

INARIAMERTRON BERHAD
(INCORPORATED IN MALAYSIA - REGISTRATION NO. 201001016131 (1000809-U))
CONDENSED UNAUDITED CONSOLIDATED STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME ^{(1) & (2)}
FOR THE FINANCIAL PERIOD ENDED 30 SEPTEMBER 2021

	INDIVIDUAL QUARTER			CUMULATIVE QUARTER		
	Current Year Quarter	Preceding Year Corresponding Quarter	%	Current Year ⁽¹⁾	Preceding Year (Audited)	%
	<u>30/09/2021</u> RM'000	<u>30/09/2020</u> RM'000		<u>30/09/2021</u> RM'000	<u>30/09/2020</u> RM'000	
Revenue	431,123	347,621	24.0%	431,123	347,621	24.0%
Cost of sales	<u>(299,431)</u>	<u>(249,782)</u>	19.9%	<u>(299,431)</u>	<u>(249,782)</u>	19.9%
Gross profit	131,692	97,839	34.6%	131,692	97,839	34.6%
Other income	6,511	1,692	284.8%	6,511	1,692	284.8%
Finance income	4,432	1,349	228.5%	4,432	1,349	228.5%
Administrative expenses	<u>(24,232)</u>	<u>(23,327)</u>	3.9%	<u>(24,232)</u>	<u>(23,327)</u>	3.9%
Operating profit	118,403	77,553	52.7%	118,403	77,553	52.7%
Finance costs	(27)	(80)	-66.3%	(27)	(80)	-66.3%
Share of loss of equity-accounted associate	<u>(54)</u>	<u>(59)</u>	-8.5%	<u>(54)</u>	<u>(59)</u>	-8.5%
Profit before tax	118,322	77,414	52.8%	118,322	77,414	52.8%
Tax expense	<u>(11,429)</u>	<u>(7,349)</u>	55.5%	<u>(11,429)</u>	<u>(7,349)</u>	55.5%
Profit for the financial period	<u>106,893</u>	<u>70,065</u>	52.6%	<u>106,893</u>	<u>70,065</u>	52.6%
Profit attributable to:						
Owners of the Company	106,927	70,070	52.6%	106,927	70,070	52.6%
Non-controlling interests	<u>(34)</u>	<u>(5)</u>	580.0%	<u>(34)</u>	<u>(5)</u>	580.0%
	<u>106,893</u>	<u>70,065</u>	52.6%	<u>106,893</u>	<u>70,065</u>	52.6%
Other comprehensive income, net of tax:						
Foreign currency translation of foreign operations	<u>3,104</u>	<u>(10,234)</u>	130.3%	<u>3,104</u>	<u>(10,234)</u>	130.3%
Total comprehensive income	<u>109,997</u>	<u>59,831</u>	83.8%	<u>109,997</u>	<u>59,831</u>	83.8%
Total comprehensive income attributable to:						
Owners of the Company	110,031	59,836	83.9%	110,031	59,836	83.9%
Non-controlling interests	<u>(34)</u>	<u>(5)</u>	580.0%	<u>(34)</u>	<u>(5)</u>	580.0%
	<u>109,997</u>	<u>59,831</u>	83.8%	<u>109,997</u>	<u>59,831</u>	83.8%

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CONDENSED UNAUDITED CONSOLIDATED STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME^{(1) & (2)}
FOR THE FINANCIAL PERIOD ENDED 30 SEPTEMBER 2021

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Current Year Quarter	Preceding Year Corresponding Quarter	Current Year	Preceding Year
	<u>30/09/2021</u>	<u>30/09/2020</u>	<u>30/09/2021</u>	<u>30/09/2020</u>
	RM'000	RM'000	RM'000	RM'000
Earnings per share attributable to owners of the Company (sen)⁽³⁾				
Basic	<u>2.98</u>	<u>2.15</u>	<u>2.98</u>	<u>2.15</u>
Diluted	<u>2.96</u>	<u>2.13</u>	<u>2.96</u>	<u>2.13</u>

Notes:

- (1) The condensed unaudited consolidated statements of profit or loss and other comprehensive income should be read in conjunction with the audited financial statements for the financial year ended 30 June 2021 and the accompanying explanatory notes attached to the interim financial statements.
- (2) The condensed unaudited consolidated statements of profit or loss and other comprehensive income are prepared based on the consolidated results of Inari Amertron Berhad and its subsidiaries for the current quarter/financial period ended 30 September 2021.
- (3) Basic earnings per share for the quarter and cumulative financial period is calculated based on the profit for the period divided by the weighted average number of ordinary shares in issue for the quarter and financial period respectively. Diluted earnings per share for the current financial period is calculated by dividing the profit for the financial period attributable to owners of the Company by the weighted average number of ordinary shares outstanding during the financial period adjusted for the effects of dilutive potential ordinary shares.

INARI AMERTRON BERHAD
(INCORPORATED IN MALAYSIA - REGISTRATION NO. 201001016131 (1000809-U))

**NOTES TO CONDENSED UNAUDITED CONSOLIDATED STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE FINANCIAL PERIOD ENDED 30 SEPTEMBER 2021**

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Current Year Quarter	Preceding Year Corresponding Quarter	Current Year	Preceding Year
	<u>30/09/2021</u> RM'000	<u>30/09/2020</u> RM'000	<u>30/09/2021</u> RM'000	<u>30/09/2020</u> RM'000
Write down/(Reversal) of inventories to net realisable value	1,070	(798)	1,070	(798)
Depreciation	26,428	25,411	26,428	25,411
Loss on disposal of property, plant and equipment	14	1	14	1
<u>(Gain)*/Loss** on foreign exchange translation</u>				
- Realised	(2,967)	6,449	(2,967)	6,449
- Unrealised	(1,377)	665	(1,377)	665
<u>Finance costs</u>				
- Interest expenses***	27	80	27	80
- Interest income	(4,432)	(1,349)	(4,432)	(1,349)

* Included in "Other income"

** Included in "Administrative expenses"

*** Included finance costs of lease liabilities and retirement benefits obligations

There is no income/expenses in relation to the below items:

- Provision of doubtful debt

INARIAMERTRON BERHAD
(INCORPORATED IN MALAYSIA - REGISTRATION NO. 201001016131 (1000809-U))
CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION ⁽⁶⁾
AS AT 30 SEPTEMBER 2021

	Unaudited As at 30-Sep-21 RM'000	Audited As at 30-Jun-21 RM'000
ASSETS		
Non-current assets		
Property, plant and equipment	466,855	473,401
Intangible assets	2,225	2,207
Investment in an associate	5,427	5,481
Deferred tax assets	14,773	15,387
	<u>489,280</u>	<u>496,476</u>
Current assets		
Inventories	168,005	157,527
Trade and other receivables	229,527	251,466
Tax recoverable	8,284	9,853
Cash and cash equivalents	1,873,678	904,886
	<u>2,279,494</u>	<u>1,323,732</u>
TOTAL ASSETS	<u><u>2,768,774</u></u>	<u><u>1,820,208</u></u>
EQUITY AND LIABILITIES		
Share capital ⁽⁴⁾	1,917,919	885,182
Other reserves	33,215	25,836
Retained earnings	476,790	461,946
Equity attributable to owners of the Company	<u>2,427,924</u>	<u>1,372,964</u>
Non-controlling interests	<u>4,439</u>	<u>4,473</u>
Total equity	<u>2,432,363</u>	<u>1,377,437</u>
Non-current liabilities		
Lease liabilities	651	897
Retirement benefits obligations	3,679	3,641
Deferred tax liabilities	11,468	11,640
	<u>15,798</u>	<u>16,178</u>
Current liabilities		
Trade and other payables	224,828	288,597
Lease liabilities	918	1,201
Borrowings	-	1,114
Tax payable	2,782	1,885
Dividend payable	92,085	133,796
	<u>320,613</u>	<u>426,593</u>
Total liabilities	<u>336,411</u>	<u>442,771</u>
TOTAL EQUITY AND LIABILITIES	<u><u>2,768,774</u></u>	<u><u>1,820,208</u></u>
Net assets per share attributable to owners of the Company ⁽⁵⁾ (RM)	0.6589	0.4103

Notes:

- (4) Based on 3,684,841,899 (as at 30 June 2021: 3,346,436,099) ordinary shares in issue as at 30 September 2021.
- (5) Net assets per share attributable to owners of the Company is computed based on equity attributable to owners of the Company divided by the total number of ordinary shares in issue.
- (6) The condensed consolidated statements of financial position should be read in conjunction with the audited financial statements for the financial year ended 30 June 2021 and the accompanying explanatory notes attached to the interim financial statements.

INARI AMERTRON BERHAD
(INCORPORATED IN MALAYSIA - REGISTRATION NO. 201001016131 (1000809-U))
CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
FOR THE FINANCIAL PERIOD ENDED 30 SEPTEMBER 2021

	<-----Attributable to Owners of the Company----->					<-----Non-Distributable-----> Distributable				
	Share capital RM'000	Warrants reserve RM'000	Discount on shares RM'000	Capital reserve RM'000	ESOS reserve RM'000	Foreign currency translation reserve RM'000	Retained earnings RM'000	Total RM'000	Non- controlling interests RM'000	Total equity RM'000
At 1 July 2021	885,182	-	-	5,387	17,483	2,966	461,946	1,372,964	4,473	1,377,437
Total comprehensive income for the period	-	-	-	-	-	3,104	106,927	110,031	(34)	109,997
<i>Transactions with owners:</i>										
Issued pursuant to:										
- Exercise of ESOS	12,414	-	-	-	(1,730)	-	-	10,684	-	10,684
- Private placement	1,032,300	-	-	-	-	-	-	1,032,300	-	1,032,300
Share issuance expenses pursuant to:										
Private Placement	(11,977)	-	-	-	-	-	-	(11,977)	-	(11,977)
Pursuant to ESOS granted:										
Share-based compensation	-	-	-	-	6,005	-	-	6,005	-	6,005
Dividends	-	-	-	-	-	-	(92,083)	(92,083)	-	(92,083)
	1,032,737	-	-	-	4,275	-	(92,083)	944,929	-	944,929
At 30 September 2021	1,917,919	-	-	5,387	21,758	6,070	476,790	2,427,924	4,439	2,432,363
At 1 July 2020	704,840	-	-	5,387	29,007	13,128	452,339	1,204,701	4,231	1,208,932
Total comprehensive income for the period	-	-	-	-	-	(10,234)	70,070	59,836	(5)	59,831
<i>Transactions with owners:</i>										
Issued pursuant to:										
- Exercise of ESOS	30,290	-	-	-	(3,460)	-	-	26,830	-	26,830
Pursuant to ESOS granted:										
Share-based compensation	-	-	-	-	2,057	-	-	2,057	-	2,057
Dividends	-	-	-	-	-	-	(35,983)	(35,983)	-	(35,983)
	30,290	-	-	-	(1,403)	-	(35,983)	(7,096)	-	(7,096)
At 30 September 2020	735,130	-	-	5,387	27,604	2,894	486,426	1,257,441	4,226	1,261,667

Notes:

(7) The Condensed Consolidated Statements of Changes in Equity should be read in conjunction with the audited financial statements for the financial year ended 30 June 2021 and the accompanying explanatory notes attached to the Interim Financial Statements.

INARI AMERTRON BERHAD
(INCORPORATED IN MALAYSIA - REGISTRATION NO. 201001016131 (1000809-U))
CONDENSED UNAUDITED CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE FINANCIAL PERIOD ENDED 30 SEPTEMBER 2021

	Cumulative Quarter 3 Months Ended 30/09/2021 RM'000	Cumulative Quarter 3 Months Ended 30/09/2020 RM'000
OPERATING ACTIVITIES		
Profit before tax	118,322	77,414
Adjustments for:		
Depreciation	26,428	25,411
Equity-settled share based payment transactions	6,005	2,057
Loss on disposal of property, plant and equipment	14	1
Interest income	(4,432)	(1,349)
Interest expenses	27	80
Write down/(Reversal) of inventories to net realisable value	1,070	(798)
Share of loss of equity-accounted associate	54	59
Unrealised (gain)/loss on foreign exchange	(1,377)	665
Operating profit before working capital changes	146,111	103,540
Changes in working capital:		
Inventories	(13,013)	18,025
Receivables	18,751	(14,177)
Payables	(59,533)	(38,187)
Cash generated from operations	92,316	69,201
Income tax paid	(8,527)	(4,023)
Interest received	4,432	1,349
Interest paid	(27)	(80)
Net cash from operating activities	88,194	66,447
INVESTING ACTIVITIES		
Proceeds from disposal of property, plant and equipment	200	55
Acquisition of property, plant and equipment	(21,278)	(14,688)
Uplift of fixed deposits with licensed bank	20,245	1,605
Net cash used in investing activities	(833)	(13,028)
FINANCING ACTIVITIES		
Dividend paid to owners of the Company	(133,794)	(32,494)
Net repayment of borrowings	(1,578)	(1,866)
Net proceeds from issuance of shares	1,031,007	26,830
Net cash generated from/(used in) financing activities	895,635	(7,530)
NET CHANGES IN CASH AND CASH EQUIVALENTS	982,996	45,889
Effect of changes in foreign exchange rates	6,043	(6,494)
CASH AND CASH EQUIVALENT AT BEGINNING	831,217	519,563
CASH AND CASH EQUIVALENT AT END	1,820,256	558,958
Represented by:		
Cash and cash equivalents	1,873,678	632,384
Less: Fixed deposits pledged to licensed banks	-	(37)
Less: Fixed deposits more than 3 months to maturity	(53,422)	(73,389)
	1,820,256	558,958

INARI AMERTRON BERHAD
(INCORPORATED IN MALAYSIA – REGISTRATION NO. 201001016131 (1000809-U))
NOTES TO THE REPORT

Part A - Explanatory Notes Pursuant to Malaysian Financial Reporting Standards (“MFRS”) 134, Interim Financial Reporting

1. Basis of Preparation

The interim financial statements of the Group are unaudited and have been prepared in accordance with the requirements of Malaysian Financial Reporting Standards (“MFRS”) 134, Interim Financial Reporting issued by the Malaysian Accounting Standards Board (“MASB”) and Paragraph 9.22 and Appendix 9B of the Listing Requirements of Bursa Malaysia Securities Berhad.

The interim financial statements should be read in conjunction with the audited financial statements of the Group for the financial year ended 30 June 2021.

2. Changes in Accounting Policies

The accounting policies and methods of computation adopted by the Group in these quarterly financial statements are consistent with those adopted in the most recent annual audited financial statements for the year ended 30 June 2021 except for the adoption of the following new MFRSs and amendments/improvements to MFRSs that are issued by the MASB that became effective and relevant to the Group for the financial year beginning 1 July 2021:

<u>Amendments/Improvements to MFRSs</u>	<u>Effective for annual period beginning on or after</u>
Amendments to MFRS 9, 139, 7, 4 & 16	Interest Rate Benchmark Reform - Phase 2 1 January 2021
Amendments to MFRS 16	Leases – Covid – 19 Related Rent Concessions beyond 30 June 2021 1 April 2021
Amendments to MFRS 3	Business Combinations – Reference to the Conceptual Framework 1 January 2022
Amendments to MFRS 116	Property, Plant and Equipment – Proceeds before Intended Use 1 January 2022
Amendments to MFRS 137	Provision, Contingent Liabilities and Contingent Assets: Onerous Contract: Cost of Fulfilling a Contract 1 January 2022
Annual Improvements	MFRS Standards 2018-2020 1 January 2022
Amendments to MFRS 101	Presentation of Financial Statements – Classification of Liabilities as Current or Non - current 1 January 2023
Amendments to MFRS 101	Presentation of Financial Statements – Disclosure of Accounting Policies 1 January 2023

2. Changes in Accounting Policies (continued)

Effective for Annual period beginning on or after

Amendments to MFRS 108	Accounting policies, changes in Accounting Estimates and Errors: Definition of Accounting Estimates	1 January 2023
Amendments to MFRS 112	Income Taxes – Deferred Tax related to Assets and Liabilities arising from a Single Transaction	1 January 2023

The adoption of the above new MFRSs and amendments/improvements to MFRSs are not expected to have any material financial impact on the financial statements of the Group.

3. Auditors' Report on Preceding Annual Financial Statements

The preceding annual financial statements of the Group were reported without any audit qualification.

4. Comments About Seasonal or Cyclical Factors

There were no material seasonal or cyclical factors affecting the results of the quarter under review.

5. Unusual Items Due to their Nature, Size or Incidence

There were no items affecting assets, liabilities, equity, net income or cash flows that are unusual because of their nature, size, or incidence during the quarter under review and financial period to date.

6. Changes in Estimates

There were no changes in the estimates of amounts which give a material effect in the current quarter and financial period under review.

7. Debt and Equity Securities

During the financial period, the issued and paid-up ordinary share capital was increased from RM885,181,962 to RM1,917,919,034 by way of issuance of 338,405,800 new ordinary shares pursuant to the following:

- i. On 30 July 2021, the Private Placement undertaken by the Company was completed with placement, listing and quotation of 333,000,000 Inari Shares on the Main Market of Bursa Securities and the gross proceeds raised from the Private Placement was RM1,032,300,000.

The net proceeds derived from the Private Placement was RM1,020,323,230 after deducting transactions costs pursuant to the Private Placement of RM11,976,770.

- ii. 5,405,800 new ordinary shares arising from the exercise of options under the Employees' Share Options Scheme ("ESOS") at the following exercise prices:

Exercise price and number of shares issuance

<i>Exercise price (RM)</i>	0.797	1.000	0.977	0.863	0.983
<i>No of shares issued</i>	3,700	66,000	18,000	10,000	15,900

<i>Exercise price (RM)</i>	1.187	1.438	1.721	1.880	1.890
<i>No of shares issued</i>	65,600	159,000	474,500	1,691,100	1,166,000

<i>Exercise price (RM)</i>	0.980	2.460	3.030	3.420
<i>No of shares issued</i>	389,200	700,900	634,900	11,000

The new ordinary shares issued rank pari passu with the existing ordinary shares of the Company.

Other than the above, there were no issuance and repayment of debt and equity securities, share buy-back, share cancellations, shares held as treasury shares and resale of treasury shares during the quarter and financial period under review.

8. Dividends Paid

Dividends paid during the financial year ended 30 June 2021 were as follows:

- i) Third interim single tier dividend of 2.20 sen per ordinary share and a special dividend of 1.80 sen per ordinary share amounting to RM133.80 million for the financial year ended 30 June 2021 paid on 8 July 2021.

9. Segmental Information

Business segments

The Group has only one reportable business segment that is its manufacturing of electronic products segment. As such, no operating segment information is reported.

Geographical information

The Group's revenue disaggregated by primary geographical markets is as follows:

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Quarter Ended 30/09/2021 RM'000	Quarter Ended 30/09/2020 RM'000	Period To date 30/09/2021 RM'000	Period To date 30/09/2020 RM'000
Malaysia	24,635	35,844	24,635	35,844
Singapore	369,133	302,027	369,133	302,027
China	33,724	7,259	33,724	7,259
Others	3,631	2,491	3,631	2,491
	<u>431,123</u>	<u>347,621</u>	<u>431,123</u>	<u>347,621</u>

10. Valuation of Property, Plant and Equipment

There were no changes to the valuation of property, plant and equipment since the previous audited financial statements.

11. Material Events Subsequent to the end of the Quarter

Save as disclosed in Note 5 in Part B of this report on the status of corporate proposals, there were no other material events subsequent to the end of the current quarter and financial period under review and up to the date of this report that have not been reflected in this interim financial report.

12. Changes in the Composition of the Group

Voluntary liquidation of dormant subsidiaries

Ceedtec Sdn Bhd ("CT") is a 51% owned subsidiary of the Company while Ceedtec Technology Sdn Bhd ("CTT") is a 100% owned subsidiary of CT. Both CT and CTT ceased operations and became dormant after the financial year ended 30 June 2018. Both CT and CTT have been placed under member's voluntary winding-up pursuant to Section 439(1)(b) of the Companies Act 2016.

During the current quarter under review and up to the date of this report, the voluntary winding up is still in progress.

13. Contingent Liabilities and Contingent Assets

	30/09/2021	30/09/2020
	RM'000	RM'000
Corporate guarantee extended to licensed bank and financial institutions for credit facilities granted to subsidiaries:		
- Limit	<u>13,000</u>	<u>30,274</u>
- Amount utilized	<u>4,236</u>	<u>5,345</u>

There is no contingent asset as at the date of this report.

14. Capital Commitments

	30/09/2021	30/09/2020
	RM'000	RM'000
Authorised and contracted for:		
- Construction of building	2,740	2,308
- Plant, machinery and equipment	<u>40,683</u>	<u>14,201</u>
	<u>43,423</u>	<u>16,509</u>

15. Significant Related Party Transactions

There is no significant transaction with related parties.

16. Financial Derivatives

The Group enters into forward exchange contracts to manage its exposure to sales and purchases transactions and local operating expenditure that are denominated in USD. There is no change to the type of derivative financial contract entered into, risk associated with the derivatives, cash requirements of the derivatives and the risk management objectives and policies for the derivative financial contracts since the previous financial year ended 30 June 2021.

The notional value of foreign currency forward contracts as at financial period under review is as follows:

	30/09/2021	30/09/2020
	RM'000	RM'000
Foreign currency hedging contracts		
Notional value of contracts*	<u>52,978</u>	<u>31,729</u>

* Equivalent to USD12,650,000 (30 September 2020: USD7,630,000)

17. Fair Value of Financial Liabilities

The carrying amounts of the financial liabilities as at the end of the reporting period approximate to their fair value due to their short term nature, or that they are floating rate instruments that are re-priced to market interest rate on or near the end of the reporting period. Hence, there is no fair value gain or loss on financial liabilities.

Part B - Additional Information as Required By the Main Market Listing Requirement of Bursa Securities

1. Review of Performance

Comparison with the corresponding quarter in the previous financial year

The Group recorded revenue of RM431.1 million for the current quarter, representing an increase of 24.0% compared to the same quarter in the previous year of RM347.6 million. Growth was recorded in all business segments with the Radio Frequency (“RF”) business segment continuing to be the key contributor to the revenue growth.

The Group achieved profit after tax of RM106.9 million for the current quarter, an increase of 52.6% from RM70.1 million recorded in the corresponding quarter of the preceding year mainly derived from higher revenue growth and favourable movements in forex exchange.

Comparison with the immediate preceding quarter

The Group’s revenue grew 19.3% to reach RM431.1 million in the current quarter from RM361.3 million in the immediate preceding quarter. The growth was mainly contributed by higher loading volume in RF business segments.

The Group recorded profit after tax of RM106.9 million for the current quarter, an increase of 20.5% from RM88.7 million recorded in the immediate preceding quarter. The higher profit after tax was derived from the increase in revenue growth.

Financial year to date against preceding year corresponding financial period

The financial performance review is included under the comparison with the corresponding quarter in the previous financial year.

2. Commentary on Prospects

The International Monetary Fund has in its October 2021 World Economic Outlook (WEO) reported that the global economy is projected to grow 5.9% in 2021 and 4.9% in 2022.

World Semiconductor Trade Statistics (WSTS) has in August 2021 released its latest semiconductor market forecast. WSTS expects the worldwide semiconductor market growth to rise from 6.8% in 2020 to 25.1% in the year 2021, which corresponds to a market size of USD 551 billion.

According to the International Data Corporation (IDC), shipments of smartphones are expected to grow 7.4% in 2021, reaching 1.37 billion units, followed by 3.4% growth in 2022 and 2023 respectively. 5G shipments continue to be a primary driver of 2021 growth as both vendors and channels focus on 5G devices that carry a significantly higher average selling price than older 4G devices.

Barring any resurgence of new covid 19 variants, the Group remains positive on its near term prospects and believes the momentum heading into 2022 will continue to be strong from good demand and tight supply for the semiconductor market consistent with industry forecasts.

3. Profit Forecast and Profit Guarantee

The Group did not issue any profit forecast or profit guarantee previously in any public document.

4. Taxation

The taxation charges for the current financial quarter and the cumulative financial period ended 30 September 2021 are as follows:

	Individual Quarter ended		Cumulative year ended	
	30/09/2021 RM'000	30/09/2020 RM'000	30/09/2021 RM'000	30/09/2020 RM'000
In respect of current period:				
- Current tax	(10,852)	(9,911)	(10,852)	(9,911)
- Deferred tax	(163)	2,580	(163)	2,580
	<u>(11,015)</u>	<u>(7,311)</u>	<u>(11,015)</u>	<u>(7,331)</u>
Under provision in prior year:				
- Current tax	-	(18)	-	(18)
- Deferred tax	(414)	-	(414)	-
	<u>(11,429)</u>	<u>(7,349)</u>	<u>(11,429)</u>	<u>(7,349)</u>

The effective tax rate of the Group for the current financial quarter and financial period ended 30 September 2021 is lower than the statutory tax rate of 24% as certain subsidiaries have been granted with tax incentives under the Promotion of Investment Act, 1986.

5. Status of Corporate Proposals

(i) Private Placement

On 6 May 2021, the Company announced a proposed private placement of up to 333,000,000 ordinary shares ("Placement Shares"), representing approximately 10% of the total number of issued shares.

The Proposed Private Placement is undertaken in accordance with the general mandate pursuant to Sections 75 and 76 of the Companies Act 2016 obtained from the shareholders of the Company at its 10th Annual General Meeting ("AGM") convened on 25 November 2020.

On 3 June 2021, the Company announced that Bursa Malaysia Securities Berhad ("Bursa Securities") had vide its letter dated 3 June 2021, approved the listing and quotation of up to 333,000,000 Placement Shares to be issued pursuant to the Proposed Private Placement.

On 19 July 2021, the Company announced that the Board had fixed the issue price at RM3.10 per Placement Share. The issue price of RM3.10 per Placement Share represents a discount of approximately 2.72% to the 5-day volume weighted average price of Inari Shares up to and including 16 July 2021, being the market day immediately prior to the price-fixing date, of RM3.1868 per Inari Share.

5. Status of Corporate Proposals (continued)

(i) Private Placement (continued)

On 30 July 2021, the Private Placement was completed with placement, listing and quotation of 333,000,000 Inari Shares on the Main Market of Bursa Securities and the gross proceeds raised from the Private Placement was RM1,032,300,000.00.

(ii) Memorandum of understanding (“MOU”)

On 18 October 2021, the Company announced that a non-binding MOU has been entered with China Fortune-Tech Capital Co., Ltd (“CFTC”) with the intention to set up a joint-venture company in China to carry out Outsourced Semiconductor Assembly and Test manufacturing and related businesses in China for the China market. The Company shall make announcement necessarily upon enter into Definitive Agreements.

Save as the above, there is no other corporate proposals as at the date of this report.

6. Status of Utilization of Proceeds

The Company received proceeds from the abovementioned Private Placement of RM1,032,300,000.00 from the issuance of 333,000,000 Inari Shares at the issue price of RM3.10 per Placement Share. The proceeds have been utilized in the following manner as at 30 September 2021:

Details	Proposed Utilization RM'000	Actual Utilization RM'000	Unutilized Proceeds RM'000	Intended timeframe of utilization from the listing date of the Placement Shares
1 Capital expenditure, acquisitions and investments	1,015,500	-	1,015,500	Within 30 months
2 Estimated expenses in relation to the Proposed Private Placement	16,800	12,161	4,639	Within 6 months
	1,032,300	12,161	1,020,139	

Pending utilization, the funds will be placed in interest bearing fixed deposit accounts with licensed financial institutions or in money market instruments.

7. Group Borrowings and Debt Securities

The Group's borrowings have been fully settled during the current quarter and financial period under review.

8. Material Litigation

The Group was not engaged in any litigation which is likely to give rise to proceedings which may materially and adversely affect the financial position or the business operations of the Group.

9. Dividend

The Directors propose the first single tier interim dividend of 2.80 sen per ordinary share in respect of the financial year ended 30 June 2022.

The entitlement date and payment date are on 10 December 2021 and 7 January 2022 respectively.

Total dividend for the financial year ended 30 June 2022 and financial year ended 30 June 2021 are summarized as follow:

	Net Per Share FY2022 (sen)	Net Per Share FY2021 (sen)
<u>First Interim Dividend</u>		
Single tier dividend	2.80	2.00
<u>Second Interim Dividend</u>		
Single tier dividend	*	2.50
<u>Third Interim Dividend</u>		
Single tier dividend	*	2.20
Special dividend		1.80
<u>Fourth Interim Dividend</u>		
Single tier dividend	*	2.50
	<hr/> 2.80 <hr/>	<hr/> 11.00 <hr/>

10. Earnings Per Share

(a) Basic earnings per share

The basic earnings per share for the current financial quarter and financial period have been calculated by dividing the net profit attributable to owners of the Company for the financial quarter and financial period by the weighted average number of ordinary shares in issue during the financial quarter and financial period to date.

	Individual Quarter ended		Cumulative Period ended	
	30/09/2021 RM'000	30/09/2020 RM'000	30/09/2021 RM'000	30/09/2020 RM'000
Net profit attributable to owners of the Company for the financial quarter and financial period to date (RM'000)	106,927	70,070	106,927	70,070
Weighted average number of ordinary shares in issue ('000)	3,583,617	3,262,621	3,583,617	3,262,621
Basic earnings per share (sen)	2.98	2.15	2.98	2.15

(b) Diluted earnings per share

Diluted earnings per share for the current financial period is calculated by dividing the profit for the financial period attributable to owners of the Company by the weighted average number of ordinary shares outstanding during the financial period adjusted for the effects of dilutive potential ordinary shares. The adjusted weighted average number of ordinary shares in issue and issuable has been arrived at based on the assumption that warrants are exercised at the beginning of the financial period and ESOS granted by the reporting date.

	Individual Quarter ended		Cumulative Period ended	
	30/09/2021 RM'000	30/09/2020 RM'000	30/09/2021 RM'000	30/09/2020 RM'000
Net profit attributable to owners of the Company for the financial quarter and financial period to date (RM'000)	106,927	70,070	106,927	70,070
Weighted average number of ordinary shares (basic) ('000)	3,583,617	3,262,621	3,583,617	3,262,621
Effect of dilution due to ESOS ('000)	24,069	26,109	24,069	26,109
Weighted average number of ordinary shares (diluted) ('000)	3,607,686	3,288,730	3,607,686	3,288,730
Diluted earnings per share (sen)	2.96	2.13	2.96	2.13