

**INARI AMERTRON BERHAD**  
**(INCORPORATED IN MALAYSIA - REGISTRATION NO. 201001016131 (1000809-U))**  
**CONDENSED CONSOLIDATED STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME <sup>(1)</sup>**  
**FOR THE FINANCIAL YEAR ENDED 30 JUNE 2023**

	INDIVIDUAL QUARTER			CUMULATIVE QUARTER		
	Current Year	Preceding Year	%	Current Year	Preceding Year	%
	Quarter	Corresponding		(Unaudited)	(Restated)	
	(Unaudited)	Quarter	(Restated)	(Unaudited)	(Restated)	
30/6/2023	30/6/2022	30/6/2022	30/6/2023	30/6/2022		
	RM'000	RM'000		RM'000	RM'000	
<b>Revenue</b>	298,752	336,177	-11.1%	1,354,003	1,547,899	-12.5%
<b>Cost of sales</b>	<u>(245,251)</u>	<u>(240,519)</u>	2.0%	<u>(999,035)</u>	<u>(1,077,872)</u>	-7.3%
<b>Gross profit</b>	53,501	95,658	-44.1%	354,968	470,027	-24.5%
<b>Other income</b>	20,473	18,413	11.2%	24,313	33,423	-27.3%
<b>Finance income</b>	16,720	7,990	109.3%	52,926	23,913	121.3%
<b>Administrative expenses</b>	<u>(17,659)</u>	<u>(13,217)</u>	33.6%	<u>(75,823)</u>	<u>(80,149)</u>	-5.4%
<b>Operating profit</b>	73,035	108,844	-32.9%	356,384	447,214	-20.3%
<b>Finance costs</b>	(917)	(1,003)	-8.6%	(1,873)	(1,034)	81.1%
<b>Share of profit/(loss) of equity-accounted associate</b>	<u>494</u>	<u>144</u>	>200%	<u>1,265</u>	<u>(71)</u>	>200%
<b>Profit before tax</b>	72,612	107,985	-32.8%	355,776	446,109	-20.2%
<b>Tax expense</b>	<u>(4,375)</u>	<u>(22,020)</u>	-80.1%	<u>(30,751)</u>	<u>(54,916)</u>	-44.0%
<b>Profit for the financial year</b>	<u>68,237</u>	<u>85,965</u>	-20.6%	<u>325,025</u>	<u>391,193</u>	-16.9%
<b>Profit/(Loss) attributable to:</b>						
Owners of the Company	66,312	86,216	-23.1%	323,535	390,917	-17.2%
Non-controlling interests	<u>1,925</u>	<u>(251)</u>	>200%	<u>1,490</u>	<u>276</u>	>200%
	<u>68,237</u>	<u>85,965</u>	-20.6%	<u>325,025</u>	<u>391,193</u>	-16.9%
<b>Other comprehensive income, net of tax:</b>						
Remeasurement of retirement benefits	796	1,535	-48.1%	796	1,535	-48.1%
Foreign currency translation of foreign operations	<u>27,925</u>	<u>20,296</u>	37.6%	<u>27,625</u>	<u>25,017</u>	10.4%
Total comprehensive income	<u>96,958</u>	<u>107,796</u>	-10.1%	<u>353,446</u>	<u>417,745</u>	-15.4%
<b>Total comprehensive income/(expense) attributable to:</b>						
Owners of the Company	95,033	108,047	-12.0%	351,956	417,469	-15.7%
Non-controlling interests	<u>1,925</u>	<u>(251)</u>	>200%	<u>1,490</u>	<u>276</u>	>200%
	<u>96,958</u>	<u>107,796</u>	-10.1%	<u>353,446</u>	<u>417,745</u>	-15.4%

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**CONDENSED CONSOLIDATED STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME <sup>(1)</sup>**  
**FOR THE FINANCIAL YEAR ENDED 30 JUNE 2023**

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Current Year	Preceding Year	Current Year	Preceding Year
	Quarter (Unaudited) <u>30/6/2023</u>	Corresponding Quarter (Unaudited) <u>30/6/2022</u>	(Unaudited) <u>30/6/2023</u>	(Audited) <u>30/6/2022</u>
<b>Earnings per share attributable to owners of the Company (sen) <sup>(2)</sup></b>				
Basic	<u>1.78</u>	<u>2.33</u>	<u>8.68</u>	<u>10.65</u>
Diluted	<u>1.78</u>	<u>2.32</u>	<u>8.68</u>	<u>10.59</u>

- Notes:**
- (1) The condensed 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 2022 and the accompanying explanatory notes attached to the interim financial statements.
- (2) Basic earnings per share is calculated based on the profit for the financial period attributable to owners of the Company divided by the weighted average number of ordinary shares in issue. Diluted earnings per share is calculated by dividing the profit for the financial period attributable to owners of the Company to 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 CONSOLIDATED STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME  
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2023**

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Current Year	Preceding Year	Current Year	Preceding Year
	Quarter (Unaudited) <u>30/6/2023</u> RM'000	Corresponding Quarter (Restated) <u>30/6/2022</u> RM'000	(Unaudited) <u>30/6/2023</u> RM'000	(Restated) <u>30/6/2022</u> RM'000
Allowance/(Reversal) for slow moving inventories	40	3,853	(740)	3,525
Depreciation	27,333	18,089	106,712	100,910
(Gain)/Loss on disposal of property, plant and equipment	(42)	(33)	(273)	(28)
Property, plant and equipment written off	4	1	12	1
<u>Loss*/(Gain)** on foreign exchange translation</u>				
- Realised	(16,235)	(15,091)	(12,334)	(19,984)
- Unrealised	(1,263)	(1,364)	(3,020)	(3,455)
* <i>Included in "Administrative expenses"</i>				
** <i>Included in "Other income"</i>				
<u>Finance costs/(income)</u>				
- Interest expenses***	917	1,003	1,873	1,034
- Interest income	(16,720)	(7,990)	(52,926)	(23,913)

\*\*\* *Included finance costs of lease liabilities*

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

- Provision of doubtful debt

**INARI AMERTRON BERHAD**  
**(INCORPORATED IN MALAYSIA - REGISTRATION NO. 201001016131 (1000809-U))**  
**CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION <sup>(6)</sup>**  
**AS AT 30 JUNE 2023**

	<b>Unaudited</b> <b>As at</b> <b>30-Jun-23</b> <b>RM'000</b>	<b>Audited</b> <b>As at</b> <b>30-Jun-22</b> <b>RM'000</b>
<b>ASSETS</b>		
<b>Non-current assets</b>		
Property, plant and equipment	509,024	499,524
Intangible assets	2,486	2,340
Investment in an associate	6,675	5,410
Deferred tax assets	9,918	1,704
	<u>528,103</u>	<u>508,978</u>
<b>Current assets</b>		
Inventories	183,216	147,037
Trade and other receivables	411,037	266,598
Tax recoverable	13,402	903
Cash and cash equivalents <sup>(5)</sup>	1,830,994	1,971,021
	<u>2,438,649</u>	<u>2,385,559</u>
<b>TOTAL ASSETS</b>	<u>2,966,752</u>	<u>2,894,537</u>
<b>EQUITY AND LIABILITIES</b>		
Share capital <sup>(3)</sup>	2,033,398	1,977,180
Other reserves	72,678	54,407
Retained earnings	496,554	473,464
<b>Equity attributable to owners of the Company</b>	<u>2,602,630</u>	<u>2,505,051</u>
<b>Non-controlling interests</b>	<u>3,218</u>	<u>5,984</u>
<b>Total equity</b>	<u>2,605,848</u>	<u>2,511,035</u>
<b>Non-current liabilities</b>		
Lease liabilities	14,727	14,408
Retirement benefits obligations	2,787	2,751
Deferred tax liabilities	11,508	11,528
	<u>29,022</u>	<u>28,687</u>
<b>Current liabilities</b>		
Trade and other payables	276,119	262,570
Lease liabilities	777	652
Tax payable	2,725	10,032
Dividend payable	52,261	81,561
	<u>331,882</u>	<u>354,815</u>
<b>Total liabilities</b>	<u>360,904</u>	<u>383,502</u>
<b>TOTAL EQUITY AND LIABILITIES</b>	<u>2,966,752</u>	<u>2,894,537</u>
<b>Net assets per share attributable to owners of the Company <sup>(4)</sup> (RM)</b>	<u>0.6972</u>	<u>0.6756</u>

**Notes:**

- (3) Based on 3,732,934,799 (as at 30 June 2022: 3,707,673,199) ordinary shares in issue as at 30 June 2023.
- (4) 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.
- (5) The cash and cash equivalents consist of RM1,370.5 million (as at 30 June 2022: RM1,548.2 million) is placed in Islamic deposit and current accounts and Islamic money market instruments with licensed financial institutions.
- (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 2022 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 <sup>(7)</sup>**  
**FOR THE FINANCIAL YEAR ENDED 30 JUNE 2023**

	<-----Attributable to Owners of the Company----->							
	<-----Non-Distributable----->				Distributable			
	Share capital 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
<b>Unaudited</b>								
At 1 July 2022	1,977,180	5,387	21,037	27,983	473,464	2,505,051	5,984	2,511,035
Total comprehensive income for the year	-	-	-	27,625	324,331	351,956	1,490	353,446
<i>Transactions with owners:</i>								
Ordinary share issued pursuant to exercise of ESOS	56,218	-	(9,210)	-	-	47,008	-	47,008
Share-based compensation pursuant to ESOS granted	-	-	11,698	-	-	11,698	-	11,698
Expiry of share option under ESOS	-	-	(11,842)	-	11,842	-	-	-
Dividends	-	-	-	-	(313,083)	(313,083)	-	(313,083)
Dividends paid to non-controlling interests	-	-	-	-	-	-	(4,256)	(4,256)
	56,218	-	(9,354)	-	(301,241)	(254,377)	(4,256)	(258,633)
<b>At 30 June 2023</b>	<b>2,033,398</b>	<b>5,387</b>	<b>11,683</b>	<b>55,608</b>	<b>496,554</b>	<b>2,602,630</b>	<b>3,218</b>	<b>2,605,848</b>
<b>Audited</b>								
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 year	-	-	-	25,017	392,452	417,469	276	417,745
<i>Transactions with owners:</i>								
Ordinary share issued pursuant to:								
- Exercise of ESOS	71,675	-	(8,373)	-	-	63,302	-	63,302
- Private placement	1,032,300	-	-	-	-	1,032,300	-	1,032,300
Share issuance expenses pursuant to private placement	(11,977)	-	-	-	-	(11,977)	-	(11,977)
Share-based compensation pursuant to ESOS granted	-	-	11,927	-	-	11,927	-	11,927
Issuance of share capital in a subsidiary	-	-	-	-	-	-	1,235	1,235
Dividends	-	-	-	-	(380,934)	(380,934)	-	(380,934)
	1,091,998	-	3,554	-	(380,934)	714,618	1,235	715,853
<b>At 30 June 2022</b>	<b>1,977,180</b>	<b>5,387</b>	<b>21,037</b>	<b>27,983</b>	<b>473,464</b>	<b>2,505,051</b>	<b>5,984</b>	<b>2,511,035</b>

**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 2022 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 CASH FLOWS <sup>(8)</sup>**  
**FOR THE FINANCIAL YEAR ENDED 30 JUNE 2023**

	<b>Unaudited Current Year 30/6/2023 RM'000</b>	<b>Audited Preceding Year 30/6/2022 RM'000</b>
<b>OPERATING ACTIVITIES</b>		
Profit before tax	355,776	446,109
Adjustments for:		
Depreciation	106,712	100,910
Equity-settled share based payment transactions	11,698	11,927
Gain on disposal of property, plant and equipment	(273)	(28)
Interest income	(52,926)	(23,913)
Interest expenses	1,873	1,034
(Reversal)/Allowance for slow moving inventories	(740)	3,525
(Reversal)/Provision for warranty	(6,889)	1,464
Provision for retirement benefits obligations	598	610
Property, plant and equipment written off	12	1
Share of (profit)/loss of equity-accounted associate	(1,265)	71
Unrealised gain on foreign exchange	(3,020)	(3,455)
Operating profit before working capital changes	<u>411,556</u>	<u>538,255</u>
Changes in working capital:		
Inventories	(31,710)	11,185
Receivables	(125,619)	(4,823)
Payables	8,898	(38,130)
Cash generated from operations	<u>263,125</u>	<u>506,487</u>
Income tax paid	(58,305)	(24,973)
Income tax refunded	-	311
Interest received	52,926	23,913
Interest paid	(1,873)	(1,034)
Retirement benefits paid	-	(29)
Net cash from operating activities	<u>255,873</u>	<u>504,675</u>
<b>INVESTING ACTIVITIES</b>		
Proceeds from disposal of property, plant and equipment	329	896
Increase of share capital in a subsidiary, net of cash acquired	-	1,235
Acquisition of property, plant and equipment	(113,016)	(110,578)
Uplift of fixed deposits with licensed banks	27,153	22,931
Net cash used in investing activities	<u>(85,534)</u>	<u>(85,516)</u>
<b>FINANCING ACTIVITIES</b>		
Dividend paid to owners of the Company	(342,383)	(433,169)
Dividend paid to non-controlling interests	(4,256)	-
Net repayment of lease liabilities	(1,079)	(1,622)
Net repayment of borrowings	-	(1,087)
Net proceeds from issuance of ESOS	47,008	63,302
Net proceeds from private placement	-	1,020,323
Net cash (used in)/generated from financing activities	<u>(300,710)</u>	<u>647,747</u>
<b>NET CHANGES IN CASH AND CASH EQUIVALENTS</b>	<b>(130,371)</b>	<b>1,066,906</b>
Effects of changes in foreign exchange rates	16,525	19,229
<b>CASH AND CASH EQUIVALENT AT BEGINNING</b>	<b>1,917,352</b>	<b>831,217</b>
<b>CASH AND CASH EQUIVALENT AT END</b>	<b>1,803,506</b>	<b>1,917,352</b>
<b>Represented by:</b>		
Cash and cash equivalents	1,830,994	1,971,021
Less: Fixed deposits more than 3 months to maturity	(27,488)	(53,669)
	<u>1,803,506</u>	<u>1,917,352</u>

**Notes:**

(8) The condensed consolidated statements of cash flows should be read in conjunction with the audited financial statements for the financial year ended 30 June 2022 and the accompanying explanatory notes attached to the interim financial statements.

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

**Part A - Explanatory Notes Pursuant to Malaysian Financial Reporting Standard (“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 Standard (“MFRS”) 134, Interim Financial Reporting issued by the Malaysian Accounting Standards Board (“MASB”) and Paragraph 9.22 and Appendix 9B of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad (“Bursa Securities”).

The interim financial statements should be read in conjunction with the audited financial statements of the Group for the financial year ended 30 June 2022.

**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 2022 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 2022:

<b><u>Amendments/Improvements to MFRSs</u></b>		<b><u>Effective for annual period beginning on or after</u></b>
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 Contracts: Cost of Fulfilling a Contract	1 January 2022
Annual Improvements to MFRS Standards 2018-2020		1 January 2022
MFRS 17	Insurance Contracts	1 January 2023
Amendments to MFRS 17	Initial Application of MFRS 17 and MFRS 9 – Comparative Information	1 January 2023
Amendments to MFRS 101	Presentation of Financial Statements – Disclosure of Accounting Policies	1 January 2023
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

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

**2. Changes in Accounting Policies (continued)**

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 2022 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 2022 (continued):

<u>Amendments/Improvements to MFRSs</u>	<u>Effective for annual period beginning on or after</u>
Amendments to MFRS 112	Income Taxes – International Tax Reform – Pillar Two Model Rules 1 January 2023
Amendments to MFRS 16	Leases – Lease Liability in a Sale and Leaseback 1 January 2024
Amendments to MFRS 101	Presentation of Financial Statements – Classification of Liabilities as Current or Non-current 1 January 2024
Amendments to MFRS 101	Presentation of Financial Statements – Non-current Liabilities with Covenants 1 January 2024
Amendments to MFRS 107 and 7	Statement of Cash Flows and Financial Instruments: Disclosures – Supplier Finance Arrangements 1 January 2024
Amendments to MFRS 10 and 128	Consolidated Financial Statements and Investments in Associates and Joint Ventures – Sale or Contribution of Assets between an Investor and its Associate or Joint Venture Deferred

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 period under review.



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

**6. Changes in Estimates**

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

**7. Debt and Equity Securities**

During the financial year, the issued and paid-up ordinary share capital of the Company was increased from RM1,977,180,395 to RM2,033,397,743 by way of issuance of 25,261,600 new ordinary shares pursuant to the exercise of share options under the Employees’ Share Option Scheme (“ESOS”) at the following exercise prices:

(i) Exercise prices and number of shares issued under “Inari Amertron Berhad’s ESOS”

<i>Exercise price (RM)</i>	0.797	0.977	0.863	0.983	1.187
<i>No of shares issued</i>	23,700	51,000	44,000	62,000	176,000

<i>Exercise price (RM)</i>	1.438	1.721	1.880	1.890	0.980
<i>No of shares issued</i>	993,600	5,083,700	9,222,800	6,370,000	609,800

<i>Exercise price (RM)</i>	2.460	3.030	3.420
<i>No of shares issued</i>	2,486,900	10,000	600

All unexercised share options offered under the Inari Amertron Berhad’s ESOS automatically lapsed on 4 October 2022 upon the expiry of the ESOS.

(ii) Exercise price and number of shares issued under Inari Employees’ Share Option Scheme 2022 (“ESOS 2022”)

<i>Exercise price (RM)</i>	2.560
<i>No of shares issued</i>	127,500

The new ordinary shares issued pursuant to the exercise of ESOS 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 year under review.

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

**8. Dividends Paid**

Dividends paid during the financial year ended 30 June 2023 were as follows:

- i. Third interim single tier dividend of 2.20 sen per ordinary share amounting to RM81.6 million for the financial year ended 30 June 2022 paid on 8 July 2022.
- ii. Fourth interim single tier dividend of 2.20 sen per ordinary share amounting to RM81.6 million for the financial year ended 30 June 2022 paid on 6 October 2022.
- iii. First interim single tier dividend of 2.60 sen per ordinary share amounting to RM97.1 million for the financial year ended 30 June 2023 paid on 6 January 2023.
- iv. Second interim single tier dividend of 2.20 sen per ordinary share amounting to RM82.1 million for the financial year ended 30 June 2023 paid on 6 April 2023.

**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:

	<b>INDIVIDUAL QUARTER</b>		<b>CUMULATIVE QUARTER</b>	
	<b>Quarter Ended 30/06/2023 RM'000</b>	<b>Quarter Ended 30/06/2022 RM'000</b>	<b>Year To date 30/06/2023 RM'000</b>	<b>Year To date 30/06/2022 RM'000</b>
Malaysia	16,556	13,589	70,720	77,404
Singapore	266,608	293,339	1,195,125	1,331,063
China	14,297	26,464	83,222	124,458
Others	1,291	2,785	4,936	14,974
	<u>298,752</u>	<u>336,177</u>	<u>1,354,003</u>	<u>1,547,899</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.

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**NOTES TO THE REPORT**

**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 financial year 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**

During the financial year, the following changes in composition were effected: -

(i) Voluntary winding-up of a dormant subsidiary

Ceedtec Sdn Bhd (“CT”) is a 51% owned subsidiary of the Company. CT ceased operations and became dormant since the financial year ended 30 June 2018. CT had 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, CT was dissolved.

(ii) Changes in Equity Ownership

On 9 January 2023, the Company’s indirect wholly-owned subsidiary, Amertron Inc. (Global) Limited transferred 100% equity interest of its wholly-owned subsidiary, Amertron Technology (Kunshan) Co. Ltd. (“ATK”) to Amertron International Limited (“AIL”), an indirect wholly-owned subsidiary of the Company. ATK subsequently be utilised as a part of the consideration for the purpose of the corporate exercise disclosed in Note 5 in Part B of this report on the status of corporate proposals.

(iii) Incorporation of a new subsidiary

The Company incorporated a wholly-owned subsidiary namely Inari Datamation Systems Sdn Bhd (“IDSB”) with initial paid up capital RM1.00 on 28 February 2023. Subsequently, IDSB increased its paid up capital from RM1.00 to RM1,000,000.

**13. Contingent Liabilities and Contingent Assets**

	<b>30/06/2023</b>	<b>30/06/2022</b>
	<b>RM’000</b>	<b>RM’000</b>
Corporate guarantee extended to licensed banks and financial institutions for credit facilities granted to subsidiaries:		
- Limit	10,000	13,000
- Amount utilised	4,858	195

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

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

**14. Capital Commitments**

	<b>30/06/2023</b>	<b>30/06/2022</b>
	<b>RM'000</b>	<b>RM'000</b>
Authorised and contracted for:		
- Construction of building	7,051	2,177
- Purchase of plant, machinery and equipment	30,194	14,322
- Purchase of land	10,562	-
	<b>47,807</b>	<b>16,499</b>
	<b>47,807</b>	<b>16,499</b>

**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 2022.

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

	<b>30/06/2023</b>	<b>30/06/2022</b>
	<b>RM'000</b>	<b>RM'000</b>
Foreign currency hedging contracts		
Notional value of contracts*	<b>45,387</b>	<b>58,096</b>
	<b>45,387</b>	<b>58,096</b>

\* Equivalent to USD 9,700,000 (30 June 2022: USD 13,187,000)

**17. Fair Value of Financial Liabilities**

The carrying amounts of the financial liabilities as at the end of the reporting year 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 year. Hence, there is no fair value gain or loss on financial liabilities.

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

**Part B - Additional Information as Required by the Main Market Listing Requirements of Bursa Securities**

**1. Review of Performance**

*Comparison with the corresponding quarter in the previous financial year*

The Group recorded revenue of RM298.8 million for the current quarter, representing a decrease of 11.1% compared to the same quarter in the previous year of RM336.2 million. The decrease was mainly due to comparatively lower loading volume across all business segments in the current quarter.

The Group achieved profit after tax of RM68.2 million for the current quarter, a decrease of 20.6% from RM86.0 million recorded in the corresponding quarter in the previous financial year was mainly due to lower revenues and increased energy costs.

*Comparison with the immediate preceding quarter*

The Group's revenue increased by 8.3% to RM298.8 million in the current quarter from RM275.8 million in the immediate preceding quarter. The increase was mainly due to higher revenue growth in the RF business segment.

The Group recorded profit after tax of RM68.2 million for the current quarter, an increase of 19.2% from RM57.3 million recorded in the immediate preceding quarter was primarily due to higher revenues and favourable movement in forex exchange.

*Financial year to date against preceding financial year*

For the financial year ended 30 June 2023, the Group recorded revenue of RM1,354.0 million, representing a 12.5% decrease from RM1,547.9 million in the preceding financial year was mainly due to lower revenues across all business segments.

The Group's profit after tax decreased by 16.9% to RM325.0 million for the financial year ended 30 June 2023 from RM391.2 million in the preceding financial year. The decrease was mainly due to lower revenues and higher energy costs.

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

**2. Commentary on Prospects**

World Semiconductor Trade Statistics (“WSTS”) released its latest semiconductor market forecast in May 2023, expected a downturn of 10.3% in 2023 and rebound strongly in 2024 of 11.8% amounting to USD576 billion.

Gartner, in its update in April 2023, published that global semiconductor revenue is projected to decline 11% in 2023 and growth of 18.5% from 2023 to 2024 of USD631 billion.

The Group is cautiously optimistic about FY2024 and will continue to focus on strategies to improve our production capacity and utilisation, improve energy efficiency, strengthen our operational efficiencies to grow revenue consistent with or better than industry forecasts in FY2024.

**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 quarter and financial year ended 30 June 2023 are as follows:

	<b>Individual Quarter ended</b>		<b>Cumulative period ended</b>	
	<b>30/06/2023 RM’000</b>	<b>30/06/2022 RM’000</b>	<b>30/06/2023 RM’000</b>	<b>30/06/2022 RM’000</b>
In respect of current period:				
- Current tax	(11,978)	(6,558)	(39,338)	(40,064)
- Deferred tax	7,537	(10,170)	8,378	(11,297)
	(4,441)	(16,728)	(30,960)	(51,361)
(Under)/Over provision in prior year:				
- Current tax	-	(3,238)	174	(1,501)
- Deferred tax	66	(2,054)	35	(2,054)
	(4,375)	(22,020)	(30,751)	(54,916)

The effective tax rate of the Group for the current financial quarter and financial year ended 30 June 2023 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.

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

**5. Status of Corporate Proposals**

Joint Venture Contract (“JV Contract”)

On 28 June 2022, Amertron International Limited (“AIL”), an indirect wholly-owned subsidiary of the Company entered into a JV Contract with CFTC (Yiwu) Equity Investment Fund Partnership (“CFTC (Yiwu)”) and CFTC Equity Investment Management (Beijing) Co. Ltd (“CFTC Equity”) for the purpose of carrying out OSAT manufacturing and related business in China for the China market and to expand and add onto the existing operations of the Group in China market under a joint-venture company namely Yiwu Semiconductor International Corporation (“JV Company”).

In relation to the JV Contract above, Equity Subscription Agreement had been entered into on the same day between AIL, CFTC (Yiwu) and CFTC Equity to increase the registered capital in JV Company from RMB770 million to RMB1,691 million progressively, satisfied by cash injection of RMB430 million from AIL and transfer of 100% equity interest in Amertron Technology (Kunshan) Co. Ltd. (“ATK”) to the JV Company. Subsequently, AIL will become a majority shareholder representing 54.4648% of the enlarged equity capital in the JV Company.

On 12 July 2023, AIL has increased its registered capital in the JV Company to RMB921.0 million to become a majority shareholder representing 54.4648% of the equity interest in the JV Company.

The subscription on the remaining registered capital of RMB469.7 million which includes RMB219.3 million by way of cash and transfer of 51.00% equity interest of ATK to the JV Company are in progress and is expected to be completed in 2023.

As at 30 June 2023, pending for the completion of the subscription on the remaining registered capital as mentioned in above and subject to the fulfillment of the terms and conditions as stipulated in the JV Contract which is designed to form a single transaction to achieve an overall commercial effect, all the cash payments contributed by AIL is recognised as receivables. The Group deems no changes in the equity ownership of ATK during this transition period and retains its control over ATK as disclosed in Note 12(ii) in Part A of this report on the changes in the composition of the Group and consolidated fully of ATK in the current financial year.

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

**6. Status of Utilisation of Proceeds**

On 30 July 2021, the Company has completed private placement with the listing of and quotation for 333,000,000 Inari Shares at the issue price of RM3.10 per placement share on the Main Market of Bursa Malaysia Securities Berhad with the gross proceeds of RM1,032.3 million.

As at 30 June 2023, the status of utilisation of proceeds raised is set out as follow:

Details	Proposed Utilisation RM'000	Actual Utilisation RM'000	Deviation RM'000	Unutilised Proceeds RM'000	Intended Timeframe of Utilisation from the Listing Date of the Placement Shares
1 Capital expenditure, acquisitions and investments	1,015,500	(335,314)*	4,639	684,825	Within 30 months
2 Expenses in relation to the private placement	16,800	(12,161)	(4,639)^	-	Within 6 months
	1,032,300	(347,475)	-	684,825	

Note:-

\* Consist of:-

- i. Capital expenditure: RM198.6 million
- ii. Acquisitions and investments: RM136.7 million

^ The actual amount incurred for expenses in relation to the private placement was RM12.2 million with deviation of RM4.6 million being adjusted to the proceeds earmarked for capital expenditure, acquisitions and investments purposes.

The balance of unutilised proceeds amounting to RM684.8 million is placed in interest bearing deposit accounts with licensed financial institutions or in money market instruments, pending its utilisation within the intended timeframe.

**7. Group Borrowings and Debt Securities**

There is no outstanding borrowings during the financial year under review



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

**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 fourth single tier interim dividend of 2.0 sen per ordinary share in respect of the financial year ended 30 June 2023.

The entitlement date and payment date are on 15 September 2023 and 6 October 2023 respectively.

Total dividend for the financial year ended 30 June 2023 and financial year ended 30 June 2022 are summarised as follow:

	<b>Net Per Share FY2023 (sen)</b>	<b>Net Per Share FY2022 (sen)</b>
<u>First Interim Dividend</u>		
Single tier dividend	2.60	2.80
<u>Second Interim Dividend</u>		
Single tier dividend	2.20	2.80
<u>Third Interim Dividend</u>		
Single tier dividend	1.40	2.20
<u>Fourth Interim Dividend</u>		
Single tier dividend	2.00	2.20
	<hr/> 8.20 <hr/>	<hr/> 10.00 <hr/>

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

**10. Earnings Per Share**

**(a) Basic earnings per share**

The basic earnings per share is calculated by dividing the net profit attributable to owners of the Company to the weighted average number of ordinary shares in issue during the financial quarter and financial year.

	<b>Individual Quarter ended</b>		<b>Cumulative Year ended</b>	
	<b>30/06/2023 RM'000</b>	<b>30/06/2022 RM'000</b>	<b>30/06/2023 RM'000</b>	<b>30/06/2022 RM'000</b>
Net profit attributable to owners of the Company (RM'000)	66,312	86,216	323,535	390,917
Weighted average number of ordinary shares in issue ('000)	3,732,807	3,706,699	3,727,152	3,671,520
Basic earnings per share (sen)	1.78	2.33	8.68	10.65

**(b) Diluted earnings per share**

Diluted earnings per share is calculated by dividing the profit attributable to owners of the Company to the weighted average number of ordinary shares outstanding during the financial year 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 ESOS granted by the reporting date.

	<b>Individual Quarter ended</b>		<b>Cumulative Year ended</b>	
	<b>30/06/2023 RM'000</b>	<b>30/06/2022 RM'000</b>	<b>30/06/2023 RM'000</b>	<b>30/06/2022 RM'000</b>
Net profit attributable to owners of the Company (RM'000)	66,312	86,216	323,535	390,917
Weighted average number of ordinary shares (basic) ('000)	3,732,807	3,706,699	3,727,152	3,671,520
Effect of dilution due to ESOS ('000)	565	9,117	2,295	18,252
Weighted average number of ordinary shares (diluted) ('000)	3,733,372	3,715,816	3,729,447	3,689,772
Diluted earnings per share (sen)	1.78	2.32	8.68	10.59