

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

Key matters deliberated during the 18th Annual General Meeting of the Company held on a 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, 19 May 2022 at 10.00 a.m.

No.	Enquiries / Concerns	Company's response
1.	<p>Operational and Financial matters</p> <p>The Group embarked on its ten (10)-year master plan (2021 - 2030) and deliberately acquired a 21-acre plot of land adjacent to the existing Campus 2.0 in May 2021. In August 2021, the Group kicked off the new expansion phase in the existing land to build the new ViTrox Campus 3.0, which consists of three (3) blocks of multi-storey buildings. (page 26 of AR2021)</p> <p>In relation to the expansion, how much is the capital expenditure budgeted for floor space expansion targeted to be completed in 2022 and the new ViTrox Campus 3.0?</p>	<p>We plan to invest between RM80 million and RM100 million in a new expansion project in Batu Kawan this year and the expansion would add 447,000 sq ft of floor space for production, business development, design and development, and shared services activities at the plant. We believe that the expansion is necessary given the sustainable growth prospects of 2022 and beyond.</p>
2.	<p>The Group is optimistic and confident that 2022 will be another growth year for ViTrox. The 2022 growth is constrained by a few challenges such as material shortages and supply chain issues that will increase in the 1st half of 2022 and the ongoing talent shortage. (page 36 of AR2021)</p> <p>How will the on-going Russia-Ukraine war impact the Group and to what extent has it impacted the Group's shipment of products to international markets, especially in terms of cost and time?</p>	<p>It has minimal impact on ViTrox so far. If the on-going Russia-Ukraine war persists, it may cause material shortage and shipment delay, and hence further escalation in cost and time. The Management is taking preemptive actions especially in sourcing and purchasing to limit its impact if and when it occurs.</p>
3.	<p>The Group's Other Income increased significantly to RM9.98 million (2020: RM2.89 million). (page 90 of AR2021)</p> <p>What contributed to the huge increase in Other Income? Is the increase in Other Income sustainable going forward or is it one-off in nature?</p>	<p>The net increase of RM7.09 million (RM9.98 million - RM2.89 million) was mainly attributable to the realised gain on foreign exchange (unpredictable), operating lease income from investment properties (upon expiry of lease term) and government grant received under Wage Subsidy Programme (upon expiry of the programme), partially offset by the reduction in fair value gains on financial instruments mandatorily measured at fair value through profit or loss (unpredictable). (page 127 of AR2021)</p>