

Vitrox's 1Q net profit surges 68% on reversal of provision

Wednesday, 25 May 2016

KUALA LUMPUR (May 25): Vitrox Corp Bhd saw its net profit for the first quarter ended March 31, 2016 (1QFY16) surge 67.6% to RM15.6 million or 6.68 sen per share from RM9.31 million or four sen per share, due to reversal of provision of prior year tax after the confirmation of new pioneer status.

The pioneer status granted by Ministry of International Trade and Industry (MITI) qualifies the company for such tax incentives.

Quarterly revenue gained 68.5% to RM56.03 million from RM33.26 million a year earlier, due to higher demand from customers for its products.

No dividend was declared for the current quarter under review.

According to its unaudited financial statement on Bursa Malaysia today, Vitrox said its unit ViE Technologies Sdn Bhd has been granted pioneer status by MITI for a five-year period to undertake the design, development and manufacture of embedded high density electronic modules.

"The incentive commenced from Jan 1, 2013 to Dec 31, 2017," it added.

The current provision of income tax is in respect of certain non-business income and non-tax exempted income generated from non-pioneer products of ViE, according to the automated vision inspection systems manufacturer.

Going forward, Vitrox is cautiously optimistic on the business prospect for the financial year 2016.

"We will continue to focus on market expansion activities, customer relationship building and product innovation to grow our business further in the remaining financial year," it said.

Shares in Vitrox closed down one sen or 0.27% at RM3.64, for a market value of RM863.09 million.

<http://www.theedgemarkets.com/my/article/vitrox-sees-double-digit-growth-2016>