcome of 16th AGM made on 29 June 2020, there was no key matters being discussed at the AGM.</p>
6	<p>Practice 4.2 of the Malaysian Code on Corporate Governance states that if the board continues to retain the independent director after the twelfth year, the board should seek annual shareholders' approval through a two-tier voting process.</p> <p>The Company explained that it will adopt a single-tier voting for the retention of its 3 Independent Directors who served more than a tenure of 12 years, simply because such voting system suffices for the proposed retention (pages 22 -23 of the Corporate Governance Report).</p> <p>As such, the Company has not applied Practice 4.2. It should be a 'Departure' instead of stating 'Applied'.</p>	<p>We noted the comments.</p>