

## Earnings forecasts raised for ViTrox after strong 1H

KUALA LUMPUR: Maybank Investment Bank (IB) Research has raised its FY18-20 earnings forecasts by 4%-5% for ViTrox Corp Bhd to incorporate the company's stronger-than-expected 1H18.

It also raised its target price on the counter to RM6.80 and reiterated its Buy call.

ViTrox once again broke its revenue record as sales trounced all expectations, hitting RM105mil, a 36% increase quarter-on-quarter and 35% increase year-on-year, in Q2'18.

"The solid results were driven by volume growth across all divisions, due to positive acceptance from a wider customer base," it said in a note on Friday.

The research house said it expects the group's 2H18 performance to be much stronger in the second half as floor space constraints ease following ViTrox's move into Campus 2.0.

"ViTrox was able to breach the RM100mil-level in its quarterly revenue sooner than we thought, likely due to strong telco infrastructure demand for its ABI products, ahead of 5G network adoption.

"Persistent hit above this level would be symbolic and could potentially unlock another level of operational scale, translating to higher profitability," it said.

<https://www.thestar.com.my/business/business-news/2018/07/27/earnings-forecasts-raised-for-vitrox-after-strong-1h/>