

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

Key matters deliberated during the 20<sup>th</sup> Annual General Meeting of the Company held at the Auditorium of ViTrox Campus 2.0, 746, Persiaran Cassia Selatan 3, Batu Kawan Industrial Park, 14110 Bandar Cassia, Penang on Friday, 24 May 2024 at 10.00 a.m.

<b>No.</b>	<b>Enquiries / Concerns</b>	<b>Company's response</b>
1.	<p><b>Operational and Financial matters</b></p> <p>With the completion of ViTrox Campus 3.0 ("VC3.0"), the Group will have an additional gross floor area of 438,774 sq. ft. ready to capture market opportunities as recovery unfolds (page 19 of AR2023). VC3.0 has expanded the Group's total usable floor space by an astounding 90.2% to 925,127 sq. ft. Particularly, the manufacturing and operation space has seen an unprecedented increase of 111.1%, growing to 326,471 sq. ft., from its 2022 size of 154,631 sq. ft. (page 28 of AR2023)</p> <p>The completion of VC3.0 has dramatically increased the Group's operational capabilities. Given the slower than expected recovery of the semiconductor industry, what was the total floor space utilised in FY2023 versus to-date?</p>	<p>Given the slower-than-expected recovery of the semiconductor industry, we have not utilised the manufacturing space to date, however we will continue to carry out some ground work (basic renovation, flooring etc) to ensure that we can start using the manufacturing floor within short period of time when the need arises in the next 6 to 12 months.</p>
2.	<p>On 26 October 2023, the Committee noted the declaration by Ms. Chuah Poay Ngee that currently she is a director and major shareholder of South Island Building Sdn. Bhd. ("SIB"), a construction company in the field of building, civil and mechanical engineering and turnkey projects. SIB was being invited by ViTrox Technologies Sdn. Bhd. to participate in the tender for the piling work of Main building of Campus 3.0 ("the Tender"). Accordingly, she has abstained and continued to abstain from all deliberations and voting in respect of the Tender. (page 78 of AR2023)</p> <p>Given that there is an element of conflict of interest, what was the rationale for inviting SIB to participate in the Tender?</p> <p>How many companies participated in the Tender? What was the outcome and value of the Tender? If SIB won the Tender, how did SIB stand out compared to other bidders?</p>	<p>The Board is fully aware of Ms. Chuah Poay Ngee's position as a director and major shareholder of SIB. The Board was assured that she abstained from all deliberations and voting related to the Tender. This measure was taken to maintain the integrity of the process. As such, the Board did not have significant concerns about inviting SIB to participate in the Tender.</p> <p>9 companies were participating in the Tender, including those we have previously worked with and contractors referred by others. SIB was invited to participate in the tendering process solely based on their past favourable track records and experiences in construction of industrial buildings in the region. The key factors for winning the bid include the ability to stand out in terms of technical capability, resource adequacy, cost-effectiveness, commitment and reputation compared to other bidders. The evaluation process is designed to be fair and unbiased, ensuring that the best contractor is chosen for the project. As of 16 May 2024, the tendering process is still ongoing. Consequently, the outcome and value of the Tender have not yet been determined.</p>

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<p>3.</p>	<p><b><u>Corporate Governance Matters</u></b></p> <p>The Company in its Corporate Governance Report 2023 (“CGR 2023”) had stated that it departs from Practice 5.2 of the Malaysian Code on Corporate Governance (“MCCG”) which states that at least half of the board should comprise of independent directors. For Large Companies, the board comprises a majority independent directors.</p> <p>We note the explanation for departure that the Board comprises of 33.3% Independent Directors and despite not having more than 50% of its members as Independent Directors, the remaining 66.6% (Independent Directors and Non-Executive Directors, collectively) have been effective and are capable of bringing objectivity to the oversight function of the board. (page 33 of CGR 2023)</p> <p>MSWG note that no timeframe has been committed to apply the Practice and we wish to highlight that under Paragraph 3.2C(b) of Practice Note 9 of the Main Market Listing Requirements, Large Companies must disclose if it departs from a Practice, the timeframe required to achieve the application of the Practice.</p>	<p>ViTrox took note on MSWG’s comment and will provide (a) the actions which it has taken or intends to take; and (b) the timeframe required, to achieve application of the Practice 5.2, should it still depart from the said Practice.</p>
<p>4.</p>	<p>ViTrox’s Nomination Committee is chaired by a Non-Independent Non-Executive Director and has departed from Practice 5.8 of MCCG.</p> <p>(a) MSWG note that no timeframe has been committed to apply the Practice and we wish to highlight that under Paragraph 3.2C(b) of Practice Note 9 of the Main Market Listing Requirements, Large Companies must disclose if it departs from a Practice, the timeframe required to achieve the application of the Practice.</p> <p>(b) Given that there are three Independent Directors who are members of the Nomination Committee, what are the challenges face in appointing one of them as the chair for the Nomination Committee?</p>	<p>ViTrox took note on MSWG’s comment and will provide (a) the actions which it has taken or intends to take; and (b) the timeframe required, to achieve application of the Practice 5.8, should it still depart from the said Practice.</p> <p>The Board does not foresee any challenges in appointing one of the Independent Directors as the Chair for the Nomination Committee. Anyway, with a strong independent presence of 60%, we believe that the Chairman of the Nomination Committee will be able to effectively carry out his duties. These include leading succession planning, board member appointments, and the annual review of board effectiveness, all of which will be assessed objectively and holistically.</p>
<p>5.</p>	<p>The Board is presently of the view that there is no necessity to fix a specific gender diversity policy. However, the Board will endeavour to tap talent from human capital market from time to time with the aim to a right mix of female director in its Board in future. (page 45 of CGR 2023)</p> <p>We note the Board’s explanation for departing from Practice 5.10 of MCCG and no timeframe has been committed to apply the Practice, i.e. to disclose in its annual report the company’s policy on gender diversity for the board and senior management.</p>	

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	<p>(a) MSWG wish to highlight that under Paragraph 3.2C(b) of Practice Note 9 of the Main Market Listing Requirements, Large Companies must disclose if it departs from a Practice, the timeframe required to achieve the application of the Practice.</p> <p>(b) What is the challenge face by the Board in formalising a gender diversity policy?</p>	<p>ViTrox took note on MSWG's comment and will provide (a) the actions which it has taken or intends to take; and (b) the timeframe required, to achieve application of the Practice 5.10, should it still depart from the said Practice.</p> <p>The Board does not foresee any challenges in formalising a gender diversity policy.</p>
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