

THIS CIRCULAR/STATEMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION.

If you are in any doubt as to the course of action you should take, you should consult your stockbroker, bank manager, solicitor, accountant or other professional adviser immediately.

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INARI AMERTRON BERHAD
(Company No. 1000809-U)
(Incorporated in Malaysia)

CIRCULAR/STATEMENT TO SHAREHOLDERS

PART A

CIRCULAR TO SHAREHOLDERS IN RELATION TO THE PROPOSED RENEWAL OF SHAREHOLDERS' MANDATE FOR RECURRENT RELATED PARTY TRANSACTIONS OF A REVENUE OR TRADING NATURE ("PROPOSED RENEWAL OF SHAREHOLDERS' MANDATE")

PART B

STATEMENT IN RELATION TO THE PROPOSED RENEWAL OF SHARE BUY-BACK AUTHORITY ("PROPOSED RENEWAL OF SHARE BUY-BACK")

The Proposed Renewal of Shareholders' Mandate and Proposed Renewal of Share Buy-Back will be tabled at the Seventh (7th) Annual General Meeting ("AGM") of Inari Amertron Berhad to be held at Dewan Berjaya, Bukit Kiara Equestrian and Country Resort, Jalan Bukit Kiara, Off Jalan Damansara, 60000 Kuala Lumpur on Wednesday, 22 November 2017 at 11.00 a.m.

The Notice of AGM and Proxy Form are set out in the Company's Annual Report despatched together with this Circular/Statement.

A member entitled to attend and vote at the AGM is entitled to appoint a proxy or proxies to attend and vote on his behalf. The Proxy Form must be lodged at the registered office of the Company at No. 45-5 The Boulevard, Mid Valley City, Lingkaran Syed Putra, 59200 Kuala Lumpur on or before the date and time indicated below in order for it to be valid. The lodging of the Proxy Form does not preclude a member from attending and voting in person at the AGM, should the member subsequently wish to do so.

Last date and time for lodging the Proxy Form	: Monday, 20 November 2017 at 11.00 a.m.
Date and time of the AGM	: Wednesday, 22 November 2017 at 11.00 a.m. or any adjournment thereof

This Circular is dated 30 October 2017

CONTENTS

PART A

CIRCULAR TO SHAREHOLDERS IN RELATION TO THE PROPOSED RENEWAL OF SHAREHOLDERS' MANDATE:

	PAGE
1. INTRODUCTION	1
2. DETAILS OF THE PROPOSED RENEWAL OF SHAREHOLDERS' MANDATE	2
3. RATIONALE.....	9
4. EFFECTS OF THE PROPOSED RENEWAL OF SHAREHOLDERS' MANDATE	9
5. APPROVALS REQUIRED	9
6. DIRECTORS' AND MAJOR SHAREHOLDERS' INTERESTS	9
7. DIRECTORS' RECOMMENDATION.....	10
8. AGM	10
9. FURTHER INFORMATION	10
APPENDIX I: ADDITIONAL INFORMATION	11

PART B

STATEMENT IN RELATION TO THE PROPOSED RENEWAL OF SHARE BUY-BACK :

1. INTRODUCTION	12
2. DETAILS OF THE PROPOSED RENEWAL OF SHARE BUY-BACK	12
3. RATIONALE FOR THE PROPOSED RENEWAL OF SHARE BUY-BACK	15
4. EFFECTS OF THE PROPOSED RENEWAL OF SHARE BUY-BACK	15
5. PURCHASES, RESALE OR CANCELLATION OF SHARES DURING THE FINANCIAL YEAR ENDED 30 JUNE 2017	22
6. APPROVALS REQUIRED	22
7. DIRECTORS' AND SUBSTANTIAL SHAREHOLDERS' INTERESTS.....	22
8. DIRECTORS' RECOMMENDATION.....	22

PART A
CIRCULAR TO SHAREHOLDERS IN RELATION TO THE PROPOSED RENEWAL OF
SHAREHOLDERS' MANDATE FOR RECURRENT RELATED PARTY TRANSACTIONS OF A
REVENUE OR TRADING NATURE
("PROPOSED RENEWAL OF SHAREHOLDERS' MANDATE")

DEFINITIONS

The following definitions shall apply throughout Part A of this document unless the context requires otherwise:

- "Act" : Companies Act, 2016 and any statutory modification or amendments thereto from time to time
- "AGM" : Annual General Meeting
- "Board" : Board of Directors of Inari
- "Bursa Securities" : Bursa Malaysia Securities Berhad (635998-W)
- "Circular" : This circular to shareholders dated 30 October 2017
- "Director(s)" : Shall have the meaning given in Section 2(1) of the Capital Markets and Services Act 2007 and includes any person who is or was within the preceding six (6) months on the date on which the terms of the Recurrent Transactions were agreed upon, a Director of the Company or any other company which is its subsidiary or holding company or a chief executive officer of the Company, its subsidiary or holding company
- "Inari Group" or "Group" : Inari and its subsidiaries
- "Inari Share(s)" or "Share(s)" : Ordinary share(s) in Inari
- "Inari" or "Company" : Inari Amertron Berhad (1000809-U)
- "Inari Technology" : Inari Technology Sdn Bhd (736090-U)
- "Insas" : Insas Berhad (4081-M)
- "Insas Technology" : Insas Technology Berhad (313620-T)
- "Listing Requirements" : Main Market Listing Requirements of Bursa Securities, including any amendments thereto that may be made from time to time
- "LPD" : 5 October 2017, being the latest practicable date prior to the date of printing of this Circular
- "Major Shareholder(s)" : Any person who is or was within the preceding 6 months of the date on which the terms of the Recurrent Transactions were agreed upon, a major shareholder of our Company (including our subsidiaries or holding companies) who has an interest or interests in one or more voting shares in our Company and the nominal amount of the share, or the aggregate of the nominal amounts of those shares, is:
- (a) equal to or more than 10% of the aggregate of the nominal amounts of all the voting shares in our Company; or
 - (b) equal to or more than 5% of the aggregate of the nominal amounts of all the voting shares in our Company where such person is the largest shareholder of our Company.
- For the purpose of this definition, "interests in shares" shall have the meaning given in Section 8 of the Act
- "Proposed Renewal of Shareholders' Mandate" : Proposed renewal of shareholders' mandate for Recurrent Transactions to be entered into from the date of the forthcoming

Seventh (7th) AGM to the next AGM

- "Recurrent Transactions" : Recurrent related party transactions of revenue or trading nature which are necessary for the day-to-day operations entered into/to be entered into by us or any of our subsidiaries with the Related Parties, which are the subject of the Proposed Renewal of Shareholders' Mandate
- "Related Parties" : Our Directors, Major Shareholders and/or persons connected to them who are interested in the Recurrent Transactions
- "RM" and "sen" : Ringgit Malaysia and sen respectively

All references to "our Company" or "Inari" in this Circular are to Inari Amertron Berhad, references to "our Group" or "Inari Group" are to our Company and our consolidated subsidiaries and references to "we", "us", "our" and "ourselves" are to our Company, and save where the context otherwise requires, our consolidated subsidiaries.

All references to "you" in this Circular are to the shareholders of our Company.

Words importing the singular shall, where applicable, include the plural and vice versa and words importing the masculine gender shall, where applicable, include the feminine and neuter genders and vice versa. Reference to persons shall include corporations.

All references to the time of day in this Circular are references to Malaysian time. Certain figures in this Circular have been subject to rounding adjustments.

INARI AMERTRON BERHAD

(Company No. 1000809-U)

(Incorporated in Malaysia)

Registered Office:

No. 45-5, The Boulevard
Mid Valley City
Lingkaran Syed Putra
59200 Kuala Lumpur

30 October 2017

Board of Directors:

Y.A.M. Tengku Puteri Seri Kemala Pahang Tengku Hajjah Aishah bte Sultan Haji Ahmad Shah, DK(II),
SIMP (Chairperson, Independent Non-Executive Director)
Dato' Dr Tan Seng Chuan *(Executive Vice Chairman)*
Lau Kean Cheong *(Executive Director cum Chief Executive Officer)*
Dato' Wong Gian Kui *(Executive Director)*
Ho Phon Guan *(Executive Director)*
Mai Mang Lee *(Executive Director)*
Dato' Sri Thong Kok Khee *(Non-Independent Non-Executive Director)*
Foo Kok Siew *(Independent Non-Executive Director)*
Oh Seong Lye *(Independent Non-Executive Director)*
Thong Mei Chuen *(Alternate Director to Dato' Sri Thong Kok Khee)*

To: Shareholders of Inari Amertron Berhad

Dear Sir/Madam,

**PROPOSED RENEWAL OF SHAREHOLDERS' MANDATE FOR RECURRENT RELATED PARTY
TRANSACTIONS OF A REVENUE OR TRADING NATURE**

1. INTRODUCTION

At the AGM of the Company held on 23 November 2016, the Company had obtained the shareholders' mandate for the Group to enter into certain recurrent related party transactions based on the terms set out in the Circular to Shareholders dated 31 October 2016. The said shareholders' mandate shall, in accordance with the Listing Requirements, lapse at the conclusion of the forthcoming AGM, which will be held on 22 November 2017 unless approval of the renewal of the shareholders' mandate is obtained from the shareholders of the Company at the forthcoming AGM.

Accordingly, the Board had on 26 September 2017 announced that the Company proposes to seek the approval of the shareholders for the Proposed Renewal of Shareholders' Mandate in compliance with Paragraph 10.09 of the Listing Requirements.

The purpose of this Circular is to provide you, the shareholders of Inari, with the details of the Proposed Renewal of Shareholders' Mandate together with the Directors' recommendation and to seek your approval for the resolution pertaining to the Proposed Renewal of Shareholders' Mandate to be tabled at the forthcoming Seventh (7th) AGM of the Company.

WE ADVISE YOU TO READ AND CONSIDER THE CONTENTS OF THIS CIRCULAR CAREFULLY BEFORE VOTING ON THE RESOLUTION RELATING TO THE PROPOSED RENEWAL OF SHAREHOLDERS' MANDATE AT THE FORTHCOMING AGM.

2. DETAILS OF THE PROPOSED RENEWAL OF SHAREHOLDERS' MANDATE

Our Group has entered into recurrent transactions of trading nature which are necessary for the day-to-day operations with different Related Parties in the ordinary course of business. These Recurrent Transactions have been carried out on arm's length basis and on normal commercial terms which are not more favourable to the Related Parties than those generally available to the public and which will not be detrimental to the minority shareholders of the Company.

2.1 Listing Requirements

Under Paragraph 10.09 of the Listing Requirements, we may seek shareholders' mandate for recurrent related party transactions of a revenue or trading nature which are necessary for our Group's day-to-day operations, subject to the following:

- (i) The transactions are in the ordinary course of business and are on terms not more favourable to the related party than those generally available to the public;
- (ii) The shareholders' mandate is subject to annual renewal and disclosure being made in our annual report on the breakdown of the aggregate value of transactions conducted under such mandate during the financial year where the aggregate value is equal to or more than the threshold prescribed below:
 - (a) the consideration, value of the assets, capital outlay or costs of the aggregated transactions is equal to or exceeds RM1 million; or
 - (b) any one of the percentage ratios of such aggregated transactions is equal to or exceeds 1%,whichever is the higher;
- (iii) The issuance of circular to shareholders for shareholders' mandate shall include information as set out in Annexure PN12-A of Practice Note 12 of the Listing Requirements;
- (iv) In a meeting to obtain the shareholders' mandate, the interested director, interested major shareholder or interested person connected with a director or major shareholder; and where it involves the interest of an interested person connected with a director or major shareholder, such director or major shareholder, must not vote on the resolution(s) approving the transactions. An interested director or interested major shareholder must ensure that persons connected with them abstain from voting on the resolution approving the transactions; and

- (v) Immediate announcement to Bursa Securities when the actual value or transactions entered into by Inari, exceeds the estimated value of the transactions disclosed in the circular by 10% or more.

The Proposed Renewal of Shareholders' Mandate, if approved by our shareholders at the forthcoming AGM, will be subject to annual renewal and shall continue to be in force until:

- (i) the conclusion of the next AGM of Inari following the forthcoming Seventh (7th) AGM, at which time it will lapse, unless further renewed by a resolution passed at that meeting;
- (ii) the expiration of the period within which the next AGM is required to be held under Section 340(2) of the Act (but shall not extend to such extension as may be allowed under Section 340(4) of the Act); or
- (iii) revoked or varied by ordinary resolution passed by our shareholders in a general meeting,

whichever is the earliest.

Accordingly, the Board seeks the renewal of shareholders' mandate from the date of the Seventh (7th) AGM until the next AGM in 2018.

Disclosure will be made in our annual report and in our annual reports for the subsequent financial years during which the authority pursuant to the Proposed Renewal of Shareholders' Mandate is in force in respect of the breakdown of the aggregate value of Recurrent Transactions during the financial year, the type of Recurrent Transactions entered into, the names of the related parties involved in each type of Recurrent Transactions and the nature of their relationship with our Group.

2.2 Inari Group's Principal Activities

Our Group is an electronic manufacturing services provider principally involved in semiconductor packaging, which comprises back-end wafer processing, package assembly and radio frequency final testing for the semiconductor industry.

Our Company is principally an investment holding company. The principal activities of our subsidiaries are as follows:

Name	Effective equity interest (%)	Principal activities
Inari Technology	100.0	Manufacturing of wireless microwave telecommunication products, wireless broadcast card and the provision of electronic manufacturing services
Inari Semiconductor Labs Sdn Bhd	100.0	Manufacturing of semiconductor related products

Name	Effective equity interest (%)	Principal activities
Inari Integrated Systems Sdn Bhd	100.0	Manufacturing of advanced communication chips and die preparation
Inari South Keytech Sdn Bhd	100.0	Designing, developing and manufacturing of fiber optic products
Inari Optical Technology Sdn Bhd	100.0	Manufacturing, assembling and testing of optoelectronic and sensor components, modules and systems
Hektar Teknologi Sdn Bhd	100.0	Property investment
Simfoni Bistari Sdn Bhd	100.0	Investment holding and property investment
Inari Global (HK) Limited	100.0	Dormant
Inari International Limited	100.0	Investment holding
Amertron Inc (Global) Limited	100.0	Investment holding
Amertron Incorporated	100.0	Manufacturing of all kinds of electronics optical fiber cable devices
Amertron Technology (Kunshan) Co Ltd	100.0	Manufacturing of light emitting diodes, researching and reselling all kinds of optoelectronics devices
Ceedtec Sdn Bhd	51.0	Designing, marketing and distribution of electronic products
Ceedtec Technology Sdn Bhd	51.0	Manufacturing of testing equipment for semiconductor and related products

2.3 Details of the Recurrent Transactions under the Proposed Renewal of Shareholders' Mandate

Transacting Parties	Companies Within the Group	Interested Related Parties	Nature of Transaction	Existing Mandate Estimated value as disclosed in the preceding year's circular dated 31 October 2016 RM'000	Existing Mandate Actual value transacted since last AGM up to the LPD RM'000	Proposed Renewal of Shareholders' Mandate Estimated aggregate value to be incurred from the forthcoming 7 th AGM to the next AGM ⁽¹⁾ RM'000
1 Langdale E3 Pte Ltd	Inari Technology	Langdale E3 Pte Ltd is a subsidiary of Insas which is a major shareholder of Inari. Dato' Sri Thong Kok Khee ("Dato' Sri Thong") is a Director of Langdale E3 Pte Ltd and Inari Technology. Dato' Sri Thong is also a major shareholder of Insas and Inari. By virtue of Dato' Sri Thong's interest in the shares of Insas and Inari, he is also deemed interested in the shares of their related corporation to the extent that Insas and Inari have interest.	Sales of packing materials (a type of plastic tray for safe product shipping and handling) by Langdale E3 Pte Ltd to Inari Technology.	2,000	224	2,000
2 M&A Securities Sdn Bhd	Inari	M&A Securities Sdn Bhd is a subsidiary of Insas which is a major shareholder of Inari. Dato' Sri Thong is a Director of Insas and Inari. Dato' Sri Thong is also a major shareholder of Insas and Inari. By virtue of Dato' Sri Thong's interest in the shares of Insas and Inari, he is also deemed	Corporate advisory and related services provided by M&A Securities Sdn Bhd.	2,500	65	2,500

Transacting Parties	Companies Within the Group	Interested Related Parties	Nature of Transaction	Existing Mandate Estimated value as disclosed in the preceding year's circular dated 31 October 2016 RM'000	Existing Mandate Actual value transacted since last AGM up to the LPD RM'000	Proposed Renewal of Shareholders' Mandate Estimated aggregate value to be incurred from the forthcoming 7 th AGM to the next AGM ⁽ⁱ⁾ RM'000
3 Insas Technology	Inari Technology	<p>interested in the shares of their related corporation to the extent that Insas and Inari have interest.</p> <p>Insas Technology is a subsidiary of Insas which is a major shareholder of Inari. Insas Technology is also a major shareholder of Inari.</p> <p>Dato' Sri Thong is a Director of Insas Technology and Inari Technology. Dato' Sri Thong is also a major shareholder of Insas and Inari. By virtue of Dato' Sri Thong's interest in the shares of Insas and Inari, he is also deemed interested in the shares of their related corporation to the extent that Insas and Inari have interest.</p>	<p>Comprises the following services rendered by Insas Technology to Inari Technology:</p> <p>(i) Network repair costs; (ii) Rework and quality costs charges; (iii) Purchase of raw material; (iv) Packing charges; (v) Engineering cost; and (vi) Administrative expenses</p>	2,000	0	2,000

Note : (i) The estimated aggregate value is an estimate only and the actual amount may vary.

2.4 Guidelines and Review Procedures on the Recurrent Transactions

Our Group has established various procedures to ensure that the Recurrent Transactions are undertaken on transaction prices that are on arm's length basis and on normal commercial terms that are consistent with our Group's usual business practices and policies, which are not on prices and terms that are more favourable to the Related Parties than those extended to the public and are not to the detriment of our minority shareholders.

The review procedures established by our Group for the Recurrent Transactions are as follows:-

- (i) The identity of the Related Parties are disclosed/circulated within our Group and at the same time, the Related Parties are notified that all Recurrent Transactions are required to be taken on arm's length basis and on normal commercial terms not more favourable to the Related Parties than those generally available to the public;
- (ii) All Recurrent Transactions to be entered into will be reviewed by our Audit Committee and reported to the Board to ensure that the transactions are not more favourable to the Related Party and will not be detrimental to our minority shareholders;
- (iii) Records will be maintained by our Company to capture all Recurrent Transactions which are entered into pursuant to the shareholders' mandate;
- (iv) The transaction prices are determined by the prevailing market rates/prices that are agreed upon under similar commercial terms for transactions with third parties, business practices and policies and on terms which are generally in line with industry norms;
- (v) Our Board and Audit Committee will review the internal audit reports to ascertain that the guidelines and procedures established to monitor the Recurrent Transactions have been complied with and review shall be done at every quarter with the review of quarterly results; and
- (vi) Our Board and Audit Committee will have overall responsibility for the determination of the review procedures, including addition of new review procedures, as and when necessary. Our Board and Audit Committee may also appoint individuals and committees to examine the Recurrent Transactions, as they deem appropriate. If a member of our Board or the Audit Committee has an interest, direct or indirect, in any particular transactions, he or she will abstain from any deliberation and voting on the matter at the Board or Audit Committee meetings in respect of such transactions.

At least two (2) other contemporaneous transactions with unrelated third parties for similar products/services, and/or quantities will be used as comparison, wherever possible, to determine whether the price and terms offered to/by the Related Parties are fair and reasonable and comparable to those offered to/by other unrelated third parties for the same/substantially similar type of products/services and/or quantities.

Where quotation or comparative pricing from unrelated third parties cannot be obtained, the transaction price will be determined by our Group based on the usual business practices of the Group to ensure the Recurrent Transactions are not detrimental to our Group.

The guidelines for the relevant approving authority practised by our Group in relation to Recurrent Transactions that are not covered under a shareholders' mandate are as follows:

- (i) Transactions below RM100,000 each in value will be reviewed and approved by any two Directors or any one Director and any one of the senior executives (not being a person connected to the Related Party) designated by the Audit Committee from time to time for such purpose, and table for review by the Audit Committee on a quarterly basis. Currently, there are 3 senior executives designated by the Audit Committee that can approve transactions below RM100,000 each;
- (ii) Transactions equal or exceeding RM100,000 each in value will be reviewed and approved by our Audit Committee; and
- (iii) Our Audit Committee may, as deemed fit, request for additional information pertaining to the transaction under review from independent sources or advisers, including obtaining valuations from independent professional valuers.

As at the LPD, there were no amount due and owing to the Company by its Related Parties, which exceeded the credit term given arising from the Recurrent Transactions.

2.5 Audit Committee Statement

Our Audit Committee, comprising the following members:

Name	Designation	Directorship
Foo Kok Siew	Chairman	Independent Non-Executive Director
Y.A.M. Tengku Puteri Seri Kemala Pahang Tengku Hajjah Aishah bte Sultan Haji Ahmad Shah, DK(II), SIMP	Member	Independent Non-Executive Director
Oh Seong Lye	Member	Independent Non-Executive Director

has the overall responsibility of determining whether the procedures for reviewing all Recurrent Transactions are appropriate. The Audit Committee also has the authority to delegate this responsibility to such individuals within our Company as it shall deem fit.

Our Group has in place adequate procedures and processes to monitor, track and identify Recurrent Transactions in a timely and orderly manner and these procedures and processes will be reviewed at least once a year.

The Audit Committee has the discretion to request for limits to be imposed or for additional procedures to be followed if it considers such a request to be appropriate. In that event, such limits or procedures may be implemented without the approval of shareholders, provided that they are more stringent than the existing limits or procedures.

Our Audit Committee has reviewed the terms of the Proposed Renewal of Shareholders' Mandate and is satisfied that the review procedures mentioned in Section 2.4 above for Recurrent Transactions, as well as the annual reviews to be made by the Audit Committee in relation thereto, are sufficient to ensure that Recurrent Transactions will be made on arm's length basis and on normal commercial terms not more favourable to the Related Parties than those generally available to the public and are not to the detriment of our minority shareholders.

3. RATIONALE

The Proposed Renewal of Shareholders' Mandate will benefit our Company by facilitating entry by members of our Group into transactions with the Related Parties specified in Section 2.3 above in the ordinary course of our Group's business on commercial terms, in a timely manner and will enable our Group to continue to carry our Recurrent Transactions necessary for our Group's day-to-day operations and enhance our Group's ability to pursue business opportunities which are time-sensitive in nature in a more expeditious manner.

The Proposed Renewal of Shareholders' Mandate will eliminate the need to announce and convene separate general meetings of our Company from time to time to seek shareholders' approval on each occasion pursuant to the requirements of Paragraph 10.09 of the Listing Requirements, as and when potential transactions with the specified classes of Related Parties arise. This will also substantially reduce expenses associated with the convening of such meetings on an ad-hoc basis, improve administrative efficiency and allow human resources and time to be channelled towards attaining other corporate objectives and opportunities.

The Recurrent Transactions are intended to meet the business needs of our Group at the best possible terms. By transacting with the Related Parties, our Group would have an advantage of familiarity with the background, financial well-being and management of the Related Parties, thus enabling more informed commercial decisions to be made. In most dealings with the Related Parties, our Group and the Related Parties have a good understanding of each other's business needs and expectations thus providing a platform where all parties can benefit from conducting the Recurrent Transactions.

4. EFFECTS OF THE PROPOSED RENEWAL OF SHAREHOLDERS' MANDATE

The Proposed Renewal of Shareholders' Mandate will not have any effect on the share capital, shareholding structure, consolidated net assets, consolidated earnings and gearing of our Group.

5. APPROVALS REQUIRED

The Proposed Renewal of Shareholders' Mandate is conditional upon the approval of the shareholders of Inari being obtained at the Seventh (7th) AGM to be convened.

6. DIRECTORS' AND MAJOR SHAREHOLDERS' INTERESTS

Save as disclosed below, none of the other Directors and Major Shareholders and/or persons connected to them have any interest, direct or indirect, in the Proposed Renewal of Shareholders' Mandate:

As at LPD	<-----Direct----->		<-----Indirect----->	
	No. of Shares held	%	No. of Shares held	%
Interested Directors/Major Shareholders				
Dato' Sri Thong	3,506,922	0.17	408,183,800 [@]	20.21 [@]
Insas Technology	317,846,250	15.73	16,011,000 [^]	0.79 [^]
Insas	-	-	401,711,300 [#]	19.89 [#]

Notes:

[@] Deemed interest by virtue of Section 8(4) and Section 59(11) of the Act held through Insas Berhad, Immobiliare Holdings Pte Ltd and children.

- ^ *Deemed interest by virtue of Section 8(4) of the Act held through subsidiary.*
Deemed interest by virtue of Section 8(4) of the Act held through subsidiaries.

All of our interested Directors have abstained and will continue to abstain from all board deliberations and voting on the resolution pertaining to the Proposed Renewal of Shareholders' Mandate. Our interested Directors and interested Major Shareholders will abstain from voting in respect of their direct and indirect shareholdings on the relevant resolution which they are interested in, pertaining to the Proposed Renewal of Shareholders' Mandate at the Seventh (7th) AGM.

Further, our interested Directors and interested Major Shareholders have undertaken that they will ensure that persons connected to them, if any, will also abstain from voting in respect of their direct and indirect shareholdings on the relevant resolution which they are interested in, pertaining to the Proposed Renewal of Shareholders' Mandate at the Seventh (7th) AGM.

7. DIRECTORS' RECOMMENDATION

Our Board (save for the interested Directors), having considered all aspects of the Proposed Renewal of Shareholders' Mandate, is of the opinion that the Proposed Renewal of Shareholders' Mandate is in the best interest of the Company.

Accordingly, our Board (save for the interested Directors) recommends that you vote in favour of the resolution on the Proposed Renewal of Shareholders' Mandate at the Seventh (7th) AGM.

8. AGM

The Seventh (7th) AGM of our Company, the Notice and Proxy Form of which are enclosed in our Company's Annual Report (despatched together with this Circular) will be held at Dewan Berjaya, Bukit Kiara Equestrian and Country Resort, Jalan Bukit Kiara, Off Jalan Damansara, 60000 Kuala Lumpur on Wednesday, 22 November 2017 at 11.00 a.m. for the purpose of considering and if thought fit, passing the resolution to give effect to the Proposed Renewal of Shareholders' Mandate.

If you are unable to attend and vote in person at our AGM, you are requested to complete and return the Proxy Form, in accordance with the instructions printed on it, so as to arrive at our Share Registrar's Office at Megapolitan Management Services Sdn Bhd, No. 45-5, The Boulevard, Mid Valley City, Lingkaran Syed Putra, 59200 Kuala Lumpur before 11.00 a.m. on Monday, 20 November 2017. The lodging of the Proxy Form will not preclude you from attending and voting in person at the Seventh (7th) AGM should you subsequently wish to do so.

9. FURTHER INFORMATION

Please refer to the attached Appendix I for additional information.

Yours faithfully,
For and on behalf of the Board of Directors of
INARI AMERTRON BERHAD

FOO KOK SIEW
INDEPENDENT NON-EXECUTIVE DIRECTOR

ADDITIONAL INFORMATION**1. RESPONSIBILITY STATEMENT**

Our Directors have seen and approved this document and they, collectively and individually, accept full responsibility for the accuracy of the information in this document. They confirm that, after making all reasonable enquiries and to the best of their knowledge and belief, there are no false or misleading information in this document or other facts which, if omitted, would make any information in this Statement false or misleading.

2. MATERIAL CONTRACTS

Save as disclosed below, we and our subsidiaries have not entered into any material contracts (not being contracts entered into in the ordinary course of business) during the two (2) years immediately preceding the date of this Circular:

- (i) On 15 February 2016, Inari Technology Sdn Bhd, a wholly-owned subsidiary of the Company had entered into a sale and purchase agreement with Unetsys Sdn Bhd for the acquisition of 5.25 acres of leasehold industrial land together with a factory building located at Bayan Lepas, Free Trade Zone, Pulau Pinang for a total purchase price of RM22,800,000. The acquisition was completed on 18 March 2016.

3. MATERIAL LITIGATION

We and our subsidiaries are not engaged in any material litigation, claims or arbitration, either as plaintiff or defendant, which has a material effect on the financial position of our Group and our Directors are not aware of any proceedings, pending or threatened, against our Group or of any fact likely to give rise to any proceedings which might materially and adversely affect the position or business of our Group.

4. DOCUMENTS AVAILABLE FOR INSPECTION

The following documents or copies of them are available for inspection during normal business hours at the Company's registered office at No. 45-5, The Boulevard, Mid Valley City, Lingkaran Syed Putra, 59200 Kuala Lumpur from Mondays to Fridays (except public holidays) from the date of this document up to and including the date of the AGM:

- (i) Constitution (Memorandum and Articles of Association) of Inari;
- (ii) The audited consolidated financial statements of Inari for the two (2) financial years ended 30 June 2016 and 30 June 2017; and
- (iii) The material contract referred to in Section 3 above.

PART B

**STATEMENT IN RELATION TO THE PROPOSED RENEWAL
OF SHARE BUY-BACK AUTHORITY
("PROPOSED RENEWAL OF SHARE BUY-BACK")**

DEFINITIONS

The following terms shall apply throughout Part B of this document unless the context requires otherwise:

"Act"	:	Companies Act, 2016 and any statutory modification or amendments thereto from time to time
"AGM"	:	Annual General Meeting
"Board"	:	Board of Directors of Inari
"Bursa Securities"	:	Bursa Malaysia Securities Berhad (635998-W)
"Code"	:	The Malaysian Code on Take-Overs and Mergers, 2016 and any statutory modification or amendments thereto from time to time
"Director(s)"	:	Shall have the meaning given in Section 2(1) of the Capital Markets and Services Act 2007 and includes any person who is or was within the preceding six (6) months on the date on which the terms of the Recurrent Transactions were agreed upon, a Director of the Company or any other company which is its subsidiary or holding company or a chief executive officer of the Company, its subsidiary or holding company
"EPS"	:	Earnings per Share
"ESOS"	:	Employees' share option scheme
"Inari Group" or "Group"	:	Inari and its subsidiaries
"Inari Share(s)" or "Share(s)"	:	Ordinary share(s) in Inari
"Inari" or "Company"	:	Inari Amertron Berhad (1000809-U)
"Insas"	:	Insas Berhad (4081-M)
"Listing Requirements"	:	Main Market Listing Requirements of Bursa Securities, including any amendments thereto that may be made from time to time
"LPD"	:	5 October 2017, being the latest practicable date prior to the date of printing of this Statement
"NA"	:	Net assets attributable to ordinary equity holders of the Company
"Outstanding ESOS Options"	:	64,211,458 outstanding ESOS options which has been granted but unexercised as well as new ESOS options allowed to be granted
"Proposed Renewal of Share Buy-Back "	:	Proposed renewal of share buy-back authority by the Company to purchase up to ten per cent (10%) of its issued shares
"Purchased Share(s)"	:	Shares purchased by the Company pursuant to the Proposed Renewal of Share Buy-Back
"Record of Depositors"	:	A record of securities holders established and maintained by Bursa Depository Sdn Bhd
"RM" and "sen"	:	Ringgit Malaysia and sen respectively
"Statement"	:	This statement to shareholders dated 30 October 2017

"WAMP"	: Volume weighted average market price
"Warrants A"	: 3,202,966 outstanding warrants 2013/2018 issued by Inari as at the LPD governed by the deed poll dated 25 April 2013
"Warrants B"	: 72,465,847 outstanding warrants 2015/2020 issued by Inari as at the LPD governed by the deed poll dated 8 December 2014

All references to "our Company" or "Inari" in this Statement are to Inari Amertron Berhad, references to "our Group" or "Inari Group" are to our Company and our consolidated subsidiaries and references to "we", "us", "our" and "ourselves" are to our Company, and save where the context otherwise requires, our consolidated subsidiaries.

All references to "you" in this Statement are to the shareholders of our Company.

Words importing the singular shall, where applicable, include the plural and vice versa and words importing the masculine gender shall, where applicable, include the feminine and neuter genders and vice versa. Reference to persons shall include corporations.

All references to the time of day in this Statement are references to Malaysian time. Certain figures in this Statement have been subject to rounding adjustments.



INARI AMERTRON BERHAD

(Company No. 1000809-U)

(Incorporated in Malaysia)

STATEMENT IN RELATION TO THE PROPOSED RENEWAL OF SHARE BUY-BACK AUTHORITY

1. INTRODUCTION

At the AGM of the Company held on 23 November 2016, the Company had obtained the shareholders' authority for the Company to purchase its own shares of up to ten per cent (10%) of the Company's issued and paid-up share capital. The said authority shall lapse at the conclusion of the forthcoming AGM, which will be held on 22 November 2017 unless approval of the renewal of the share buy-back authority is obtained from the shareholders of the Company at the forthcoming AGM.

Accordingly, the Board had on 26 September 2017 announced that the Company proposes to seek the approval of the shareholders for the Proposed Renewal of Share Buy-Back.

The purpose of this Statement is to provide you, the shareholders of Inari, with the details of the Proposed Renewal of Share Buy-Back and seek your approval for the resolution pertaining to the Proposed Renewal of Share Buy-Back to be tabled at the forthcoming Seventh (7th) AGM of the Company.

2. DETAILS OF THE PROPOSED RENEWAL OF SHARE BUY-BACK

2.1 Details of the Proposed Renewal of Share Buy-Back

The authority from the shareholders will be effective immediately upon the passing of the ordinary resolution for the Proposed Renewal of Share Buy-Back at the forthcoming AGM and will continue to be in force until:

- (i) the conclusion of the next AGM of Inari following the AGM at which the ordinary resolution for the Proposed Renewal of Share Buy-Back is passed, at which time it shall lapse unless by ordinary resolution passed at the meeting, the authority is renewed, either unconditionally or subject to conditions;
- (ii) the expiration of the period within which the next AGM after that date is required by law to be held; or
- (iii) the authority is revoked or varied by ordinary resolution passed by the shareholders of Inari in a general meeting.

The Proposed Renewal of Share Buy-Back will be undertaken in accordance with Section 127 of the Act and Chapter 12 of the Listing Requirements. The Inari Shares purchased can be dealt with in the following manner:

- (i) cancel the shares so purchased;
- (ii) retain the shares so purchased in treasury, which may be distributed as share dividends to the shareholders and/or resold in accordance with the relevant rules of Bursa Securities and/or transferred for the purposes of an employees' share scheme and/or transferred as purchase consideration and/or cancelled and/or sold, transferred or otherwise be used for such purposes as the Minister may by order prescribe;
- (iii) retain part of the shares so purchased as treasury shares and cancel the remainder; and/or
- (iv) such other manner as may be permitted by the Act.

2.2 Quantum

The maximum aggregate number of Shares, which may be purchased by our Company, shall not exceed ten per cent (10%) of the issued shares of our Company at any point in time.

Based on the issued ordinary shares of Inari as at LPD of 2,020,048,289, the number of shares that can be purchased by the Company is up to 202,004,828 Inari Shares representing up to 10% of the issued ordinary shares of the Company.

2.3 Maximum amount of funds to be allocated and the source of funds

The Listing Requirements stipulate that the purchase by a listed company of its own shares must be made wholly out of the retained profits of the listed company. Based on the latest audited financial statements of Inari as at 30 June 2017, the Company has retained profits of RM134.55 million.

The funding for the Proposed Renewal of Share Buy-Back will be sourced from internally generated funds of the Group and/or external borrowings and the amount shall not exceed the amount of retained profit of the Company. The amount of internally generated funds and/or external borrowings to be utilised will only be determined later, depending on, amongst others, the availability of internally generated funds, the actual number of Shares to be purchased and other relevant factors. The actual number of Shares to be purchased, and the timing of such purchases will depend on, amongst others, the market conditions and sentiments of the stock market as well as the retained profits and the financial resources available to the Inari Group.

If Inari purchases its own Shares using external borrowings, the Board will ensure that Inari Group has sufficient funds to repay the external borrowings and that the repayment will not have any material effect on the cash flow of the Inari Group.

2.4 Potential advantages and disadvantages

The potential advantages and disadvantages of the Proposed Renewal of Share Buy-Back, if implemented, to the Company and its shareholders are as follows:

Potential advantages:

- (i) allows the Company the flexibility in attaining its desired capital structure;
- (ii) rewards the shareholders in the event that the treasury shares are distributed as share dividends; and
- (iii) mitigates the dilution effects on the EPS of the Inari Group if the Shares purchased

are cancelled, hence making the Inari Shares more attractive to investors.

Potential disadvantages:

- (i) reduce the financial resources of the Inari Group and may result in the forgoing of better investment opportunities that may emerge in the future; and
- (ii) may result in the reduction of financial resources available for distribution of dividends and/or bonus shares to shareholders in the future as the Proposed Renewal of Share Buy-Back can only be made out of the retained profit of the Company.

However, these disadvantages are mitigated by the prospect that the financial capacity of the Group may increase, if the Purchased Shares held as treasury shares are re-sold at higher price than their purchase price.

The Proposed Renewal of Share Buy-Back is not expected to cause any potential material disadvantage to the Company or its shareholders as any share buy-back exercise will be undertaken only after in depth consideration of the financial resources of the Company and of the resultant impact to its shareholders.

The Board will be mindful of the interests of the Company and its shareholders when undertaking the Proposed Renewal of Share Buy-Back and in the subsequent resale of treasury shares on Bursa Securities, if any.

2.5 Public shareholding spread

Based on the Record of Depositors of the Company as at the LPD, the total percentage of the issued shares of Inari which is held by the public was 76.33%.

The Board will be mindful of the public shareholding spread requirement before making any purchases of its own Shares.

2.6 Implication relating to the Code

As it is not intended for the Proposed Renewal of Share Buy-Back to trigger the obligation to undertake a mandatory general offer under the Code for any of its substantial shareholders and/or persons acting in concert with them, the Board of Directors of the Company will ensure that only such number of Inari Shares are purchased, retained as treasury shares, cancelled or distributed such that the Code will not be triggered. In this connection, the Board is mindful of the requirements when making any purchase of Inari Shares pursuant to the Proposed Renewal of Share Buy-Back.

2.7 Purchase price and resale price

Pursuant to the Listing Requirements, Inari may only purchase its Shares on Bursa Securities at a price which is not more than fifteen percent (15%) above the WAMP of the Inari Shares for the five (5) market days immediately prior to the date of purchase(s). An immediate announcement will be made to Bursa Securities of any purchase(s) of its own Shares on the day of purchase.

Where the Company decides to resell the treasury shares on Bursa Securities, the Company may only do so at:

- (i) a price which is not less than the WAMP for Inari Shares for the five (5) market days immediately prior to the resale; or

- (ii) a discounted price of not more than five percent (5%) to the WAMP for the Inari Shares for the five (5) market days immediately prior to the resale provided that:
 - (a) the resale takes place not earlier than thirty (30) days from the date of purchase; and
 - (b) the resale price is not less than the cost of purchase of the Inari Shares being resold.

2.8 Purchase of its own shares in the preceding twelve (12) months

Inari has not made any purchase of its own Shares in the previous twelve (12) months preceding the date of this Statement. As such, the Company does not have any treasury shares and has not resold, cancelled and/or distributed any treasury shares as dividends in the same period.

3. RATIONALE FOR THE PROPOSED RENEWAL OF SHARE BUY-BACK

The Proposed Renewal of Share Buy-Back is undertaken for the following purposes:

- (i) enable the Company to utilise any of the Inari Group's surplus financial resources, which is not immediately required for other uses, to purchase its own Shares from the open market at market prices which the Board views favourable;
- (ii) to stabilise the supply and demand, thereby supporting the fundamental value of the Inari Shares;
- (iii) if the purchased Inari Shares are subsequently cancelled, long-term investors are expected to enjoy a corresponding increase in the value of their investments in the Company with the proportionate strengthening of the EPS of Inari;
- (iv) the purchased Inari Shares can also be held as treasury shares and resold on Bursa Securities at a higher price therefore realising a potential gain without affecting the total issued and paid-up share capital of the Company; and
- (v) should any treasury shares be distributed as share dividends, this would also serve to reward the shareholders of the Company.

4. EFFECTS OF THE PROPOSED RENEWAL OF SHARE BUY-BACK

The proforma effects of the Proposed Renewal of Share Buy-Back on the share capital, NA, earnings, EPS and shareholdings of substantial shareholders and Directors are set out below based on the following assumptions:

- Minimum Scenario : Assuming none of the Warrants A, Warrants B and Outstanding ESOS Options are exercised before the implementation of the Proposed Renewal of Share Buy-Back.
- Maximum Scenario : Assuming all of the Warrants A, Warrants B and Outstanding ESOS Options are exercised before the implementation of the Proposed Renewal of Share Buy-Back.

4.1 Share capital

The effects of the Proposed Renewal of Share Buy-Back on the share capital of the Company are set out below:

	Minimum Scenario	Maximum Scenario
	No. of Inari Shares	No. of Inari Shares
Issued shares as at LPD	2,020,048,289	2,020,048,289
To be issued assuming full exercise of Warrants A, Warrants B and Outstanding ESOS Options	-	139,880,271
	<u>2,020,048,289</u>	<u>2,159,928,560</u>
To be purchased and cancelled pursuant to the Proposed Renewal of Share Buy-Back	(202,004,828)	(215,992,856)
	<u>1,818,043,461</u>	<u>1,943,935,704</u>
To be issued assuming full exercise of Warrants A, Warrants B and Outstanding ESOS Options	139,880,271	-
Enlarged issued shares	<u>1,957,923,732</u>	<u>1,943,935,704</u>

The effect of the Proposed Renewal of Share Buy-Back on the issued shares of the Company will depend on the intention of the Board with regards to the treatment of the Purchased Shares. If the Purchased Shares are cancelled, the issued shares will be reduced by the number of Shares so cancelled. Conversely, if the purchased Inari Shares are retained as treasury shares, resold or distributed to the shareholders, the Proposed Renewal of Share Buy-Back will not have any effect on the issued shares of the Company. Nevertheless, certain rights (such as voting rights) attached to the Purchased Shares will be suspended when held as treasury shares.

4.2 NA and gearing

The effect of the Proposed Renewal of Share Buy-Back on the NA per Share will depend on the actual purchase prices of the Inari Shares. If all the Inari Shares purchased are cancelled, the Proposed Renewal of Share Buy-Back will reduce the NA per Share if the purchase price exceeds the NA per Share at the time of the purchase. Conversely, the NA per Share will increase if the purchase price is below the NA per Share at the time of the purchase.

The NA will decrease if the Purchased Shares are retained as treasury shares due to the accounting requirement for treasury shares to be carried at cost resulting in a decrease by the cost of the treasury shares.

If the treasury shares are subsequently resold on Bursa Securities, the NA upon the resale will increase if the Company realises a gain from the resale, and vice-versa. If the treasury shares are distributed as dividends, the NA of the Inari Group will be reduced by the cost of the treasury shares.

The effects of the Proposed Renewal of Share Buy-Back on the gearing of the Group will depend on the proportion of borrowing utilised to fund any purchase of the Purchased Shares. At this juncture, Inari has not determined whether to use any form of borrowings for purposes of the Proposed Renewal of Share Buy-Back. Nevertheless, all else being equal, assuming that the treasury shares are retained by the Company and no borrowing is being utilised to fund any purchase of the Purchased Shares, the Proposed Renewal of Share Buy-Back may increase the gearing of the Group as the equity will be reduced by the cost of shares acquired and held as treasury shares.

4.3 Earnings and EPS

The effects of the Proposed Renewal of Share Buy-Back will depend on the purchase price(s) of the Inari Shares and the effective funding cost, if any, or any loss in interest income to the Inari Group.

Assuming the Purchased Shares are retained as treasury shares and resold, the effects on the earnings of the Inari Group will depend on the actual selling price(s), the number of the treasury shares resold, and the effective gain or interest savings arising from the exercises.

If the Purchased Shares are cancelled, the Proposed Renewal of Share Buy-Back will increase the EPS of the Inari Group provided that the income foregone and interest expenses incurred on the Purchased Shares are less than the EPS before the Proposed Renewal of Share Buy-Back.

4.4 Working capital

The Proposed Renewal of Share Buy-Back, when implemented, will reduce the working capital of the Inari Group, with the quantum depending on the purchase price(s) and the actual number of Inari Shares bought back. However, the Board believes that the Proposed Renewal of Share Buy-Back will not have any material effect on the working capital of the Group.

4.5 Existing convertible securities

Save for the following, the Company does not have any other outstanding convertible securities as at the LPD:

- (i) 3,202,966 Warrants A;
- (ii) 72,465,847 Warrants B; and
- (iii) 64,211,458 Outstanding ESOS Options.

The Proposed Renewal of Share Buy-Back will not have any effect on the Warrants A, Warrants B and Outstanding ESOS Options.

4.6 Dividends

Assuming the Proposed Renewal of Share Buy-Back is implemented in full and the dividend quantum is maintained at historical levels, if the Inari Shares so purchased are cancelled, the Proposed Renewal of Share Buy-Back will have the effect of increasing the dividend rate of Inari as a result of the reduction in the number of issued shares of Inari.

4.7 Substantial shareholders' shareholding

The effect of the Proposed Renewal of Share Buy-Back on the shareholdings of the substantial shareholders of Inari is set out below:

Minimum Scenario

	(I)				(II)				(III)				
	As at LPD				After the Proposed Renewal of Share Buy-Back				After (II) and assuming all Warrants A, Warrants B and Outstanding ESOS Options are exercised				
	Direct	Indirect	Direct	Indirect	Direct	Indirect	Direct	Indirect	Direct	Indirect	Direct	Indirect	
No. of Shares ('000)	No. of Shares ('000)	%	No. of Shares ('000)	No. of Shares ('000)	%	No. of Shares ('000)	%	No. of Shares ('000)	%	No. of Shares ('000)	%	No. of Shares ('000)	%
Dato' Sri Thong Kok Khee ⁽¹⁾	3,507	408,184	0.17	20.21	3,507	0.19	408,184	22.45	8,547	0.44	420,027	21.45	
Insas Technology Berhad ⁽²⁾	317,846	16,011	15.73	0.79	317,846	17.48	16,011	0.88	317,846	16.23	16,685	0.85	
Insas Berhad ⁽³⁾	-	401,711	-	19.89	-	-	401,711	22.10	-	-	412,883	21.09	
Kumpulan Wang Persaraan (Diperbadankan) ⁽⁴⁾	146,214	16,609	7.24	0.82	146,214	8.04	16,609	0.91	146,214	7.47	16,609	0.85	
Employees Provident Fund Board	104,646	-	5.18	-	104,646	5.76	-	-	104,646	5.34	-	-	

Maximum Scenario

	(I)				(II)				(III)			
	As at LPD				Assuming all Warrants A, Warrants B and Outstanding ESOS Options are exercised				After (II) and after the Proposed Renewal of Share Buy-Back			
	Direct	Indirect	No. of Shares ('000)	%	Direct	Indirect	No. of Shares ('000)	%	Direct	Indirect	No. of Shares ('000)	%
Dato' Sri Thong Kok Khee ⁽¹⁾	3,507	0.17	408,184	20.21	8,547	0.40	420,027	19.45	8,547	0.44	420,027	21.61
Insas Technology Berhad ⁽²⁾	317,846	15.73	16,011	0.79	317,846	14.72	16,685	0.77	317,846	16.35	16,685	0.86
Insas Berhad ⁽³⁾	-	-	401,711	19.89	-	-	412,883	19.12	-	-	412,883	21.24
Kumpulan Wang Persaraan (Diperbadankan) ⁽⁴⁾	146,214	7.24	16,609	0.82	146,214	6.77	16,609	0.77	146,214	7.52	16,609	0.85
Employees Provident Fund Board	104,646	5.18	-	-	104,646	4.84	-	-	104,646	5.38	-	-

Notes:

- (1) Direct interest and deemed interest by virtue of Section 8(4) and Section 59(11) of the Act held through Insas Berhad, Immobiliare Holdings Pte Ltd and children.
- (2) Direct interest and deemed interest by virtue of Section 8(4) of the Act held through subsidiary.
- (3) Deemed interest by virtue of Section 8(4) of the Act held through subsidiaries.
- (4) Direct interest and deemed interest held through fund managers.

4.8 Directors' shareholdings

The effect of the Proposed Renewal of Share Buy-Back on the shareholdings of the Directors of Inari is set out below:

Minimum Scenario

	(I)				(II)				(III)			
	As at LPD				After the Proposed Renewal of Share Buy-Back				After (II) and assuming all Warrants A, Warrants B and Outstanding ESOS Options are exercised			
	Direct	Indirect	Direct	Indirect	Direct	Indirect	Direct	Indirect	Direct	Indirect	Direct	Indirect
No. of Shares ('000)	No. of Shares ('000)	No. of Shares ('000)	No. of Shares ('000)	No. of Shares ('000)	No. of Shares ('000)	No. of Shares ('000)	No. of Shares ('000)	No. of Shares ('000)	No. of Shares ('000)	No. of Shares ('000)	No. of Shares ('000)	No. of Shares ('000)
%	%	%	%	%	%	%	%	%	%	%	%	%
Y.A.M. Tengku Puteri Seri Kemala Pahang Tengku Hajjah Aishah bte Sultan Haji Ahmad Shah, DK(II), SIMP	44	-	44	-	*	-	-	-	1,252	0.06	-	-
Dato' Dr Tan Seng Chuan	1,277	-	1,277	-	0.07	-	-	3,197	0.16	-	-	-
Dato' Sri Thong Kok Khee ⁽¹⁾	3,507	408,184	3,507	408,184	0.19	22.45	22.45	8,547	0.44	420,027	21.45	21.45
Lau Kean Cheong ⁽²⁾	10,248	8,900	10,248	8,900	0.56	0.49	0.49	23,688	1.21	8,922	0.46	0.46
Dato' Wong Gian Kui	-	-	-	-	-	-	-	3,280	0.17	-	-	-
Ho Phon Guan	32,134	-	32,134	-	1.77	-	-	33,094	1.69	-	-	-
Mai Mang Lee ⁽³⁾	9,771	2,070	9,771	2,070	0.54	0.11	0.11	13,021	0.67	2,195	0.11	0.11
Oh Seong Lye	-	-	-	-	-	-	-	480	0.02	-	-	-
Foo Kok Siew	-	-	-	-	-	-	-	640	0.03	-	-	-
Thong Mei Chuen	300	-	300	-	0.02	-	-	454	0.02	-	-	-

Maximum Scenario

	(I)				(II)				(III)			
	As at LPD				Assuming all Warrants A, Warrants B and Outstanding ESOS Options are exercised				After (II) and after the Proposed Renewal of Share Buy-Back			
	Direct	Indirect	No. of Shares ('000)	%	Direct	Indirect	No. of Shares ('000)	%	Direct	Indirect	No. of Shares ('000)	%
Y.A.M. Tengku Puteri Seri Kemala Pahang Tengku Hajjah Aishah bte Sultan Haji Ahmad Shah, DK(II), SIMP	44	-	-	*	1,252	0.06	-	-	1,252	0.06	-	-
Dato' Dr Tan Seng Chuan	1,277	-	-	0.06	3,197	0.15	-	-	3,197	0.16	-	-
Dato' Sri Thong Kok Khee ⁽¹⁾	3,507	408,184	20.21	0.17	8,547	0.40	420,027	19.45	8,547	0.44	420,027	21.61
Lau Kean Cheong ⁽²⁾	10,248	8,900	0.44	0.51	23,688	1.10	8,922	0.41	23,688	1.22	8,922	0.46
Dato' Wong Gian Kui	-	-	-	-	3,280	0.15	-	-	3,280	0.17	-	-
Ho Phon Guan	32,134	-	-	1.59	33,094	1.53	-	-	33,094	1.70	-	-
Mai Mang Lee ⁽³⁾	9,771	2,070	0.10	0.48	13,021	0.60	2,195	0.10	13,021	0.67	2,195	0.11
Oh Seong Lye	-	-	-	-	480	0.02	-	-	480	0.02	-	-
Foo Kok Siew	-	-	-	-	640	0.03	-	-	640	0.03	-	-
Thong Mei Chuen	300	-	-	0.01	454	0.02	-	-	454	0.02	-	-

Notes:

* Negligible

- (1) Direct interest and deemed interest by virtue of Section 8(4) and Section 59(11) of the Act held through Insas Berhad, Immobiliare Holdings Pte Ltd and children.
- (2) Direct interest and deemed interest by virtue of Section 59(11) of the Act held through spouse.
- (3) Direct interest and deemed interest by virtue of Section 8(4) and Section 59(11) of the Act held through Macronion Sdn Bhd and children.

5. PURCHASES, RESALE OR CANCELLATION OF SHARES DURING THE FINANCIAL YEAR ENDED 30 JUNE 2017

During the financial year ended 30 June 2017, the Company did not purchase any of its own Shares, and consequently there were no retention, resale or cancellation of treasury shares during the said period.

6. APPROVALS REQUIRED

The Proposed Renewal of Share Buy-Back is subject to the approval from the shareholders of Inari at the Seventh (7th) AGM.

The Proposed Renewal of Share Buy-Back is not conditional upon any other proposal undertaken or to be undertaken by the Company.

7. DIRECTORS' AND SUBSTANTIAL SHAREHOLDERS' INTERESTS

Save for the consequential increase in the percentage shareholdings of the Directors and the substantial shareholders of Inari as a result of the Proposed Renewal of Share Buy-Back, none of the Directors and/or substantial shareholders of the Company and persons connected to them have any interest, direct or indirect, in the Proposed Renewal of Share Buy-Back and the subsequent resale of treasury shares, if any.

8. DIRECTORS' RECOMMENDATION

The Board, having considered all aspects of the Proposed Renewal of Share Buy-Back, is of the opinion that the Proposed Renewal of Share Buy-Back is in the best interest of Inari and the shareholders of Inari. The Board recommends that the shareholders vote in favour of the ordinary resolution pertaining to the Proposed Renewal of Share Buy-Back to be tabled at the Seventh (7th) AGM of the Company which will be held at Dewan Berjaya, Bukit Kiara Equestrian and Country Resort, Jalan Bukit Kiara, Off Jalan Damansara, 60000 Kuala Lumpur on Wednesday, 22 November 2017 at 11.00 a.m..