Inari Amertron Berhad

Inari Amertron Berhad
(Registration No. 201001016131 (1000809-U))

ACTUALISING THROUGH

TECHNOLOGY AND INNOVATION

ANNUAL REPORT
2026



ACTUALISING THROUGH

TECHNOLOGY AND INNOVATION



OUR KEY BELIEFS

I — **Integrity**
Need all levels to walk the talk at all times

N — **No Excuse**
Focus on the Success Formula

A — **Aligned Partnership**
Customers - Our Team - Suppliers

R — **Result Oriented**
To delight Stakeholders, Customers and Employees

I — **Initiative**
Positive and Can-Do attitude

INSIDE THIS REPORT

01 ABOUT US

03 Corporate Information

04 Corporate Structure

02 OUR PERFORMANCE

05 5 Years Group Financial Highlights

08 Awards and Recognitions

10 Key Achievements and Milestones

13 Inari Amertron Berhad in the News

03 LEADERSHIP

16 Profile of the Board of Directors

22 Profile of the Key Senior Management

24 Chairman's Letter to the Shareholders

28 Management Discussion and Analysis

04 OUR COMMITMENT TO SUSTAINABILITY

38 Sustainability Statement

150 Events Highlights

05 OUR COMMITMENT TO GOOD GOVERNANCE

153 Corporate Governance Overview Statement

172 Additional Compliance Information

177 Statement on Risk Management and Internal Control

185 Audit Committee Report

06 FINANCIAL STATEMENTS

191 Financial Statements

07 ADDITIONAL INFORMATION

264 List of Properties

266 Analysis of Shareholdings

269 Statement of Directors' Interest in the Company and Its Related Corporations

270 Notice of Annual General Meeting

277 Statement Accompanying Notice of Annual General Meeting

Proxy Form

This Annual Report can be downloaded or viewed in PDF file at **www.inari-amertron.com**

ABOUT **US**

One of the largest Malaysian technology companies with total built-up production floor space of over 2.15 million square feet across Malaysia, Philippines and China.

OUR **VISION**

Be valued and strategic partner to niche customers.

OUR **MISSION**

- Deliver Quality Services & Products To Our Customers.
- Treat Staff, Customers, Our Business Partners Fairly.
- Deliver Good Returns For Our Shareholders.

CORPORATE INFORMATION

BOARD OF DIRECTORS

Chairman,
Non-Independent
Non-Executive Director
Datuk Phang Ah Tong

Executive Director cum
Group Chief Executive Officer
Lau Kean Cheong

Executive Directors
Dato' Wong Gian Kui
Ho Phon Guan

Executive Director cum
Group Chief Financial Officer
Chong Poh Leng

Non-Independent
Non-Executive Director
Ahmad Ridzuan Bin Wan Idrus

Independent Non-Executive Directors
Dato' Mohamad Azmi Bin Ali
Dato' Ong Eng Bin
Dr. Kamarulzaman Bin Mohamed Zin
Dr. Sharbanom Binti Abu Bakar

AUDIT COMMITTEE

Chairman,
Independent Non-Executive Director
Dato' Mohamad Azmi Bin Ali

Independent Non-Executive Directors
Dato' Ong Eng Bin
Dr. Sharbanom Binti Abu Bakar

NOMINATION COMMITTEE

Chairman,
Independent Non-Executive Director
Dato' Ong Eng Bin

Independent Non-Executive Directors
Dato' Mohamad Azmi Bin Ali
Dr. Sharbanom Binti Abu Bakar

REMUNERATION COMMITTEE

Chairman,
Independent Non-Executive Director
Dato' Ong Eng Bin

Independent Non-Executive Directors
Dato' Mohamad Azmi Bin Ali
Dr. Kamarulzaman Bin Mohamed Zin

SUSTAINABILITY AND RISK MANAGEMENT COMMITTEE

Chairman,
Independent Non-Executive Director
Dr. Kamarulzaman Bin Mohamed Zin

Non-Independent
Non-Executive Director
Datuk Phang Ah Tong

Independent Non-Executive Director
Dato' Ong Eng Bin

COMPANY SECRETARIES

Chow Yuet Kuen
(MAICSA 7010284)
(SSM Practising Certificate No. 202008002730)

Lau Fong Siew
(MAICSA 7045893)
(SSM Practising Certificate No. 202008002625)

REGISTERED OFFICE

Suite 23.03, Level 23
The Gardens South Tower
Mid Valley City
Lingkaran Syed Putra
59200 Kuala Lumpur, Malaysia
Tel : 03 2284 1588
Fax : 03 2282 4688
Email : insassec@insas.com.my

SHARE REGISTRAR

Megapolitan Management
Services Sdn Bhd
Suite 23.03, Level 23
The Gardens South Tower
Mid Valley City
Lingkaran Syed Putra
59200 Kuala Lumpur, Malaysia
Tel : 03 2284 1588
Fax : 03 2282 4688
Email : insassec@insas.com.my

CORPORATE OFFICE

D-07-03, Plaza Kelana Jaya
Jalan SS 7/13A, Kelana Jaya
47301 Petaling Jaya
Selangor Darul Ehsan, Malaysia
Tel : 03 7876 0169
Fax : 03 7876 0167
Email : i-enquiry@inari-amertron.com.my

BUSINESS ADDRESS

No. 51, Jalan Hilir Sungai Keluang Empat
Phase 4 Bayan Lepas Free Industrial Zone
11900 Bayan Lepas
Pulau Pinang, Malaysia
Tel : 04 645 6618
Fax : 04 646 0618
Email : i-enquiry@inari-amertron.com.my

AUDITORS

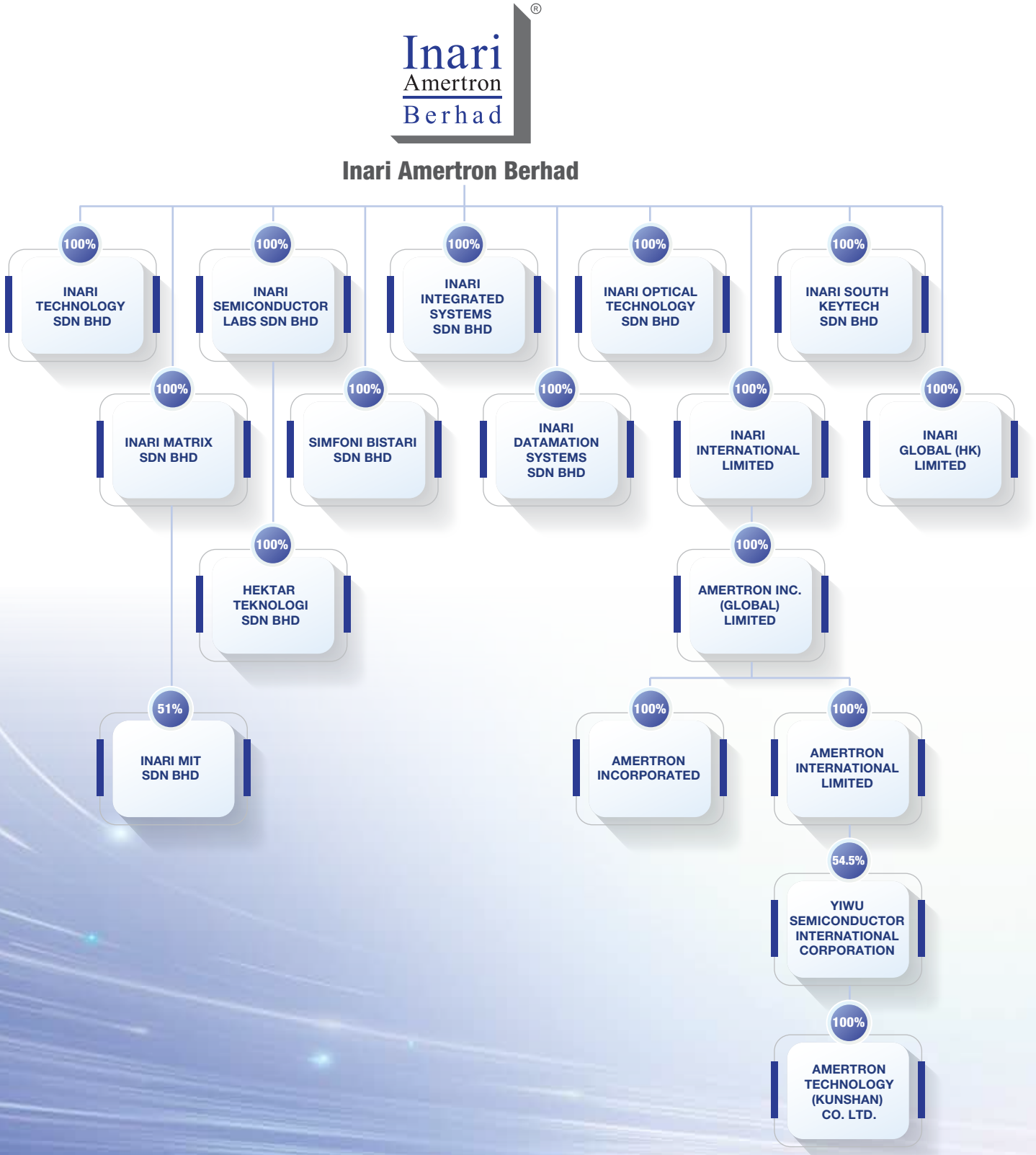
Grant Thornton Malaysia PLT
(Member of Grant Thornton International Ltd)
Chartered Accountants
Level 11
Sheraton Imperial Court
Jalan Sultan Ismail
50250 Kuala Lumpur, Malaysia

STOCK EXCHANGE LISTING

Main Market of Bursa Malaysia
Securities Berhad
Stock Name : INARI
Stock Code : 0166
Sector : Technology
Sub-sector : Semiconductors

CORPORATE STRUCTURE

As at 23 October 2026



5 YEARS GROUP FINANCIAL HIGHLIGHTS

KEY HIGHLIGHTS

REVENUE
RM1.19 Billion

TOTAL EQUITY
RM3.10 Billion

PROFIT AFTER TAX
RM122.6 Million

EBITDA
RM268.3 Million

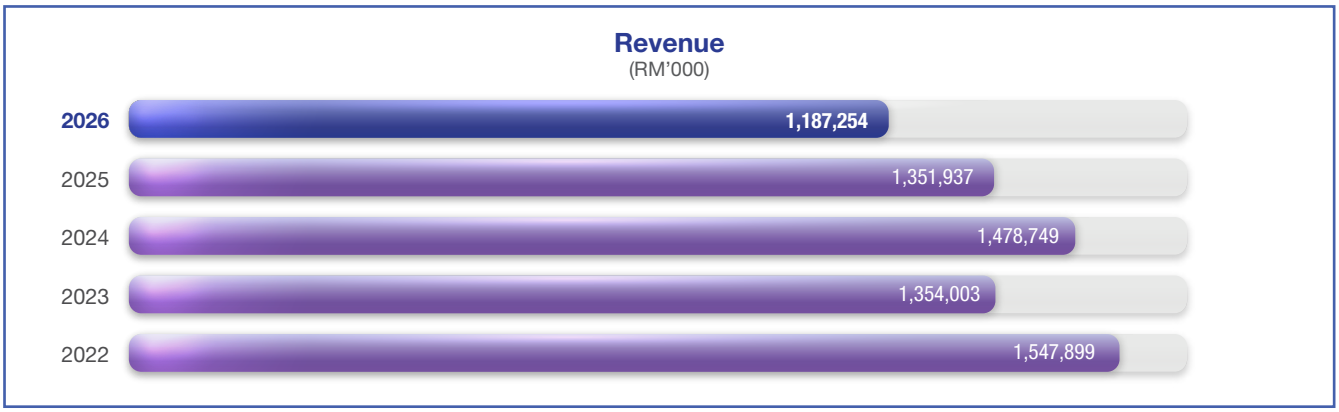
CASH AND BANK BALANCES
RM2.21 Billion

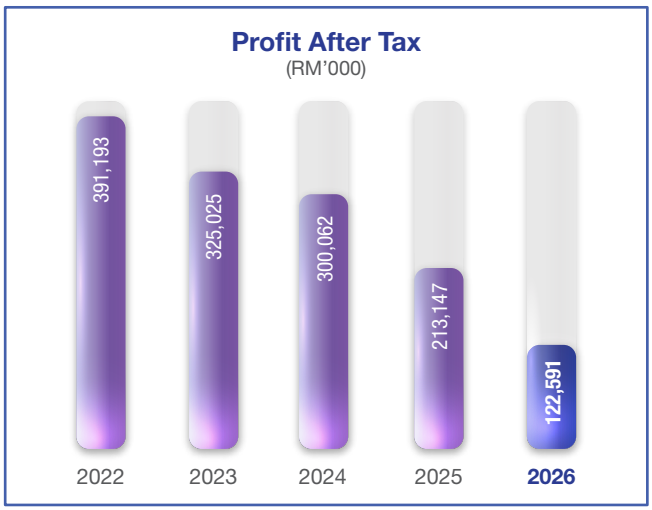
DIVIDEND PAYOUT RATIO
146.6 %

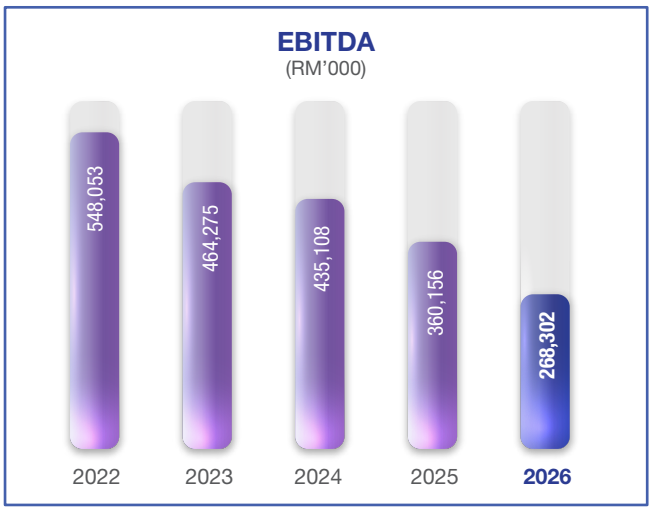
5 YEARS GROUP FINANCIAL HIGHLIGHTS
cont'd

	2022	2023	2024	2025	2026
Revenue (RM'000)	1,547,899	1,354,003	1,478,749	1,351,937	1,187,254
Profit After Tax (RM'000)	391,193	325,025	300,062	213,147	122,591
EBITDA (RM'000)	548,053	464,275	435,108	360,156	268,302
Earnings Per Share (Basic) (sen)	10.65	8.68	8.01	5.78	3.35
Dividends Per Share (sen)	10.0	8.2	7.7	5.5	4.7
Dividend Payout Ratio (%)	94.7%	94.2%	96.5%	97.8%	146.6%
Dividend Payout (RM'000)	370,495	306,253	289,610	208,389	179,706
Total Equity (RM'000)	2,511,035	2,605,848	3,174,183	3,090,382	3,099,993
Net Assets Per Share (sen)	67.6	69.7	74.0	72.9	72.6
Cash And Bank Balances (RM'000)	1,971,021	1,830,994	2,260,719	2,141,413	2,214,144
Debt/Equity Ratio (times)	-*	-*	-*	-*	-*

* *The Group has zero borrowing for the financial year.*

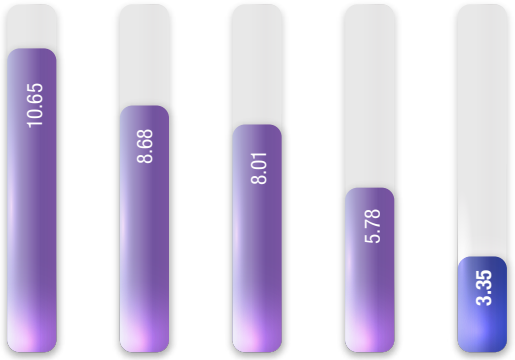






5 YEARS GROUP FINANCIAL HIGHLIGHTS
cont'd

Earnings Per Share (Basic)
(sen)



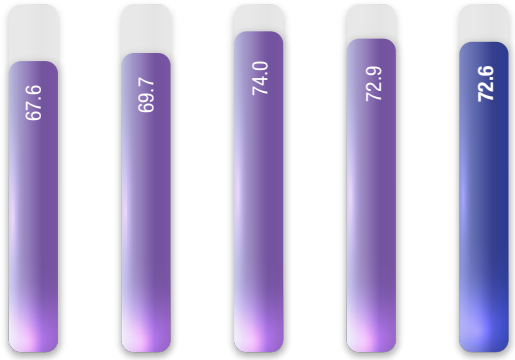
Dividend Payout Ratio
(%)



Total Equity
(RM'000)



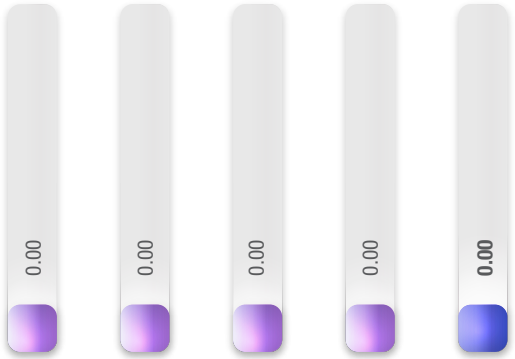
Net Assets Per Share
(sen)



Cash And Bank Balances
(RM'000)



Debt/Equity Ratio
(times)



AWARDS AND RECOGNITIONS



1. **2026**
TOP 3 NOMINEES - BEST COMPANY IN INVESTOR RELATIONS (LARGE CAP) - TECHNOLOGY SECTOR, BURSA MALAYSIA INVESTOR RELATIONS AWARDS 2026

2. **2026**
AMERICAN MALAYSIAN CHAMBER OF COMMERCE (AMCHAM) CARES RECOGNITION 2026 - RECOGNITION FOR EXCELLENCE IN CORPORATE SOCIAL RESPONSIBILITY (CSR) PRACTICES

3. **2026**
THE EDGE ESG AWARDS 2025 - GOLD AWARD (TECHNOLOGY SECTOR)

4. **2025**
EXTEL'S 2025 ASIA (EX-JAPAN/ANZ) EXECUTIVE TEAM - BEST CEO AWARD - LAU KEAN CHEONG

5. **2025**
EXTEL'S 2025 ASIA (EX-JAPAN/ANZ) EXECUTIVE TEAM - BEST CFO AWARD - CHONG POH LENG

6. **2025**
EXTEL'S 2025 ASIA (EX-JAPAN/ANZ) EXECUTIVE TEAM - MOST HONORED COMPANY AWARD

7. **2024**
SUPPLIER APPRECIATION AWARD - AMS OSRAM

8. **2024**
THE EDGE BILLION RINGGIT CLUB AWARDS - HIGHEST GROWTH IN PROFIT AFTER TAX OVER THREE YEARS

9. **2023**
MALAYSIA SMART MANUFACTURING AWARD 2023 – INDUSTRY 4.0 PILLARS CATEGORY (BEST IN SYSTEM INTEGRATION)

10. **2023**
TALENTCORP MYSIP APPRECIATION AWARD 2023 - TOP 5 HIGHEST NUMBER OF INTERNSHIPS OFFERED

11. **2023**
THE EDGE ESG AWARDS - SILVER AWARD (TECHNOLOGY SECTOR)

12. **2023**
INTI INTERNATIONAL UNIVERSITY & COLLEGES STAR PARTNER AWARD - GOLD AWARD

13. **2023**
SUPPLIER APPRECIATION AWARD - AMS OSRAM

14. **2023**
BINARY UNIVERSITY - AWARD OF LEADERSHIP EXCELLENCE IN SEMICONDUCTOR PACKAGING INDUSTRY

15. **2022**
BUREAU OF CUSTOMS PORT OF CLARK INTERNATIONAL AIRPORT - RECOGNITION OF INVALUABLE CONTRIBUTION TO THE TRADE FACILITATION EFFORT OF THE PORT OF CLARK BEING THE TOP 5 EXPORTER FOR 2022

16. **2022**
EMPLOYEE'S PROVIDENT FUND, GEORGETOWN, PENANG - RECOGNITION OF BEST EMPLOYER 2022

17. **2022**
SUPPLIER APPRECIATION AWARD - AMS OSRAM

18. **2022**
THE IEM AWARD - RECOGNITION FOR CONTRIBUTION IN THE ENGINEERING INDUSTRY (MATERIALS & PRODUCTION)

19. **2019**
ALL-ASIA EXECUTIVE TEAM ASEAN MOST HONORED COMPANIES

20. **2019**
ALL-ASIA EXECUTIVE TEAM SPECIAL ACHIEVEMENT AWARDS BEST CEO (MALAYSIA) - LAU KEAN CHEONG

21. **2019**
ALL-ASIA EXECUTIVE TEAM SPECIAL ACHIEVEMENT AWARDS BEST CFO (MALAYSIA) - CHONG POH LENG

AWARDS AND RECOGNITIONS
cont'd

22. **2019**
THE INSTITUTION OF ENGINEERING AND TECHNOLOGY (IET) - INDUSTRY EXCELLENCE PLATINUM AWARD

23. **2019**
ASIAMONEY AWARDS 2019 – THE MOST OUTSTANDING COMPANY IN MALAYSIA, SEMICONDUCTORS & SEMICONDUCTOR EQUIPMENT SECTOR

24. **2018**
FT 1000 HIGH-GROWTH COMPANIES ASIA-PACIFIC FROM FINANCIAL TIMES

25. **2018**
APPRECIATION FOR THE STRONG PARTNERSHIP AND EXCELLENT SHIPMENT SUPPORT FROM BROADCOM

26. **2018**
MALAYSIA INVESTOR RELATIONS AWARDS (MIRA) - BEST CEO FOR INVESTOR RELATIONS (MID CAP)

27. **2018**
THE EDGE BILLION RINGGIT CLUB AWARDS - HIGHEST RETURN ON EQUITY OVER THREE YEARS

28. **2018**
THE EDGE BILLION RINGGIT CLUB AWARDS - HIGHEST GROWTH IN PROFIT AFTER TAX OVER THREE YEARS

29. **2017**
RECOGNITION FOR PARTNERSHIP EXCELLENCE FROM EPSON

30. **2017**
BEST SUPPLIER AWARD FROM BROADCOM WIRELESS SEMICONDUCTOR DIVISION

31. **2016**
THE EDGE BILLION RINGGIT CLUB AWARDS - HIGHEST RETURNS TO SHAREHOLDERS OVER THREE YEARS

32. **2016**
ASIA BEST EMPLOYER BRAND AWARDS

33. **2016**
MALAYSIA BEST EMPLOYER BRAND AWARDS

34. **2014, 2015 & 2016**
FORBES ASIA 200 BEST UNDER A BILLION COMPANY

35. **2015**
BEST SUPPLIER AWARD FROM BROADCOM (AVAGO)

36. **2013**
OUTSTANDING PERFORMANCE MICROSEMI PMG PHOENIX SUPPLIER

37. **2013**
THE BRANDLAUREATE SMEs BESTBRANDS BLUE CHIP AWARD (ELECTRONICS MANUFACTURING)

38. **2010**
BEST SUPPLIER AWARD FOR BEST CONTRACT MANUFACTURER FROM AVAGO



KEY ACHIEVEMENTS AND MILESTONES

We have achieved numerous awards and milestones since our inception and we are pleased to highlight some of the major achievements as follows:

2006

- Incorporation of Inari Technology, acquisition of first plant (P1) and within the same year, was accredited with ISO 9001:2000.

2007

- Inari Technology obtained Pioneer Status for wireless technology from MITI.
- Second factory rented and set up for fine-pitch SMT assembly service (P2).
- Inari Technology attained ISO 14001:2004 certification.
- Inari Technology commenced back-end wafer processing services.

2008

- Inari Technology set up R&D to enhance manufacturing technologies and processes as well as development of new products.
- Third factory erected to conduct fine-pitch SMT assembly and wafer processing services (P3).

2015

- A newly acquired plant P21 has started operations in July 2016 and delivered its first batch of tested advanced mixed signal communication chips.
- A newly incorporated company, Inari Optical Technology Sdn Bhd to undertake the manufacturing, assembling and testing activities for optoelectronic and sensor components, modules and systems on 13 October 2016.
- On 24 January 2017, Inari completed a Bonus Issue with issuance of 971.86 million ordinary shares together with warrants 2013/2018 and 2015/2020.
- Inari extended its product portfolio and started the delivery of manufactured iris scanning devices in March 2017.

2016

- On 7 January 2016, Inari completed a Bonus Issue with issuance of 189.36 million shares together with warrants 2013/2018 and 2015/2020.
- Inari acquired Inari Integrated Systems Sdn Bhd on 4 February 2016 to undertake the manufacturing activities for advanced communication chips and die preparation.
- Inari acquired 5.25 acres of leasehold industrial land together with 260,000 square feet factory building located at Bayan Lepas on 15 February 2016 (P21).
- Inari won 3rd Forbes "Asia 200 Best Under A Billion" Company.
- Inari won "The Edge Billion Ringgit Club Award 2016" for Highest Returns to Shareholders over Three Years.

2017

- Inari completed the Renounceable Rights Issue of 78.7 million shares with warrants and raised total proceeds of RM118.0 million.
- P13 plant started its operations in April 2015 and was fully utilised in September 2016.
- Construction of CK2 plant in Clark, Philippines commenced in May 2015 and completed in 2017.
- Inari was recognised by Forbes as one of the "Asia 200 Best Under A Billion" Company.
- Inari ranked No. 1 on Focus Malaysia "50 Fastest Growing Companies".

2018

- On 16 April 2018, Inari completed a Bonus Issue with issuance of 1.04 billion ordinary shares together with warrants 2013/2018 and 2015/2020.
- P13 plant undergone extension with a new four-storey building with floor space of 180,000 square feet. This was completed in May 2018 making a total floor space of 340,000 square feet for P13.
- Construction of a new plant P34 began in Batu Kawan consisting of 3 buildings of 6 storey each with total floor space of 688,000 square feet. The first block was completed at the end of October 2018. P34 will be the biggest plant to-date in Inari.
- Inari Technology was awarded the "2017 Best Supplier from Wireless Semiconductor Division" by Broadcom.
- Amertron Incorporated (Philippines) was awarded "Appreciation for The Strong Partnership and Excellent Shipment Support" for 2018 by Broadcom.

2019

- Construction of a new plant P34 in Batu Kawan with total floor space of 688,000 square feet was fully completed. The Certificate of Completion and Compliance ("CCC") for the plant was received on 31 May 2019.
- Consolidation of the production lines from plant (PQ) in Paranaque, Philippines into CK and CK2 plants in Clark, Philippines and ISK plant in Johor, Malaysia into P1 in Penang, Malaysia for overall operating cost efficiency, integrating and streamlining support functions.
- Inari won "The Edge Billion Ringgit Club Awards 2018" for Highest Growth in Profit After Tax and Highest Return on Equity over Three Years.
- Inari won "Malaysia Investor Relations Awards (MIRA) 2018" for The Best CEO for Investor Relations (Mid Cap).
- Inari won "Asiamoney Awards 2019" for The Most Outstanding Company in Malaysia - Semiconductors & Semiconductor Equipment Sector.
- Inari won "Industry Excellence Platinum Award 2019" organised by The Institution of Engineering and Technology (IET) Malaysia Network.
- Inari won "All-Asia Executive Team 2019 - ASEAN Most Honored Companies" and "Special Achievement Awards for Best CEO and CFO (Malaysia)" organised by Investor Relations Professionals Association Singapore ("IRPAS").

KEY ACHIEVEMENTS AND MILESTONES
cont'd

2009

- Inari transferred listing to the Main Market of Bursa Malaysia.
- Completed construction of new plant (P5).
- Inari acquired 5.05 acres of leasehold industrial land in Batu Kawan Industrial Park.
- Inari acquired 5.51 acres of land with 160,000 square feet factory buildings in Bayan Lepas Industrial Park (P13).
- Inari was recognised by Forbes as one of the "Asia 200 Best Under A Billion" Company.

2010

- Inari Berhad completed the acquisition of Amertron Inc (Global) Limited and within the same year, changed name to Inari Amertron Berhad ("Inari").

2011

- Inari acquired 51% equity interest in Ceedtec and ventured into electronic test and measurement equipment.
- Incorporation of Inari South Keytech and started the development of fibre-optic transceivers.
- Inari Technology upgraded to fine-pitch flip-chip capabilities.

2012

- Inari Technology commenced DC and RF testing services.
- Inari Technology expanded PCBA and Box-Build operations for wireless broadband networking devices.

2013

- Inari Technology attained ISO 13485 certification for medical sensor products.
- Inari Technology won "Excellent Manufacturing and Outsourcing Support on Wireless Semiconductor Division Products 2009 Award".
- Rented new plant (P8).

2014

- Inari was listed on the ACE Market of Bursa Malaysia Securities Berhad ("Bursa Malaysia").

2020

- On 11 September 2019, Inari entered into a Shareholders Subscription Agreement with PCL Technologies, Inc, a public listed company listed on Taiwan Stock Exchange to set up an entity in Malaysia for the business purpose to secure, manage and manufacture optical transceiver and other related products. Subsequently, the entity was set up on 1 October 2019 namely, PCL Inari Technologies Sdn Bhd of which 30% equity interest held by Inari Matrix Sdn Bhd.
- On 22 June 2020, Inari met the globally recognised standard and qualified for inclusion into the FTSE4Good Bursa Malaysia ("F4GBM") Index, demonstrating strong Environmental, Social and Governance ("ESG") practices.
- On 18 August 2020, Inari entered into a Shareholders Subscription Agreement with MIT Semiconductor Pte Ltd to set up an entity in Malaysia to carry on the business of supplying customised semiconductor process tools. Subsequently, the entity has been set up on 24 September 2020, namely Inari MIT Sdn Bhd, of which 51% equity interest held by Inari Matrix Sdn Bhd.

2021

- In September 2020, Inari launched the first in-house face mask production line at P1 plant in Penang, Malaysia. Inari has produced 2 million masks to-date, which was distributed to employees, hospitals and other organisations.
- Construction of our new plant, P55 adjacent to our existing P13 plant in Bayan Lepas, Penang was completed with Certificate of Completion and Compliance ("CCC") obtained on 28 July 2021. The 5-storey plant with total floor space of 49,000 square feet will be dedicated for RF test expansion and a new customer to assemble System-on-Module ("SOM") products.
- On 6 May 2021, Inari announced the implementation of a Private Placement. The Private Placement was completed in one (1) tranche with the listing and quotation of 333,000,000 Placement Shares at an issue price of RM3.10 per share on the Main Market of Bursa Malaysia on 30 July 2021.
- Inari contributed an unutilised section of our P34 plant in Batu Kawan, Penang as a Vaccination Centre (Pusat Pemberian Vaksin: "PPV") approved under the Public-Private Partnership Covid-19 Industry Immunisation Programme ("PIKAS") launched by the Malaysian Government. Upon the completion of the PIKAS on 2 September 2021, 20,628 individuals have completed their two (2) doses of vaccination at our P34 plant.

KEY ACHIEVEMENTS AND MILESTONES
cont'd

2026

- Inari's excellence in investor relations was recognised through its selection as one of the Top 3 nominees for Best Company for Investor Relations (Large Cap), Technology Sector, at the Bursa Malaysia Investor Relations Awards 2026.
- Inari received the AMCHAM Cares Recognition from the American Malaysian Chamber of Commerce ("AMCHAM") in November 2025, recognising the Group's commitment to responsible corporate practices.
- Inari received the gold award from The Edge ESG Awards, under the technology sector in collaboration with FTSE Russell in October 2025.

2025

- Inari Amertron Berhad and Sanan Optoelectronics have entered into a definitive agreement to acquire Lumileds Holding B.V. and its European and Asian subsidiaries ("Lumileds International"). The proposed joint acquisition was terminated on 17 April 2026 with the relevant Termination Agreements signed on 30 April 2026.
- Inari Technology was awarded Excellence Award in Technical Vocational Education and Training ("TVET") under Large Employer by HRD Awards.
- Inari Penang (7 plants) have been awarded Penang Green Office certification and Aqua Save certification under Green Pinang Awards 2024.
- Ams Osram has awarded the Supplier Appreciation Award and being ranked #1 CM for Partnership, Loyalty & Outstanding Services to Amertron Technology (Kunshan) Co. Ltd.
- Inari received Extel's 2025 Asia (ex-Japan/ANZ) Executive Team (Small and Midcap) awards under the categories of Overall Technology Semiconductors, Best CEO, Best CFO, Best ESG and Best Company Board.
- Inari won the Extel's 2025 Asia (ex-Japan/ANZ) Executive Team (Malaysia) awards, under the categories of Most Honored Companies, Best CEO, Best CFO, Best ESG, Best Company Board and Best Investor Relations Program.

2024

- Inari received the silver award from The Edge ESG Awards, under the technology sector in collaboration with FTSE Russell in November 2023.
- For the MYSiP Appreciation Award in November 2023, Inari Amertron Berhad has been awarded the highest number of internships offered with 510 interns.
- Ams Osram awarded the Supplier Appreciation Award for Partnership, Loyalty & Outstanding Services to Amertron Technology (Kunshan) Co. Ltd, our China operation entity in April 2024.
- Amertron Incorporated (Philippines) held their groundbreaking ceremony for CK2.1 plant in June 2024.
- Inari Technology Sdn Bhd has had a Memorandum of Understanding exchange with MIMOS and Universiti Sains Malaysia on the co-development of advanced 2.5D packaging in June 2024.
- Inari won "The Edge Billion Ringgit Club Awards 2024" for Highest Growth in Profit After Tax over Three Years.
- Inari won Malaysia SMART Manufacturing Award 2023 – Industry 4.0 Pillars Category (Best in System Integration).

2023

- Amertron Incorporated (Philippines) has received a plaque of recognition for being the Top 5 Exporter for Year 2022 by the Bureau of Customs of Port of Clark International Airport on 19 December 2022.
- In conjunction with Binary University's 39th Convocation Ceremony on 14 January 2023, Inari Amertron Berhad has been awarded the Certificate of Leadership Excellence under the Semiconductor Packaging Industry.
- Inari acquired 5.05 acres of leasehold industrial land at Batu Kawan with close proximity to the existing P34 factory building.
- Ams Osram has awarded the Supplier Appreciation Award for Partnership, Loyalty & Outstanding Services to Amertron Technology (Kunshan) Co. Ltd, our China operation entity in June 2023.

2022

- Inari's Private Placement exercise which was completed on 30 July 2021 was chosen as the Best Share Placement for 2021 by The Edge Malaysia in January 2022. The placement was reported to be timed perfectly, received overwhelming demand and was well oversubscribed, with the final book consisting of a high-quality mix of long-only and ultra-high-net-worth investors.
- A newly constructed P55 plant in Bayan Lepas, Penang has started operations in August 2021 and delivered its first batch of RF Test and System-on-Module ("SOM") products.
- Amertron Technology (Kunshan) Co. Ltd, our China operation entity received Supplier Appreciation Award for Partnership, Loyalty & Outstanding Services by ams OSRAM.
- On 28 June 2022, Inari entered into a Joint Venture Contract to expand its existing operations in China for the China market.
- Inari Amertron Berhad received The IEM Award from The Institution of Engineers Malaysia as a recognition for contribution in the Engineering Industry (Materials & Production) in Malaysia.

INARI AMERTRON BERHAD IN THE NEWS

20.10.2025



Inari Amertron aims to nurture STEM talent

by THE EDGE MALAYSIA
20 Oct 2025, 12:00 AM

BEST PERFORMER BY SECTOR • TECHNOLOGY

Inari Amertron Bhd (KL:INARI) won its first gold prize at *The Edge Malaysia* ESG Awards 2025 in the technology sector. The company last won the silver prize in the same category in 2023.

Inari Amertron group CEO Lau Kean Cheong says its biggest achievement in the past year was the improvement in its FTSE4Good ESG rating. The company's ESG score of 4.8 out of 5 placed it within the top 2% of the technology sector in 2025.

"It's a recognition that didn't come from one initiative alone, but from the collective effort of everyone at Inari," he says.

Lau acknowledges that sustaining strong ESG performance requires not just technology, but also the proper talent to drive innovation. Thus, the company places strong emphasis on its social pillar, and much of its efforts are expended to address the brain drain of science, technology, engineering and mathematics (STEM) talent in Malaysia.

Realising the challenge of talent retention, Inari Amertron partnered with local universities to provide students with internships and jobs at the company or other firms in the area.

A key initiative of Inari Amertron is to cultivate interest among primary and secondary school students and develop future talents for the semiconductor industry, which has been affected by the dwindling talent pool.

"By equipping students with future-ready capabilities, we are not only addressing today's challenges, but also laying the foundation for sustainable progress in the years ahead. We are also not forgetting sustainable value creation through investments in the right technologies and at the right time," says Lau.

He believes that seamless collaboration among all parties can influence the adoption of good ESG practices across the Malaysian market.

"The government has shown its commitment through clear policies and initiatives. With investors, [it would be beneficial to have] a longer-term perspective on attaining economic sustainability. As for consumers, conscious choices that support responsible companies can affect the supply chain inclusive of suppliers," he says.

Inari Amertron aims to stay committed to being a responsible technology company that is prepared to take on challenges and improve its sustainability activities.

"For us, that means continuing to invest in greener technologies, developing talent via internship programmes, sponsoring local STEM programmes and supporting communities, as well as maintaining strong governance and transparency," Lau says.

20.04.2026



Inari Amertron poised for FY2027 rebound as radio frequency, datacom photonics segments strengthen

by THE EDGE MALAYSIA
20 Apr 2026, 02:51 PM

KUALA LUMPUR (April 20): Inari Amertron Bhd (KL:INARI) is positioning for a rebound in the financial year ending June 30, 2027 (FY2027), with analysts highlighting improving prospects in its radio frequency (RF) and datacom photonics segments following the expectation of a softer FY2026.

Hong Leong Investment Bank (HLIB) and RHB Research noted that Inari's RF segment is set to decline sharply this year, mainly weighed by lower RF component allocations and US dollar depreciation.

However, it is set for a rebound in its revenue in FY2027, underpinned by its US smartphone customers' market share gains and the transition to its in-house modems, as customers are phasing out Qualcomm's in favour of its modem.

"We expect shipments from Inari's key US end-customer to remain resilient and register incremental growth in 2026-2027, standing in stark contrast to projected declines of 13%-15% for the broader smartphone industry and 20-30% for Chinese OEMs (original equipment manufacturers) in 2026," Hong Leong Investment Bank (HLIB) said in a note on Monday.

Separately, RHB anticipates higher RF allocations driven by three key catalysts: the new smartphone cycle may incorporate in-house 5G modems, higher volume from a new foldable phone model, and supplier diversification amid consolidation among key RF suppliers.

The house noted that the datacom photonics segment, which contributed 17% of the group's revenue, is also set for incremental growth as AI-driven optical demand accelerates.

Furthermore, PublicInvest and Kenanga Research expects the optoelectronic segment to contribute more than a third of the group's revenue in FY2027-FY2028, an improvement from the first half of 2026, mainly driven by the wafer fab expansion in Singapore.

Meanwhile, CIMB Securities expects the recent termination of Lumileds Holding BV's joint acquisition to soften Inari's concerns over potential earnings dilution and limited earnings recovery in the near term, as softer loadings are ahead of its next-generation model launches expected in the second half of 2026.

Conversely, RHB viewed the failed acquisition of Lumileds as "neutral to fundamentals" and "mildly positive" for sentiment, given the market's previous cautious stance on the deal.

PublicInvest also views the termination of the deal positively, "as it removes the overhang of the company's earnings prospects".

Both CIMB Securities and PublicInvest had "hold" and "neutral" calls on the counter, respectively, while RHB kept its "buy" call.

There are now eight "buy" and 12 "hold" calls on the stock, with an average target price of RM1.76, according to the 20 analysts tracked by *Bloomberg*.

The group was last traded at RM1.70 at the time of writing on Monday, giving it a market capitalisation of RM6.47 billion.

INARI AMERTRON BERHAD IN THE NEWS
cont'd

29.05.2026



Inari on the rise with RF demand

by THE STAR
Friday, 29 May 2026

PETALING JAYA: Inari Amertron Bhd 's earnings prospects are expected to strengthen over the next two financial years, underpinned by a recovery in radio frequency (RF) content demand, accelerating data centre photonics growth and emerging opportunities tied to artificial intelligence (AI) infrastructure.

The semiconductor group is also positioning itself for longer-term expansion through advanced packaging and power regulator modules for AI servers, as analysts turn increasingly optimistic on the company's medium-term earnings trajectory.

CIMB Research said it sees RF content wins and integrated system level packaging as the core growth drivers, underpinning Inari's mid-term earnings expansion and re-rating over financial year ending June 30, 2027 (FY27) to FY28.

"Advanced packaging and voltage regulator module power solutions could provide 'longer-term upside', potentially lifting FY28 revenue towards RM1.8bil to RM2bil."

It upgraded Inari to "buy" from "hold", with a higher target price of RM2.65 after raising its FY27 and FY28 earnings estimates by between 3% and 19%, although it trimmed FY26 earnings per share forecasts by 5%.

It noted that Inari is targeting up to nine RF sockets for new smartphone launches in FY28, saying the group's "diversification strategy within the RF front-end module is gaining traction".

CIMB Research also highlighted that RF utilisation rates had hovered between 50% and 55% in the third quarter of FY26.

TA Research expects a stronger FY27 performance after the company secured four circuits for an upcoming smartphone launch scheduled for September, which is projected to raise utilisation levels to between 70% and 75%.

It said the datacom photonics business would remain "a key multi-year growth driver, supported by robust AI and data centre demand", with strong order intake and higher volume ramp-ups from key customers driving expansion plans at the group's P34 plant.

TA Research also pointed to a rapidly expanding optoelectronics division, which accounted for 34% of revenue in the nine-months of financial year 2026 compared with about 30% a year earlier.

It maintained a "hold" recommendation but lifted its target price to RM2.32 from RM2.07 after increasing its target price-earnings multiple to 31 times 2027 earnings.

Hong Leong Investment Bank Research maintained its "buy" call with a higher target price of RM2.60 from RM2.20, saying concerns over weakness in the RF segment had "largely played out".

The research house said sentiment should improve as "the RF content recovery and datacom photonics ramp take shape, particularly in the lead-up to the next smartphone cycle in the second half of financial year 2026".

It added that datacom photonics is increasingly emerging as Inari's new structural growth driver, supported by accelerating optical adoption in AI data centres and persistent supply tightness in high-power electro-absorption modulated laser chips.

Kenanga Research maintained its "outperform" rating and raised its target price to RM2.42 from RM2.02 after increasing FY27 net profit forecasts by 3% on expectations of higher RF loading.

It said Inari's "medium-term outlook remains constructive", supported by the upcoming flagship smartphone cycle, AI-driven optoelectronics and photonics growth, as well as optionality from advanced packaging and AI server power regulators.

Kenanga Research also highlighted the group's move into power regulator components for AI data centre cards through a production line in the Philippines.

20.07.2026



Malaysian chip firm eyeing Clark expansion

by THE MANILA TIMES
20 Jul 2026

MALAYSIAN semiconductor maker Inari Amertron is looking to expand in Clark with a third Philippine facility, the Clark Development Corp. (CDC) said in a statement Friday.

The expansion was discussed at a July 16 dialogue among CDC officials, the Embassy of Malaysia, the Department of Trade and Industry-Board of Investments (DTI-BOI), and Inari Amertron executives led by CEO Lau Kean Cheong and CFO Chong Poh Leng.

"Discussions centered on investment expansion, talent development, supply chain resilience, workforce readiness, and opportunities arising from the Luzon Economic Corridor," CDC said.

The planned new site, CK3, is aimed at scaling production for artificial intelligence, data centers, and advanced electronics. CDC said the facility is expected to boost Inari Amertron's production capacity by 30 percent, create 600 additional jobs, and generate higher annual revenue as global demand rises for AI, data centers, electric vehicles, and advanced electronics technologies.

Inari Amertron has operated in the Philippines since 1988, employs 1,800 workers, and has shipped more than 150 billion integrated circuits worldwide, according to CDC.

It currently runs two local facilities in Clark with a combined floor space of over 13,000 square meters, plus a 6,000 sqm plant in China which opened in 2001.

The company recently completed its CK2.1 facility to support demand for photonics, power modules, AI applications, and data-center infrastructure.

CDC president and CEO Agnes Devanadera emphasized the agency's focus on investor retention and expansion at the dialogue. "Investors stay where government processes are efficient, policies are predictable, and growth opportunities are clear," she said.

Malaysian Ambassador Dato' Abdul Malik Melvin Castelino echoed this, citing Clark's efficiency and Asean's growing semiconductor role, while Inari Amertron's CEO added: "We have been here for 38 years. Together we grow in Clark".

CDC, established in 1993 as a subsidiary of the Bases Conversion and Development Authority (BCDA), manages the Clark Freeport Zone and Clark Special Economic Zone. Earlier this month, the agency was recognized for strong financial performance after remitting some P2.6 billion in dividends to the national government.

INARI AMERTRON BERHAD IN THE NEWS
cont'd

21.07.2026



Profitability turnaround on the horizon for Inari

by THE STAR
Tuesday, 21 Jul 2026

PETALING JAYA: Inari Amertron Bhd's earnings appear to be nearing a turning point after several years of declining profitability, with two research houses expecting artificial intelligence (AI)-related demand and a recovery in its core radio frequency (RF) business to drive a stronger growth cycle from 2027 onwards.

MBSB Research kept its "buy" recommendation with an unchanged target price (TP) of RM2.95, saying the semiconductor outsourced assembly and test (OSAT) provider is approaching such a period despite another challenging year in 2026.

"We remain confident that the financial year ending June 2027 (FY27) will serve as a strong inflection point for the group with anticipated earnings growth of approximately 50% year-on-year."

The research house said Inari's long-standing RF business would continue to provide a solid earnings foundation, while its optoelectronics (opto) segment is emerging as the company's next major growth engine, supported by accelerating AI-driven optical communications demand.

"Due to AI-driven optical communications, we anticipate the group's opto business could potentially be on par with the RF business in the coming years," it said in a note to clients yesterday.

According to MBSB Research, investor concerns over the sustainability of Inari's RF business have eased after the company's direct customer signed a multi-year agreement with its end customer.

"We understand that Inari's direct customer for the RF business has signed a multi-year contract with an end customer. "This would reinforce the medium- to long- term visibility of the RF business for Inari."

The report added that future smartphone models are expected to carry significantly higher RF content through the migration from single-sided mould technology to double-sided mould packaging, supporting a meaningful rebound in loading volumes from FY27 onwards.

While RF remains the group's largest earnings contributor today, analysts believe AI-related optical networking could reshape the business mix over the next several years.

MBSB Research said Inari is well positioned within the silicon photonics supply chain as an OSAT provider for optical transceiver module chips.

"The group's opto business has been showing lacklustre performance in light of muted demand. However, there is a strong revival in demand due to AI-driven optical communications."

It added that management has guided that optical transceiver volumes would "increase exponentially from FY27 onwards" as demand for photonics interconnect technology accelerates.

Beyond optical communications, Inari is also expanding into AI-related power management products through system-on-module solutions, including DC-DC converters and voltage regulators.

"In the immediate term, the group is focusing on power regulation to support AI applications which have been showing good momentum, with the pilot line commencing in August 2026."

However, MBSB Research expects meaningful earnings contributions from this segment only from FY28 onwards.

Even so, FY26 is still expected to mark the company's fourth consecutive year of earnings decline since profits peaked in FY22, reflecting continued weakness in existing demand before the anticipated recovery materialises.

Meanwhile, AmBank Research struck a similarly optimistic tone in its latest report, arguing that the company's optical communications business is beginning to complement its traditional RF operations as a second long-term growth driver.

It highlighted improving prospects across both the RF and fibre optics businesses, suggesting the company is entering a new phase where growth is no longer solely dependent on its legacy smartphone-related RF operations.

Its report pointed to optical communications as an increasingly important earnings pillar alongside RF, reinforcing expectations that AI infrastructure investments will become a meaningful long-term driver for the group. AmBank Research has a TP of RM3.25 on the counter.

While also holding a "buy" call on Inari, an analyst with a foreign brokerage is nevertheless recommending a lower TP of RM2.80, preferring to apply a modest execution discount until the new AI-related businesses demonstrate sustained commercial volumes.

"We agree that the worst of the earnings downcycle is likely behind the company. The investment case is no longer solely about smartphones, but about diversification into AI infrastructure.

The RF business should remain a dependable cash generator following renewed customer commitments and increasing RF content per premium smartphone, while the optical communications business has the potential to become an equally important earnings pillar as hyperscale AI data centres drive demand for silicon photonics and optical interconnects," she told StarBiz.

The analyst added that Inari has both the financial capacity and customer relationships to invest in these opportunities without materially increasing risk.

PROFILE OF THE BOARD OF DIRECTORS

DATUK PHANG AH TONG
Chairman/Non-Independent Non-Executive Director

Age	*Gender*	*Nationality*
69	Male	Malaysian

Membership of Board Committees:
- *Sustainability and Risk Management Committee (Member)*

Date of appointment:
08 February 2018

Datuk Phang has served as Inari's Independent Director since February 2018 and was redesignated as Independent Non-Executive Chairman on 9 June 2026, and subsequently as Non-Independent Non-Executive Chairman on 28 September 2026.

He holds a Bachelor of Economics (Honours) from the University of Malaya and has attended several notable Senior Management Programmes, namely the Harvard Business School and "Institut Européen d'Administration des Affaires" ("INSEAD").

Datuk Phang who is currently a Board Member of the Malaysian Investment Development Authority (MIDA), has had a distinguished career in the civil service of Malaysia spanning 36 years in promoting foreign and domestic investments and assisted in developing the manufacturing and services sectors in Malaysia under MIDA where his last held position was the Deputy Chief Executive Officer before his retirement in 2017.

Starting out in 1981 as an Economist in MIDA, Datuk Phang served in various capacities including being the Assistant Trade Commissioner for MIDA London and Director of MIDA New York. Upon returning to the MIDA headquarters, Datuk Phang was appointed the Director of Foreign Direct Investment ("FDI"), overseeing the promotion of global FDI into Malaysia. He was also involved in organising and participating in many Trade and Investment Missions overseas led by either the Prime Minister or Ministers of International Trade and Industry. His distinguished contribution in these capacities led to his appointment as the Deputy Chief Executive Officer of MIDA in 2013.

Other directorship in listed issuers and non-listed public companies:
- JF Technology Berhad
- Media Prima Berhad
- UMS Integrated Limited

LAU KEAN CHEONG
Executive Director cum Group Chief Executive Officer

Age	*Gender*	*Nationality*
59	Male	Malaysian

Membership of Board Committees:
Nil

Date of appointment:
15 July 2011

Mr. Lau graduated from University of Warwick, United Kingdom with a Master in Science (MSc) in Information Technology for Manufacture and a Diploma in Electronics Engineering from Tunku Abdul Rahman College, Kuala Lumpur.

Mr. Lau started his career in 1991 at Intel Penang, followed by KESP Sdn Bhd Penang in engineering positions. He joined the Globetronics Technology Berhad Group in 1996 as a Senior Engineer and progressed within the Globetronics Group to become Senior Vice President of ISO Technology Sdn Bhd, a wholly-owned subsidiary, before joining Inari.

He has more than 30 years of working experience in the outsourced semiconductor assembly & test ("OSAT") industry and has broad experience in leading OSAT operations including primary responsibilities in top and bottom line performance and managing key customer relationships.

Other directorship in listed issuers and non-listed public companies:
Nil

PROFILE OF THE BOARD OF DIRECTORS
cont'd

DATO' WONG GIAN KUI
Executive Director

Age	*Gender*	*Nationality*
67	Male	Malaysian

Membership of Board Committees:
Nil

Date of appointment:
21 September 2010

Dato' Wong is an accountant by profession and has been a member of the Malaysian Institute of Certified Public Accountants since 1985 and a member of the Malaysian Institute of Accountants since 1988. Dato' Wong had worked for Harun, Oh & Wong, a member of Horwath International firm of public accountants in Malaysia from 1981 to 1990 and Stoy Hayward London, Chartered Accountants from 1990 to 1991. Dato' Wong currently holds the position of Executive Director cum Chief Executive Officer of Insas Berhad.

Other directorship in listed issuers and non-listed public companies:
- Diversified Gateway Berhad
- Divfex Berhad
- Insas Berhad
- Insas Technology Berhad
- Microlink Solutions Berhad

HO PHON GUAN
Executive Director

Age	*Gender*	*Nationality*
71	Male	Malaysian

Membership of Board Committees:
Nil

Date of appointment:
21 September 2010

Mr. Ho is in charge of Inari Group's technologies and customer relations.

He graduated with a Bachelor of Science (Hons) in Electrical and Electronics Engineering Degree from Thames Polytechnic, London in 1978, a Master of Science in Industrial Management from the University of Birmingham, UK in 1979 and a Master of Business Administration from the University of Santa Clara, California, US in 1985.

Mr. Ho has more than 40 years of industrial experiences in the semiconductor manufacturing and assembly, hard disk drive manufacturing and PCBA contract manufacturing, where he had held various key engineering and managerial positions in a number of multinational companies.

Other directorship in listed issuers and non-listed public companies:
Nil

PROFILE OF THE BOARD OF DIRECTORS
cont'd

CHONG POH LENG
Executive Director cum Group Chief Financial Officer

Age	*Gender*	*Nationality*
56	Female	Malaysian

Membership of Board Committees:
Nil

Date of appointment:
09 June 2026

Ms. Chong was appointed to the Board of Inari as Executive Director on 9 June 2026 and was concurrently redesignated as Executive Director cum Group Chief Financial Officer. She has served as the Group Chief Financial Officer of Inari Amertron Berhad since 15 October 2015.

She holds a Bachelor of Accounting degree from the University of Malaya and is a Chartered Accountant with the Malaysian Institute of Accountants ("MIA"). She is also a member of the ASEAN Chartered Professional Accountants ("ASEAN CPA"). In 2014, she completed the Senior Management Programme at INSEAD Business School (Institut Européen d'Administration des Affaires) in Fontainebleau, France.

In February 2025, Ms. Chong was appointed as a Committee Member of the Professional Accountants In Business ("PAIB") Committee of MIA. In this capacity, she contributes to the advancement of the accounting profession through regulatory enhancements, professional development and strategic initiatives engagement.

In September 2026, Ms. Chong was appointed by the Malaysian Accounting Standards Board ("MASB") as a member of one of its working groups. Through this appointment, she contributes industry and preparer perspectives to the consideration and development of accounting and financial reporting matters within the scope of the Working Group.

With over 30 years of professional and leadership experience, Ms. Chong has extensive experience across a broad spectrum of financial, operational and strategic disciplines, including group consolidation and financial reporting, corporate finance, mergers and acquisitions, equity fund raising, taxation, budgeting and cost management, enterprise resource planning system implementation, internal controls, enterprise risk management, corporate governance, regulatory compliance and sustainability.

Ms. Chong began her professional career in 1995 and has since held senior leadership positions in both private and publicly listed companies. Her experience spans companies listed on the Main Market of Bursa Malaysia across various sectors, including semiconductors and technology, manufacturing, construction, property development and utilities.

Other directorship in listed issuers and non-listed public companies:
Nil

PROFILE OF THE BOARD OF DIRECTORS
cont'd

AHMAD RIDZUAN BIN WAN IDRUS
Non-Independent Non-Executive Director

Age	*Gender*	*Nationality*
55	Male	Malaysian

Membership of Board Committees:
Nil

Date of appointment:
08 January 2021

The appointment of **En. Ahmad Ridzuan** as Non-Independent Non-Executive Director was nominated by the Employees Provident Fund ("EPF"), a substantial shareholder of Inari.

He holds a Bachelor of Commerce (Accounting) from the University of Otago, Dunedin, New Zealand and currently heads the Investment Services Department at EPF covering investment fund accounting, settlement, compliance monitoring functions and investment digital solutions. He has also been tasked to lead the EPF Data Governance Office and RPA Centre of Excellence.

He joined EPF in January 2019 as the Head of Investment Operations Department to spearhead the digital transformation for EPF Investment Division. Among other roles that he has taken during his tenure in EPF include leading the development of Simpanan Shariah ("SS") as one of the pension scheme options for EPF members and leading the EPF Sustainable Investment Centre ("SIC") in the development of EPF Sustainable Investment Framework and Policy.

Prior to joining EPF, En. Ahmad Ridzuan spent about 19 years in management consulting firms focusing on Strategy, Process Improvement, ERP systems implementation, Finance, Procurement and Digital Transformation for multi industries clients including asset management, automotive, financial, high technology and plantation industries. He is also familiar with marine and port management industries.

Other directorship in listed issuers and non-listed public companies:
Nil

DATO' MOHAMAD AZMI BIN ALI
Independent Non-Executive Director

Age	*Gender*	*Nationality*
69	Male	Malaysian

Membership of Board Committees:
- *Audit Committee (Chairman)*
- *Nomination Committee (Member)*
- *Remuneration Committee (Member)*

Date of appointment:
13 January 2023

Dato' Mohamad Azmi is a member of CPA (Australia) and the Malaysian Institute of Accountants. He holds a Bachelor of Accounting degree from University Kebangsaan Malaysia.

Dato' Mohamad Azmi's experience in the public sector spanned over 36 years, from 1981 until his retirement in 2017. Earlier in his career, he was appointed as the Kelantan State's Treasurer from 1983 to 1991. He also served in the Economic Planning Unit, Prime Minister's Department from 1992 to 2001. Following that, he was the Head of Accountant's General Office in Kuching from 2002 to 2008; and then as the Head Accountant of the Ministry of Education from 2008 to 2011. Subsequently, he headed various divisions in the Accountant's General Office before being appointed as the Deputy Accountant General of Malaysia in 2015. On 1 December 2020, he was appointed by the Ministry of Finance ("MOF") as the Registrar of the Malaysian Institute of Accountants.

Other directorship in listed issuers and non-listed public companies:
- Insas Berhad
- M & A Equity Holdings Berhad
- Microlink Solutions Berhad

PROFILE OF THE BOARD OF DIRECTORS
cont'd

DATO' ONG ENG BIN
Independent Non-Executive Director

Age	*Gender*	*Nationality*
63	Male	Malaysian

Membership of Board Committees:
- *Audit Committee (Member)*
- *Nomination Committee (Chairman)*
- *Remuneration Committee (Chairman)*
- *Sustainability and Risk Management Committee (Member)*

Date of appointment:
31 January 2024

Dato' Ong graduated from the University of Manchester, UK with a Bachelor of Arts (Honours) in Accounting & Finance and began his career at Pricewaterhouse Malaysia (now known as PricewaterhouseCoopers Malaysia) in 1986. Dato' Ong has an impressive career of 35 years at OCBC Bank (Malaysia) Berhad ("OCBC") where he rose through the ranks from a Corporate Banking Officer in 1988 to several leadership roles in different divisions of the bank including Chief Executive Officer ("CEO") of OCBC for 8 years from August 2014 until his retirement in December 2022.

During his tenure as CEO of OCBC, he was also the Chairman of Pac Lease Berhad and e2 Power Sdn Bhd as well as a Council Member of the Association of Banks in Malaysia. He was an Adviser to the Chairman of OCBC until 30 June 2023.

In addition to his directorship in other listed companies, Dato' Ong is also a Non-Executive Director of Asian Banking School Sdn Bhd and STF Resources Sdn Bhd as well as Chairman of the Investment Committee of Mapletree Emerging Growth Asia Logistics Fund and a council member of the Asian Institute of Chartered Bankers.

Other directorship in listed issuers and non-listed public companies:
- Crescendo Corporation Berhad

DR. KAMARULZAMAN BIN MOHAMED ZIN
Independent Non-Executive Director

Age	*Gender*	*Nationality*
71	Male	Malaysian

Membership of Board Committees:
- *Remuneration Committee (Member)*
- *Sustainability and Risk Management Committee (Chairman)*

Date of appointment:
28 September 2026

Dr. Kamarulzaman has extensive experience in the semiconductor, technology and investment sectors. After gaining his honours Physics degree from the University of Malaya, he pursued his postgraduate studies in the United Kingdom, earning a Masters in Semiconductor Devices from Lancaster University and eventually a PhD in Electrical Engineering from Imperial College London.

He is the Founder and Managing Director of Callidus Semikonduktor Sdn Bhd, a front-end semiconductor start-up. Prior to this, he was the Chief Executive Officer of the then Khazanah's wholly-owned subsidiary, SilTerra Malaysia Sdn Bhd, an IC fabrication facility serving the global semiconductor market. He had also served as Director of Investments at Khazanah Nasional Berhad and Vice President of Technology Management at Sapura Group. Earlier in his career, he was a faculty member teaching and conducting R&D in Universiti Malaya and Universiti Sains Malaysia, Penang.

Dr. Kamarulzaman had also served on the boards of MIMOS Berhad, CREST Sdn Bhd, UPM Innovations Sdn Bhd and several semiconductor-related start-up companies. In addition to his corporate roles, he has been actively involved in several industry advocacy groups such as SEMI SEA, Semiconductor Fabrication Association of Malaysia and Malaysia IC Design Association. He is a Life Member of the Institute of Electrical and Electronics Engineers ("IEEE").

Other directorship in listed issuers and non-listed public companies:
Nil

PROFILE OF THE BOARD OF DIRECTORS
cont'd

DR. SHARBANOM BINTI ABU BAKAR
Independent Non-Executive Director

Age	*Gender*	*Nationality*
58	Female	Malaysian

Membership of Board Committees:
- *Audit Committee (Member)*
- *Nomination Committee (Member)*

Date of appointment:
28 September 2026

Dr. Sharbanom graduated with a Bachelor of Commerce and Administration (Accounting) from the Victoria University of Wellington, New Zealand and holds a Master in E-Business Management (Distinction) and PhD in Engineering from the WMG University of Warwick, United Kingdom.

She currently serves as an Independent Non-Executive Director of Affin Islamic Bank Berhad and a Non-Executive Director of Radikale Konzept, a boutique consulting firm specialising in technology and ESG advisory.

She was previously a Lead Consultant with the United Nations Development Programme and a Senior Specialist with the United Nations Industrial Development Organisation. At the University of Warwick, she held roles as Assistant Professor, Project Researcher and Doctoral Researcher.

Earlier in her career, Dr. Sharbanom spent over 20 years in senior leadership roles at Ministry of International Trade and Industry Malaysia, IBM Malaysia, Sapura Secured Technologies Sdn Bhd and Telekom Malaysia Berhad, with experience spanning corporate strategy, enterprise technology, national-scale transformation and commercial growth. She began her career at Andersen Consulting.

Other directorship in listed issuers and non-listed public companies:
- Affin Islamic Bank Berhad

Save as disclosed above, none of the Directors has:

(i) any family relationship with any Director and/or major shareholder of the Company;
(ii) any conflict of interest or potential conflict of interest, including interest in competing business with the Company and its subsidiaries; and
(iii) any conviction for offences (excluding traffic offences, if any) within the past 5 years nor any public sanction or penalty imposed by the relevant regulatory bodies during the financial year ended 30 June 2026.

PROFILE OF THE KEY SENIOR MANAGEMENT

SABRAN BIN SAMSURI

Age	Gender	Nationality
61	Male	Malaysian

- *Chief Operating Officer of Inari Technology Sdn Bhd*

En. Sabran was appointed as Chief Operating Officer ("COO") of Inari Technology Sdn Bhd on 1 November 2013. As COO, he is responsible for overseeing the company's operations, ensuring efficiency and effectiveness in manufacturing processes, and aligning operational strategies with the company's business goals.

He graduated from University of Arizona, Tucson, USA with a Bachelor of Science (BSc) in Mechanical Engineering. He began his career in 1988 at Advanced Micro Devices ("AMD") in Penang; In 1993, he joined Advanced Semiconductor Engineering (M) Sdn Bhd ("ASEM"), where he held various engineering and operational roles; he was involved in advanced packaging, process engineering, technology and business development. Before leaving ASEM, En. Sabran served as the Vice President of Operation, overseeing Assembly and Test Operations.

In Inari, En. Sabran is responsible for establishing a clear operational model that defines resources, productivity, costs, and deliverables, leveraging iMES-based data for real-time performance management; developing roadmap for operational excellence that aligns with corporate strategies, as well as identify key success factors and setup execution plans and schedules; continuous empowerment and performance management through data-driven executions to enhance revenue and profitability; and advancing technological, technical, and capability roadmap while ensuring the development of necessary skillsets to support both operational and strategic objectives.

En. Sabran's extensive experience in the Electronics Manufacturing Services ("EMS") and Outsourced Semiconductor Assembly and Test ("OSAT") industry is instrumental in driving operational excellence and supporting Inari's growth and success.

OOI BOON SHIN

Age	Gender	Nationality
49	Male	Malaysian

- *Senior General Manager of Inari Technology Sdn Bhd*

Mr. Ooi joined Inari as General Manager of Finance on 13 May 2013 and has been promoted to Senior General Manager since 1 October 2017 to oversee the supporting functions of all the subsidiaries in Penang, Malaysia.

He graduated from La Trobe University, Australia with a Bachelor of Commerce in Accounting. He started his career with Ernst & Young as an auditor and has subsequently held management position in both private and public listed entities with more than 21 years of working experience in the manufacturing industry. Prior to joining Inari, he held the position as Head of Finance for Texchem-Pack Group of Companies that was listed in Singapore Stock Exchange.

PROFILE OF THE KEY SENIOR MANAGEMENT
cont'd

LIM CHEE CHIANG

Age	Gender	Nationality
49	Male	Malaysian

- *Senior Vice President of Inari Semiconductor Labs Sdn Bhd*

Mr. Lim joined Inari in December 2014 as one of the pioneers who established the Inari Semiconductor Labs ("ISL") division and was promoted to Senior Vice President on 1 July 2026. He played a key role in developing ISL's laser optical business from initial development to mass production, building its engineering and operational capabilities, and establishing an automated and scalable manufacturing setup while maintaining efficiency, quality and reliability.

Mr. Lim holds a Bachelor's Degree in Electronics (Telecommunication) from Universiti Teknologi Malaysia. He began his career with Flextronics Senai before joining Avago Technologies, where he gained extensive experience in radio frequency ("RF") test development engineering and research and development ("R&D") project management. With more than 14 years of experience in RF processes and technologies, including test engineering, RF tester development and RF module R&D, he has established a strong foundation in both engineering and business operations.

In his current role, he is responsible for overseeing ISL's overall operations, driving efficiency and operational excellence across the optical business, and identifying and developing new optical-related business opportunities. Drawing on his technical expertise, leadership and business development capabilities, he continues to lead ISL in strengthening its optical business and pursuing new growth opportunities in the semiconductor industry.

ONG TEAN WEE

Age	Gender	Nationality
46	Male	Malaysian

- *General Manager (Factory-In-Charge) of Amertron Technology (Kunshan) Co Ltd*

Mr. Ong was appointed as the General Manager (Factory-In-Charge) of Amertron Technology (Kunshan) Co. Ltd, China on 6 May 2024.

He graduated from the University of Malaysia, Sarawak ("UNIMAS") with a Bachelor's Degree in Mechanical Engineering and Manufacturing System.

Mr. Ong started his career in 2005 at Intel Technology (M) Sdn Bhd ("Intel") as Process Development Engineer where he amassed extensive expertise in process development, product technology transfer, and high-volume manufacturing optimisation in semiconductor assembly packaging. He is also a member of Process Technologist in Intel which is expertise in Thermal and Mechanical, he led problem solving across multiple factory site, driving advancements in equipment matching methodologies, new material qualifications, and next generation equipment technology validation. In 2016, Mr. Ong joined Lumileds Malaysia Sdn Bhd to drive the assembly process towards operational excellence with emphasis on promoting lean culture, ensure high data accuracy, and automate product defect detection. Mr. Ong as the Operation Director of Engineering had consolidated multiple business engineering units under one team and setup world class in-house reliability centre in Penang before leaving to join Inari in 2024.

Mr. Ong has more than 21 years of experience in the IC/LED semiconductor manufacturing industry and has broad experience in leading operations for top and bottom-line performance, technology and managing key customer relationships.

None of the Key Senior Management has:

(i) any family relationship with any Director and/or major shareholder of the Company;
(ii) any conflict of interest with the Company;
(iii) any directorship in public companies and listed corporations; and
(iv) any conviction of offences (excluding traffic offences, if any) within the past 5 years and there were no public sanctions or penalties imposed by the relevant regulatory bodies during the financial year ended 30 June 2026.

CHAIRMAN'S LETTER TO THE SHAREHOLDERS

Dear Shareholders,

On behalf of the Board of Directors, I am pleased to present the Annual Report and Audited Consolidated Financial Statements of Inari Amertron Berhad ("Inari" or the "Company") and its subsidiaries (the "Group") for the financial year ended 30 June 2026 ("FY2026").

FY2026 was an important year of transition for Inari.

Against a backdrop of continuing geopolitical developments, macroeconomic uncertainties and the ongoing realignment of global semiconductor supply chains, the Group remained focused on strengthening its operating fundamentals, exercising financial discipline and positioning the business for its next phase of growth.

At the same time, the semiconductor industry is undergoing a structural transformation. The rapid advancement of artificial intelligence ("AI"), high-performance computing and data-centre infrastructure is reshaping demand across the semiconductor value chain. Increasing requirements for computing power, high-speed optical connectivity, power efficiency and more sophisticated semiconductor integration are creating new opportunities that are increasingly aligned with Inari's capabilities.

Our strategic direction is therefore clear: to build on our established strengths while progressively moving into higher-value and higher-growth segments of the semiconductor ecosystem.

PERFORMANCE REVIEW

For FY2026, the Group recorded revenue of RM1.19 billion and net profit of RM122.6 million.

The Group remains financially strong, with cash and cash equivalents of RM2.21 billion and zero borrowings as at 30 June 2026. While the year's financial performance reflected a transitional phase of the business, the Group's resilient balance sheet continues to provide us with significant financial flexibility.

This strength enables Inari to continue investing in new manufacturing capabilities, support customer-driven capacity expansion, pursue strategic partnerships and evaluate growth opportunities, while maintaining prudent financial discipline.

Throughout the year, Management remained focused on operational efficiency, manufacturing excellence, yield improvement and responsiveness to customer requirements. These fundamentals remain central to sustaining customer confidence and strengthening the Group's long-term competitiveness.

BUILDING FROM STRENGTH

Inari has built its position over many years through deep manufacturing expertise, disciplined execution and longstanding customer relationships.

Our established Radio Frequency ("RF") System-in-Package capabilities remain a core strength of the Group. At the same time, we are progressively broadening our technology and manufacturing capabilities into adjacent higher-value areas to support future growth, diversify our earnings base and create greater long-term value.

Our technology and business roadmap is focused on strengthening our core RF packaging capabilities, expanding our participation in photonics and optical connectivity, developing higher-value integrated solutions, and advancing our capabilities in advanced semiconductor packaging.

Collectively, these initiatives are intended to broaden Inari's technology portfolio, strengthen our relevance to customers and position the Group to capture emerging opportunities across AI infrastructure, data-centre connectivity and other higher-value semiconductor applications.

PHOTONICS – BUILDING THE NEXT GROWTH PLATFORM

Photonics represents one of the Group's key areas of long-term opportunity.

Inari has been developing laser and photonics manufacturing capabilities for more than a decade. Our existing competencies extend across wafer certification, chip fabrication, chip-on-carrier assembly optical sub-assembly and related testing processes.

As AI workloads expand, data centres require significantly greater bandwidth, lower latency and increasingly efficient interconnect architectures. This is accelerating the shift towards optical connectivity and creating opportunities across the photonics value chain.

CHAIRMAN'S LETTER TO THE SHAREHOLDERS
cont'd

During FY2026, the Group continued to expand its photonics manufacturing capabilities and infrastructure, including further expansion at P34 to support increased customer demand, with additional equipment and facilities planned for FY2027.

We believe that our established capabilities, manufacturing experience and ongoing investment in this area provide Inari with a meaningful platform from which to participate in the longer-term development of AI and data-centre infrastructure.

ADVANCING INTO HIGHER-VALUE PACKAGING

Advanced packaging is another important strategic priority.

As semiconductor architectures become more complex, an increasing proportion of value creation is moving beyond traditional assembly into areas such as heterogeneous integration, high-density interconnects and chiplet-based architectures.

Inari's roadmap is to progressively strengthen our competencies in flip-chip attachment, substrate handling, underfill, moulding, warpage and thermal control, while developing capabilities in redistribution layers, copper-pillar bumping, fine-pitch interconnect, interposer assembly and 2.5D-related packaging.

We recognise that building these capabilities will require sustained investment, technical development and collaboration.

Strategic partnerships will therefore remain an important part of our growth strategy. By combining Inari's established manufacturing scale, engineering capabilities and execution track record with complementary technologies and expertise, we aim to accelerate capability development and expand our participation in higher-value semiconductor applications.

STRENGTHENING OUR MANUFACTURING PLATFORM

Inari today operates 11 manufacturing plants across Malaysia, the Philippines and China, encompassing more than 2.15 million square feet of manufacturing space and supported by a workforce exceeding 6,000 employees.

Our approach to capacity expansion remains disciplined, customer-driven and focused on speed to market.

In Batu Kawan, Penang, the Group is developing additional manufacturing capacity adjacent to our P34 facility and has acquired further industrial land to provide flexibility for future expansion.

Beyond physical capacity, we will continue investing in automation, process engineering, productivity enhancement and talent development. Technology capability alone is not sufficient. Our ability to execute consistently, scale efficiently and meet demanding customer requirements on the manufacturing floor remains one of Inari's key competitive strengths.

SUPPORTING MALAYSIA'S SEMICONDUCTOR ECOSYSTEM

Inari's development has taken place alongside the growth of Penang's semiconductor and electrical and electronics ecosystem.

With more than five decades of industry development, Penang has established a comprehensive ecosystem comprising multinational companies, publicly listed companies, local technology companies and a broad network of small and medium enterprises.

Through what we describe as the "Inari Waterfall Effect", we seek to create opportunities across the local supply chain by enabling multi-tier suppliers to develop their capabilities and progressively move up the semiconductor value chain.

This is aligned with Malaysia's New Industrial Master Plan 2030 ("NIMP 2030") and National Semiconductor Strategy, which seek to deepen domestic capabilities and increase Malaysia's participation in higher-value semiconductor activities.

As a Malaysian technology company with a significant manufacturing footprint, Inari remains committed to contributing meaningfully to this national ambition.

OUTLOOK AND PROSPECTS

Looking ahead to FY2027, we enter the year with a broader and more diversified growth pipeline.

The Group expects increased revenue contribution from its expanded product pipeline, particularly in photonics and advanced packaging, alongside our established RF and industrial products, as opportunities continue to emerge from the growth of generative AI.

We will continue to scale our photonics capabilities, advance our packaging technologies, deepen existing customer relationships, develop new strategic partnerships and enhance our manufacturing capabilities and operational efficiency.

CHAIRMAN'S LETTER TO THE SHAREHOLDERS
cont'd

At the same time, we will maintain discipline in capital deployment. Every significant investment will be evaluated against its strategic relevance, customer requirements, expected returns and ability to strengthen the Group's long-term earnings capability and competitive position.

Our longer-term ambition is clear: to evolve Inari from a company recognised predominantly for its RF System-in-Package strength into a broader and higher-value semiconductor manufacturing platform with meaningful participation in photonics, advanced packaging, connectivity and AI-related applications.

Our priority for FY2027 is therefore **execution**.

MY VALUE UP – STRENGTHENING LONG-TERM SHAREHOLDER VALUE

The Board remains firmly focused on sustainable long-term value creation.

Consistent with the principles underlying MY Value Up, a national initiative jointly introduced by the Securities Commission Malaysia and Bursa Malaysia, we believe that enduring shareholder value is created through a combination of profitable growth, disciplined capital allocation, strong governance, strategic investment and transparent communication with shareholders.

For Inari, this means ensuring that our financial resources are deployed purposefully.

Our strong cash position provides strategic flexibility, and we will continue to deploy capital with discipline and strategic intent. Investments must strengthen the Group's strategic position, enhance technology capabilities, broaden our earnings base or deliver appropriate long-term returns.

We will continue to balance the Group's capital allocation priorities across organic and inorganic growth, technology investments, strategic partnerships, investment opportunities and appropriate returns to shareholders.

SUSTAINABILITY AND RESPONSIBLE GROWTH

Sustainability remains central to our approach in strengthening business resilience and creating long-term value for our stakeholders.

Inari has remained a constituent of the FTSE4Good Bursa Malaysia Index since 22 June 2020, reflecting our continuing commitment to responsible environmental, social and governance practices.

Our Sustainability Statement continues to align with recognised frameworks and standards, including the Global Reporting Initiative ("GRI") Standards, International Sustainability Standards Board ("ISSB") Standards, United Nations Sustainable Development Goals ("UNSDGs") and FTSE4Good Bursa Malaysia Index ESG indicators.

As the Group expands its manufacturing and technology footprint, we will continue integrating environmental responsibility, employee development, workplace safety, sound governance and ethical business conduct into our decision-making and operations.

For Inari, responsible growth is fundamental to sustainable long-term value creation.

RETURNING VALUE TO SHAREHOLDERS

The Board recognises the importance of delivering appropriate returns to shareholders while maintaining sufficient financial capacity to support the Group's future development.

For FY2026, the Group distributed dividends amounting to RM179.7 million, equivalent to 4.70 sen per ordinary share, representing a dividend payout ratio of 146.6% of profit after tax.

This reflects both the strength of the Group's balance sheet and the Board's commitment to balancing shareholder returns with future investment requirements.

Going forward, we will continue to approach capital allocation prudently, with the objective of maintaining financial flexibility while generating sustainable long-term returns for shareholders.

IN REMEMBRANCE OF Y.A.M. TENGKU AISHAH

This year, the Inari family experienced a profound loss with the passing of our former Chairperson, **Y.A.M. Tengku Puteri Seri Kemala Tengku Dato' Sri Setia Hajjah Aishah Binti Almarhum Sultan Haji Ahmad Shah Al-Musta'in Billah, DK., SAAS., SSAP., SIMP**. in August 2026.

The late Y.A.M. Tengku Aishah served Inari with distinction, dedication and commitment over many years, including as Chairperson of the Board.

Her leadership, wisdom and guidance accompanied the Group through an important period of its development and growth. Her contribution went beyond Board stewardship; she was part of Inari's journey and helped shape the Group that we know today.

On behalf of the Board, Management and all employees of Inari, I wish to place on record **our deepest appreciation and gratitude for her invaluable service and contribution to the Group**.

CHAIRMAN'S LETTER TO THE SHAREHOLDERS
cont'd

Her passing is deeply felt by all of us who had the privilege of knowing and working with her.

We extend our heartfelt condolences to her family and loved ones. **Her contribution to Inari and the legacy she leaves behind will always be remembered with great respect and appreciation**.

APPRECIATION

I would also like to place on record the Board's sincere appreciation to the Directors who retired during the year. Their experience, counsel, leadership and commitment have contributed meaningfully to the development of the Group, and we thank them for their dedicated service during their respective tenures.

To my fellow Board members, our Group CEO, Group CFO and Management team, thank you for your leadership, commitment and stewardship throughout the year.

To our more than 6,000 employees across Malaysia, the Philippines and China, your dedication, resilience and commitment to operational excellence remain fundamental to Inari's success.

I would also like to express our sincere appreciation to our customers, business partners, suppliers, advisers, bankers, government and regulatory authorities for their continued support and cooperation.

And, most importantly, to our shareholders, thank you for your continued trust and confidence in Inari.

FY2026 was a year of transition, but it was also a year in which we continued to lay the foundations for the next chapter of Inari's development. We enter FY2027 with a strong balance sheet, established manufacturing scale, trusted customer relationships, growing technology capabilities and a well-defined strategic direction.

Our responsibility now is to translate these strengths into sustainable earnings growth and long-term shareholder value. We will remain disciplined in execution, purposeful in investment and focused on building a business that is more diversified, technologically relevant and competitively positioned for the future.

Our commitment is to continue building a stronger, more diversified and higher-value Inari, with the resilience and capabilities to create sustainable long-term value for our shareholders.

Thank you.

On behalf of the Board

DATUK PHANG AH TONG

Chairman
23 October 2026

MANAGEMENT DISCUSSION AND ANALYSIS

(A) OVERVIEW OF BUSINESS OBJECTIVES AND STRATEGIES

Inari Amertron Berhad ("Inari" or the "Company") and its subsidiaries (the "Group") are Outsourced Semiconductor Assembly and Test ("OSAT") service providers to the semiconductor industry, with capabilities spanning radio frequency ("RF"), fibre-optic transceivers, optoelectronics, memory modules, sensors and custom integrated circuit ("IC") technologies. The Group provides a broad range of semiconductor manufacturing and related services, including:

- Wafer processing, including bumping, probing, laser marking, die sawing, back grinding, flip-chip dice tape-and-reel and automated visual inspection ("AVI").
- Chip fabrication and wafer certification for fibre-optic chips, including wafer scribe and cleave, bar alignment, demount-load fixtures, facet coating and chip-on-carrier ("COC") assembly.
- Advanced System-in-Package ("SiP") assembly and test, including fine-pitch surface mount technology ("SMT"), high-speed & high-accuracy flip-chip die placement, in-line post vision, moulding underfill ("MUF"), post-mould oxide plating and final testing.
- Mixed-signal testing for Edge AI packages, Co-Packaged Optics packages and automotive semiconductor applications.
- Stacked-die capabilities for memory modules.
- New product introduction ("NPI"), failure analysis, sensor and IC package design and characterisation, process customisation and assembly, product testing, box build and direct-to-end-customer drop-ship services.

The Group remains focused on sustainable long-term growth through disciplined investment in capacity, technology and operational excellence. Our priorities are to strengthen manufacturing capabilities, enhance execution, develop talent and embed responsible business practices across the Group. In parallel, we continue to advance digitalisation, automation and data-driven manufacturing to improve productivity, traceability and responsiveness.

Building on our established RF SiP capabilities, the Group is progressively broadening its technology and manufacturing capabilities into photonics, higher-value integrated solutions and advanced packaging. These strategic areas are intended to deepen Inari's participation in higher-value semiconductor applications, including AI infrastructure, data-centre connectivity and other emerging applications, while creating a more diversified and resilient earnings base.



MANAGEMENT DISCUSSION AND ANALYSIS
cont'd

(A) OVERVIEW OF BUSINESS OBJECTIVES AND STRATEGIES *(cont'd)*

MANUFACTURING CAPABILITIES

High-Mix Low-Volume & Low-Mix High-Volume Operations

Wafer Probe & Processing

- Fine Print Wafer Bumping
- Low Stress Bumped & Unbumped Wafer
- Tight Temperature Control & Stress Test
- IR/2D/3D MEMS Inspection
- Chip-on-Carrier Wafer Coating & Processing



Assembly

- Hermetic, Leaded, Sensor & LED Packages
- RF System in Package
- Power System on Module
- Fine Pitch Flip Chip Surface Mounting
- Fibre Transceiver Packages



Package Test

- Radio Frequency Testing (~20GHz)
- Fibre LIV/Dynamic Testing
- Optical/3D Sensor Testing
- Test Design & Development
- Complex High Speed ASIC Testing



Back-End

- Die Level Traceability & Genealogy
- In-line Automated Visual Inspection
- Burn-In, Pre-Cond & MSL Packing
- Vendor Managed Inventory & Drop Ship
- Customer Interactive Tracking Portal



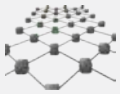
RF device for Smart Mobiles



Sensors for Automotive & Industrial



Fibre and ASICs for Communications & Storage



KEY CAPACITIES (and growing)

Wafer Probe & Process

300+	Probers
60+	Wafer Saws
5+	Back Grinders
150+	Flip Chip T&R

Surface Mount & Assembly

20+	SiP Lines
30+	Moulds
20+	Laser Markers
30+	AOIs

Automated Test Equipment (ATEs)

1,500+	Test Systems
70+	ATE Testers
1,000+	Handlers
50+	AOIs







7+ Billion Chips Produced Yearly

MANAGEMENT DISCUSSION AND ANALYSIS
cont'd

(A) OVERVIEW OF BUSINESS OBJECTIVES AND STRATEGIES *(cont'd)*

REVENUE
(RM'million)



Established Revenue Base

Revenue of RM1.19 billion was recorded in FY2026, maintaining a sizeable revenue base built over the Group's years of growth.

PROFIT AFTER TAX ("PAT")
(RM'million)



Profitable Through a Transition Year

PAT of RM122.6 million was recorded in FY2026, supported by continued cost discipline and operational efficiency.

MANAGEMENT DISCUSSION AND ANALYSIS
cont'd

(A) OVERVIEW OF BUSINESS OBJECTIVES AND STRATEGIES *(cont'd)*

EARNINGS BEFORE INTEREST, TAX, DEPRECIATION AND AMORTISATION ("EBITDA")
(RM'million)



Healthy EBITDA Margin

EBITDA was RM268.3 million in FY2026, representing a margin of 22.6%.

DIVIDEND PAYOUT RATIO
(%)



Consistent Shareholder Returns

The Group declared dividends of RM179.7 million in FY2026, representing a payout ratio of 146.6%. Total cash dividends paid since FY2011 amounted to RM2.62 billion.

MANAGEMENT DISCUSSION AND ANALYSIS
cont'd

(B) FINANCIAL REVIEW

Financial Performance

The Group recorded revenue of RM1.19 billion for the financial year ended 30 June 2026 ("FY2026"), representing a decrease of 12.2% from RM1.35 billion in FY2025. The decline was mainly due to lower loading volume during the year, while RF remained the Group's principal revenue contributor.

Net profit was RM122.6 million, 42.5% lower than RM213.1 million in FY2025. EBITDA decreased by 25.5% to RM268.3 million, representing an EBITDA margin of 22.6%. The lower profitability reflected reduced loading volume, higher operating expenses and fire-related losses and provisions incurred during the year.

The net profit for the financial year under review is derived after accounted for:

- Fire-related losses and provisions of approximately RM41.9 million, comprising mainly the write-off of affected property, plant and equipment and inventories, together with other related costs arising from the incident.
- Depreciation of property, plant and equipment of RM128.9 million, RM9.0 million lower than RM137.9 million in FY2025.
- Interest income of RM58.8 million, RM8.9 million lower than RM67.7 million in FY2025.
- Foreign currency exchange loss of RM24.6 million, compared with a loss of RM42.4 million in FY2025, arising primarily from movements in the US Dollar against the Ringgit Malaysia.

Profit Attributable to Owners of the Company

Profit attributable to owners of the Company decreased by 41.7% year-on-year to RM127.5 million in FY2026, compared with RM218.7 million in FY2025. Earnings per share was 3.35 sen for FY2026, compared with 5.78 sen in the preceding financial year.

Liquidity and Capital Resources

The Group maintained a strong liquidity position, with cash and cash equivalents of RM2.21 billion as at 30 June 2026, compared with RM2.14 billion a year earlier. This balance included RM338.2 million of unutilised net proceeds from the private placement exercise completed on 30 July 2021, after utilisation for capital expenditure, acquisitions and investments.

The Group continued to generate healthy operating cash flows while funding capital expenditure and shareholder dividend distributions. Key cash flow movements during FY2026 included:

a) Net cash generated from operating activities of RM305.2 million, compared with RM331.2 million in FY2025.

b) Capital expenditure of RM82.1 million, compared with RM122.0 million in FY2025, principally for production-facility expansion, capacity requirements, automation and cost-optimisation initiatives.

c) Net cash outflow from financing activities of RM123.7 million, mainly comprising cash dividend payments of RM183.4 million and repayment of lease liabilities of RM1.8 million, partially offset by RM61.5 million of proceeds from the exercise of ESOS options.

The Group's strong balance sheet and liquidity provide substantial financial flexibility to support customer-driven capacity expansion, technology investments, strategic partnerships and other value-accretive opportunities, while maintaining disciplined capital allocation and appropriate returns to shareholders.

MANAGEMENT DISCUSSION AND ANALYSIS
cont'd

(B) FINANCIAL REVIEW *(cont'd)*

Gearing

The Group remained debt-free with zero gearing as at 30 June 2026.

Dividend

During FY2026, the Company declared four (4) interim dividends totalling 4.70 sen per ordinary share, amounting to RM179.7 million. This represented a dividend payout ratio of 146.6% of profit after tax, compared with a payout ratio of 97.8% and total dividends of RM208.4 million, or 5.50 sen per ordinary share, in FY2025.

The Board continues to balance shareholder returns with the Group's requirements for financial flexibility and funding of future strategic investments.

(C) OPERATIONS REVIEW

Key Milestones and Operations Highlights

(1) Performance in FY2026

FY2026 was a transition year for the Group. The semiconductor industry continued to be a key enabler of technological advancement across artificial intelligence ("AI"), data centres, communications, automotive, industrial and consumer applications. As devices become more complex and require greater integration, the need for advanced assembly, packaging and testing capabilities continues to evolve.

Against this backdrop, Inari continued to strengthen its operating platform through investments in talent, automation, process engineering and advanced manufacturing equipment. Building on our established RF capabilities, the Group expanded its participation in higher-value applications, including mixed-signal testing for Edge AI, Co-Packaged Optics and automotive semiconductor applications.

Key industry trends relevant to the Group include:

- Resilient demand for smart devices, including smartphones, wearables and other Internet-of-Things ("IoT") devices with increasingly intelligent and connected features.
- Expansion of AI infrastructure and data centres, supporting demand for optical transceivers, high-speed optical modules and related semiconductor devices.
- Increasing deployment of Edge AI across consumer, automotive and industrial applications.
- Continued digitalisation and growth in data requirements, supporting demand for memory and storage solutions.
- Emerging power-management and functional-module applications, including System-on-Module solutions.
- Greater adoption of smart displays and high-power LED applications.
- Wider use of advanced sensors across healthcare, automotive, sports simulation and smart-home applications.

The Group remained focused on delivering higher-value assembly, packaging and testing solutions with speed to market. These initiatives enhance operational resilience, broaden the Group's addressable opportunities and position Inari to participate more meaningfully in the transition towards increasingly integrated and advanced semiconductor architectures.

MANAGEMENT DISCUSSION AND ANALYSIS
cont'd

(C) OPERATIONS REVIEW *(cont'd)*

Key Milestones and Operations Highlights *(cont'd)*

(2) Operational Highlights

The TQRDCBE framework - Technology, Quality, Responsiveness, Delivery, Cost, Business Acumen and Environment - remains embedded in the Group's operating culture and business strategy. These principles guide our approach to operational excellence and have received positive recognition from customers through their annual business reviews.

Inari continues to invest in technology, manufacturing systems, employee capabilities and advanced equipment to keep pace with IC miniaturisation and increasingly complex packaging requirements.

Through early customer engagement, our New Technology and Development ("NTD") and New Product Introduction ("NPI") teams work closely with customers to develop and qualify manufacturing and packaging processes that support quality, yield, efficiency and faster time to market.

Our Industry 4.0 initiatives and internally developed Inari Manufacturing Execution System ("iMES") provide greater machine connectivity, process visibility, traceability and data accuracy, enabling faster and more informed operational decision-making.

RF SiP – Strengthening the Core Platform

System-in-Package ("SiP") remains a core capability of the Group, with RF continuing to be our principal revenue contributor. The evolution of flagship mobile devices towards smaller form factors and higher performance continues to drive demand for precision flip-chip placement, high-yield electromagnetic interference ("EMI") shielding and increasingly integrated module solutions.

Inari continues to advance our RF platform with our core customer while strengthening the capabilities that support high-volume, high-yield manufacturing. Over the longer term, the Group intends to build on our RF SiP and flip-chip expertise as a pathway towards higher-density and more advanced packaging architectures.

Photonics and Advanced Packaging

Photonics is an important strategic growth area for the Group. Inari has established capabilities across wafer certification, chip fabrication, chip-on-carrier assembly, optical assembly and related testing processes.

As AI and data-centre workloads require higher bandwidth and more efficient interconnect architectures, optical connectivity is becoming increasingly important to next-generation infrastructure. During FY2026, the Group continued to expand our photonics manufacturing capabilities and infrastructure, including further development at P34 to support customer requirements.

Advanced packaging is another strategic focus. Building on our existing flip-chip expertise, the Group is progressively developing capabilities in substrate handling, underfill, moulding, warpage and thermal control, while building competencies in higher-density interconnects, chiplet integration and 2.5D-related packaging.

Strategic partnerships and close collaboration with customers and technology partners will remain important in accelerating capability development, shortening time to market and expanding participation in higher-value semiconductor applications.

MANAGEMENT DISCUSSION AND ANALYSIS
cont'd

(C) OPERATIONS REVIEW *(cont'd)*

Key Milestones and Operations Highlights *(cont'd)*

(2) Operational Highlights *(cont'd)*

Amertron Business Units – Stable Performance and Capability Expansion

Amertron's operations in the Philippines and China have extensive experience in assembly services for optical, sensor and related semiconductor products. During FY2026, the China operation continued to rank among its core customer's top three (3) contract manufacturers, reflecting our service quality and execution capabilities.

The Philippines operation benefited from global supply-chain diversification and order fulfilment for AI-related applications. It also continued to advance its wide-bandgap ("WBG") semiconductor capabilities, particularly in Silicon Carbide ("SiC") packaging and testing, with products qualified and reliability-tested to applicable automotive and industrial standards. Building CK2.1 has been fully utilised for mass production, supporting the operation's SiC and fibre-transceiver activities.

Across the Amertron operations, continuous improvement, lean manufacturing and productivity enhancement remain key priorities to strengthen competitiveness and support future customer requirements.

Inari MIT ("IM") – Customised Equipment and Automation

IM develops customised equipment and automation solutions to address complex assembly and packaging requirements. Its multidisciplinary local design team, spanning mechanical, electrical and software engineering, enables the development of product-focused solutions with competitive cost, shorter lead times and greater process flexibility.

These capabilities support improvements in overall equipment effectiveness, productivity and automation across the Group, while also creating opportunities for external commercialisation. Following its successful commercialisation of customised machines to a major external customer and inclusion in that customer's global approved vendor list, IM continues to develop solutions aligned with semiconductor miniaturisation, die stacking and advanced packaging requirements.



Joint Venture - Yiwu Semiconductor International Corporation ("YSIC")

YSIC was established to participate in the China domestic OSAT market, with capabilities in Chip Scale Packaging, Wafer Level Packaging, modules and SiP assembly and test. Process qualifications have been completed for a number of start-up chip customers; however, capacity utilisation remained low as many of these customers continued to be in research and development phases.

YSIC continues to support start-up customers while seeking opportunities involving more mature product portfolios and customised advanced packaging platforms. The Group will continue to assess the development of YSIC in the context of market opportunities, customer progress and our broader strategic objectives in China.

MANAGEMENT DISCUSSION AND ANALYSIS
cont'd

(D) CHALLENGES & RISKS

The Group remains constructive on the long-term opportunities arising from semiconductor industry development, while remaining mindful of rapid technological change, intense competition, cyclical demand, customer concentration, foreign currency movements and broader macroeconomic and geopolitical uncertainties. We continue to strengthen risk management, business continuity and sustainability practices through established governance frameworks, policies and regular monitoring to support timely risk identification, informed decision-making and operational resilience.

Economic, Geopolitical and Market Environment

The semiconductor industry operates within a dynamic environment shaped by global economic conditions, geopolitical developments, technology transitions, supply-chain realignment and changing end-market demand. While these developments create opportunities, they may also result in demand volatility, supply disruption, pricing pressure and technology obsolescence.

The Group seeks to mitigate these risks by maintaining flexible manufacturing capabilities, strengthening engineering competencies, broadening our product and application portfolio and continuing to diversify customer and revenue opportunities. Cost discipline, process optimisation, automation, efficient resource utilisation and productivity enhancement remain important priorities.

Cyclical Nature of the Semiconductor Market

The semiconductor industry is inherently cyclical. Periods of strong demand and capacity investment may be followed by inventory corrections or moderation in end-market demand, which may affect production volumes, capacity utilisation and pricing conditions.

The Group monitors market conditions and customer requirements closely, adopts a disciplined approach to capital investment and calibrates capacity additions to customer commitments and market visibility. Product, application and customer diversification, together with continued technology development and workforce upskilling, support the Group's ability to respond to changing market conditions.

Dependence on Major Customers and Competitive Industry Environment

A significant portion of the Group's revenue is derived from several major customers. The Group has maintained long-standing relationships with key customers in a highly competitive industry characterised by rapid technological change and demanding quality and delivery requirements.

To strengthen customer confidence and manage concentration risk, Inari continues to enhance manufacturing processes, technology capabilities and quality-management standards while expanding our product pipeline, applications and customer engagement. The Group's engineering expertise, manufacturing scale and ability to provide customised semiconductor packaging and testing solutions remain key differentiators.

Human Capital

The Group's performance and long-term development depend on the expertise, commitment and leadership of our people. Succession planning, talent development and employee retention are therefore important priorities in supporting leadership continuity, operational resilience and sustainable growth.

Inari continues to invest in professional development, strengthen recruitment practices and review remuneration and benefits to remain competitive. These initiatives are supported by our commitment to human and labour rights and to maintaining a safe, inclusive and supportive workplace. Further information is set out in the Sustainability Statement under "Workplace - Caring for our People".

MANAGEMENT DISCUSSION AND ANALYSIS
cont'd

(D) CHALLENGES & RISKS *(cont'd)*

Foreign Currency Exchange Fluctuation

The Group is exposed to foreign currency risk as a substantial portion of revenue across our operating subsidiaries is denominated in US Dollars, while the Group reports in Ringgit Malaysia and incurs costs in various local currencies.

The Group manages this exposure through foreign currency hedging and natural hedging where practicable, including procurement and purchasing arrangements denominated in US Dollars. The Group continues to monitor foreign exchange movements and our currency exposures as part of our treasury risk-management practices.

(E) OUTLOOK AND PROSPECTS

According to World Semiconductor Trade Statistics ("WSTS"), the global semiconductor industry continues to benefit from strong demand driven by artificial intelligence ("AI"), high-performance computing and advanced memory. WSTS forecasts the global semiconductor market to reach approximately USD1.51 trillion in 2026 and grow by a further 27% to approximately USD1.91 trillion in 2027, with memory and logic remaining the key growth drivers. [1]

Looking ahead to FY2027, the Group expects increased contribution from our expanded product pipeline, particularly in photonics and advanced packaging, alongside our established RF and industrial products as opportunities continue to emerge from the growth of generative AI.

The Group's priorities remain focused on execution. The Group will continue to scale our photonics capabilities, advance packaging technologies, strengthen manufacturing capabilities, deepen existing customer relationships and develop strategic partnerships that complement the Group's technology roadmap.

Capital deployment will remain disciplined and customer-driven, with investments in equipment and capacity aligned to customer commitments, strategic relevance, expected returns and market visibility.

With a strong balance sheet, established manufacturing scale, longstanding customer relationships and an expanding technology roadmap, the Group is well positioned to strengthen our competitiveness and progressively build a broader and higher-value semiconductor manufacturing platform.

The Group remains focused on translating these capabilities into sustainable earnings growth and long-term value creation, while maintaining the agility and financial discipline required to navigate a cyclical and rapidly evolving semiconductor industry.



Source:

[1] *World Semiconductor Trade Statistics (WSTS), "Global Semiconductor Market Surges Beyond USD1.5 Trillion in 2026 Driven by Extraordinary Memory Expansion", June 2026.*



SUSTAINABILITY STATEMENT

CONTENTS

About This Sustainability Statement
Reporting Period And Boundary
Reporting Framework And Standards
First-Time Adoption Of IFRS Sustainability Disclosure Standards And Transition Reliefs
Connectivity With Financial Statements
Statement of Assurance
Availability
Point Of Contact
Our Sustainability Journey Thus Far
Our Sustainability Governance
Our Sustainability Policy
Our Sustainability Strategy
Corporate Membership And Association
Our Sustainability Metrics And Targets
Listening To Our Stakeholders
Materiality Assessment

ECONOMIC
Better Results from Better Practices
Corporate Governance And Ethics
Customer Satisfaction
Innovation
Supply Chain Management
Privacy And Data Protection

ENVIRONMENT
Caring for our Planet
Energy Usage
Water Management
Waste Management
IFRS S2 Climate-related Disclosures
GHG Emissions



WORKPLACE
Caring for our People

Employee Gender, Diversity And Inclusion
Employee Development And Talent Retention
Human And Labour Rights
Occupational Safety And Health
Employee Welfare

LOCAL COMMUNITIES
Giving Back

Local Communities

SUSTAINABILITY STATEMENT
cont'd

ABOUT THIS SUSTAINABILITY STATEMENT

Being a prominent player in the Outsourced Semiconductor Assembly and Test ("OSAT") sector and one of the largest technology companies in Malaysia, we command an expansive built-up production area of over 2.15 million square feet spanning Malaysia, Philippines, and China. This expansive reach endows our endeavours with far-reaching influence, resonating throughout economies, individual livelihoods, and ecological vitality. Hence, our duty is apparent; we are resolutely dedicated to nurturing a sustainable future. Through steadfast commitment, we seek to enhance the communal social, economic, and environmental framework, underscoring our profound responsibility to the well-being of all.



In line with Inari's Core Values, we have integrated sustainability as a central part of our governance and everyday business processes. With this, we proudly present Inari Amertron Berhad and its subsidiaries (herein referred to as "Inari" or the "Group") tenth Sustainability Statement ("Statement"), highlighting the Group's sustainability performance in the aspects of economic, environment, workplace and local communities.

This Statement should also be read alongside other sections in this Annual Report namely Management Discussion and Analysis, Corporate Governance Overview Statement and Statement on Risk Management and Internal Control as well as our Corporate Governance Report, as sustainability efforts may be better contextualised and narrated in the respective sections.

SUSTAINABILITY STATEMENT
cont'd

REPORTING PERIOD AND BOUNDARY

This Statement provides information on Inari's sustainability performance through our operations in Malaysia, Philippines and China (not including Yiwu Semiconductor International Corporation as its sustainability impact is limited in scale), and covers the financial reporting period from 1 July 2025 to 30 June 2026 ("FY2026"). Where possible, information from previous years has been included to provide comparative data.

This Statement should be read in conjunction with the Group's consolidated financial statements which are prepared in accordance with the Malaysian Financial Reporting Standards ("MFRS"), IFRS Accounting Standards and the requirements of the Companies Act 2016 in Malaysia.

This Statement focuses on climate-related risks and opportunities that could reasonably be expected to affect the Group's prospects, including its business model, strategy, financial performance and financial position.

REPORTING FRAMEWORK AND STANDARDS

We have prepared this Statement in compliance with the Main Market Listing Requirements issued by Bursa Malaysia Securities Berhad ("Bursa Malaysia") and refers to Bursa Malaysia's Sustainability Reporting Guide 3rd edition and Toolkits. In addition, we have commenced the journey to align our sustainability disclosures with the International Financial Reporting Standards ("IFRS") Sustainability Disclosure Standards issued by the International Sustainability Standards Board ("ISSB"), namely IFRS S2 Climate-related Disclosures.

Additionally, we have adhered to the best practice sustainability guidelines, standards and framework as follows:

- Global Reporting Initiative ("GRI") Standards;
- United Nations Sustainable Development Goals ("UNSDGs"); and
- FTSE4Good Bursa Malaysia Index's Environmental, Social and Governance indicators ("FTSE4Good").

FIRST-TIME ADOPTION OF IFRS SUSTAINABILITY DISCLOSURE STANDARDS AND TRANSITION RELIEFS

For FY2026, the Group has commenced its first-time application of the IFRS Sustainability Disclosure Standards. In preparing this Statement, we have applied the following standards:

- IFRS S1 - General Requirements for Disclosure of Sustainability-related Financial Information; and
- IFRS S2 - Climate-related Disclosures.

The IFRS Sustainability Disclosure Standards provide certain transition reliefs for the first annual reporting period in which an entity applies the standards. In addition, Bursa Malaysia's Main Market Listing Requirements and Malaysia's National Sustainability Reporting Framework ("NSRF") provide phased implementation provisions for Main Market listed issuers.

In preparing this Statement, we have applied the following transition reliefs:

- Focus on climate-related risks and opportunities in accordance with IFRS S2, while disclosing other sustainability-related risks and opportunities where information is available;
- No presentation of comparative information for climate-related risks and opportunities disclosures; and
- Partial disclosure of Scope 3 greenhouse gas ("GHG") emissions (limited to Category 6: Business Travel and Category 7: Employee Commuting).

We will progressively enhance our sustainability and climate-related disclosures in accordance with the NSRF implementation timeline in future reporting periods.

SUSTAINABILITY STATEMENT
cont'd

CONNECTIVITY WITH FINANCIAL STATEMENTS

This Statement contains the climate-related financial information of the Group for FY2026 and aligns with the reporting period of our consolidated financial statements.

Where relevant, this Statement establishes linkages with the financial statements to provide a cohesive view of how climate-related risks and opportunities may affect our financial position, financial performance, and cash flows over the short, medium and long term.

The presentation currency of the climate-related financial disclosures is Ringgit Malaysia ("RM"), which aligns with the presentation currency used in the consolidated financial statements.

STATEMENT OF ASSURANCE

In strengthening the credibility of the Sustainability Statement, the sustainability matters and respective indicators stipulated in the table below have been reviewed by the Company's internal auditor, Crowe Governance Sdn Bhd ("Crowe"):

No.	Sustainability Matter	Sustainability Indicator
1	Energy Management	- Total energy consumption
2	Water	- Total volume of water used
3	Waste Management	- Total waste generated and a breakdown of the following: i) Total waste diverted from disposal ii) Total waste directed to disposal
4	Emissions Management	- Scope 1 emissions in tonnes of CO_2e - Scope 2 emissions in tonnes of CO_2e - Scope 3 emissions in tonnes of CO_2e
5	Diversity	- Percentage of employees by gender and age group, for each employee category - Percentage of directors by gender and age group
6	Labour Practices and Standards	- Total hours of training by employee category - Percentage of employees that are contractors or temporary staff - Total number of employees turnover by employee category - Number of substantiated complaints concerning human rights violations

The boundary of the review includes the Company's main operations in Malaysia, Philippines and China. In addition, the performance data published in this Statement have been assessed, validated and reviewed by the internal operations and management team.

Regular audits/reviews are in place in relation to key risks, processes, and controls relevant to sustainability-related risks identified via the risk management process and the policies and procedures quoted in this Statement.

This Statement is reviewed and approved by the Board.

AVAILABILITY

This Statement is available on the Company's website at www.inari-amertron.com in a downloadable PDF format.

POINT OF CONTACT

To continuously improve on our sustainability efforts, we welcome and encourage our stakeholders to provide feedback pertaining to this Statement or our sustainability practices and initiatives. Comments and questions can be directed to our designated email address at i-enquiry@inari-amertron.com.my.

SUSTAINABILITY STATEMENT
cont'd

OUR SUSTAINABILITY JOURNEY THUS FAR

Our Vision & Mission

- Deliver Quality Services and Products To Our Customers
- Treat Staff, Customers and Our Business Partners Fairly
- Deliver Good Returns For Our Shareholders

Our Key Beliefs

I	**Integrity**	*Need all levels to walk the talk at all times*
N	**No Excuse**	*Focus on the success formula*
A	**Aligned Partnership**	*Customers - Our Team - Suppliers*
R	**Result Oriented**	*To delight stakeholders, customers and employees*
I	**Initiative**	*Positive and Can-Do attitude*

2026

- Adopted IFRS S2 in our FY2026 Sustainability Statement to **strengthen climate-related disclosures**.
- Selected as **Top 3 Nominees** for Best Company in Investor Relations (Large Cap) - Technology Sector, for the Bursa Malaysia IR Awards 2026.
- Received **American Malaysian Chamber of Commerce (AMCHAM) Cares Recognition** for exceptional Corporate Social Responsibility (CSR) practices.
- Received **The Edge ESG Awards** – Gold Award (Technology Sector) in October 2025.

2025

- Received **2025 Asia (ex-Japan/ANZ) Executive Team (Small and Midcap) awards**, under the categories of Overall Technology Semiconductors, Best CEO, Best CFO, Best ESG and Best Company Board.
- Received **2025 Asia (ex-Japan/ANZ) Executive Team (Malaysia) awards**, under the categories of Most Honored Companies, Best CEO, Best CFO, Best ESG, Best Company Board and Best Investor Relations Program.
- Received **Talent Corp - Recognition Award - Future Skills Talent Council** (Chairman for E&E sector).
- Received **HRD Awards 2024 - Excellence Award in Technical Vocational Education and Training (TVET) - Large Employer.**
- Received **Western Digital's Supplier Appreciation Award 2025** under R.E.S.E.T. Program.
- Received **Osram's Supplier Appreciation Awards 2025**.

2024

- Received **The Edge ESG Awards** – Silver Award (Technology Sector), and **The Edge's Billion Ringgit Club Award** for the highest growth in profit after tax over three years in technology sector.
- Received the TalentCorp MySip Appreciation Award, honoured as top 5 organisation with **highest number of internships offered**.
- Received the Supplier Appreciation Award from ams Osram for the **partnership**, **loyalty and outstanding services**.
- Received Appreciation Certificate awarded by Department of Environment ("DOE") on **Environmental Awareness Program** for 2023.
- Received **Malaysia SMART Manufacturing Award 2023** - Industry 4.0 Pillars Category (Best in System Integration).

2023

- Being voted as **Best Employer of the Year**.
- Obtained **Green Energy Certificate** for our efforts in GHG Reduction by installing solar panels to move towards our goal in Net Zero by 2050.
- **Achieved** our short-term target on Scope 1 GHG Emission, water consumption and waste generation reduction.
- **Planted 1,765** trees at our operation sites to **support local ecosystems** and improve air quality.

2022

- Our **Sustainability Policy** included our support to the **Paris Agreement 2015**'s goal to reduce global warming and the **Net Zero** carbon emission **by 2050**. This is evidenced by the inclusion of climate change risk and controls in annual Enterprise Risk Management assessment activities.
- Became a **listed Task Force on Climate-Related Financial Disclosures ("TCFD") supporter**.
- Conducted a formal and objective **Board evaluation** by external consultant in accordance to MCCG Practice 6.1 to enhance the governance process.

2021

- Strengthen sustainability governance through the development and enhancement of the **Sustainability Reporting Handbook and Framework, Corporate Liability and Corruption Risk Management Framework**.
- Became a corporate member of **Climate Governance Malaysia**, the Malaysian chapter of World Economic Forum's Climate Governance Initiative.

2020

- Included as one of the constituents of **FTSE4Good Bursa Malaysia Index** on 22 June 2020.
- Redesignated Sustainability Working Committee to **Sustainability and Integrity Working Group ("SIWG")**.

2019

- Published third Sustainability Statement in accordance to **Global Reporting Initiative Standards**.
- Mapped sustainability matters with **United Nations Sustainable Development Goals**.

2018

- Board oversight on the implementation of sustainability strategy through the establishment of **Sustainability and Risk Management Committee**.

2017

- Published **inaugural Sustainability Statement** and established **Sustainability Working Committee**.
- Performed both internal and external **Stakeholder Engagement and Materiality Assessment**.

SUSTAINABILITY STATEMENT
cont'd

OUR SUSTAINABILITY GOVERNANCE

Setting the Tone from the Top

To embed sustainability throughout our organisation, we adopt a tone from the top approach. Inari's sustainability governance is led by our Board of Directors who are responsible for integrating the economic, environmental, social and governance considerations into the Group's business strategies. The Board of Directors oversees the Group's sustainability strategies, priorities, targets and performance, as well as sustainability and climate-related risks and opportunities, as part of its broader oversight of strategy, risk management and internal control. These responsibilities are set out in the Board Charter.

The Board is supported by the Sustainability and Risk Management Committee ("SRMC") in overseeing the Group's sustainability and risk management matters. The SRMC works alongside Senior Management to identify principal risks, review business sustainability strategies, and oversee the implementation of appropriate risk mitigation and sustainability measures across the Group. The SRMC also oversees the Group's sustainability and climate-related risks and opportunities, targets, performance and related risk management processes, and reports relevant matters and recommendations to the Board. These roles and responsibilities are set out in the Terms of Reference of SRMC.

Sustainability and Risk Management Committee	
Chairman	Dr. Kamarulzaman Bin Mohamed Zin *Independent Non-Executive Director* *(Appointed as Chairman of SRMC on 28 September 2026)*
Committee Members	Datuk Phang Ah Tong *Non-Independent Non-Executive Director* *(Redesignated as member of SRMC on 28 September 2026)*
	Dato' Ong Eng Bin *Independent Non-Executive Director*

At management level, the SRMC is assisted by the Group Chief Executive Officer ("Group CEO") and Group Chief Financial Officer ("Group CFO") in providing overall direction, supporting strategic decision-making and reviewing the implementation and performance of the Group's sustainability and risk management activities in an integrated manner. The Group CEO and Group CFO lead the conduct of risk assessments, review the assessment results and Management's action plans for managing principal risks, including sustainability and climate-related risks, to the SRMC and the Board.

Our Sustainability and Integrity Working Group ("SIWG"), led by the Group CEO and supported by the Group CFO, comprises the management team and representatives from various departments. The SIWG is responsible for undertaking the process of materiality assessment, as well as executing and implementing sustainability initiatives and monitoring its progress. The Group's sustainability governance is further strengthened by its Sustainability Reporting Handbook and Framework, Group Risk Management Policy, and Group Corruption Risk Management Framework, which are subject to oversight and periodic review by the SRMC.

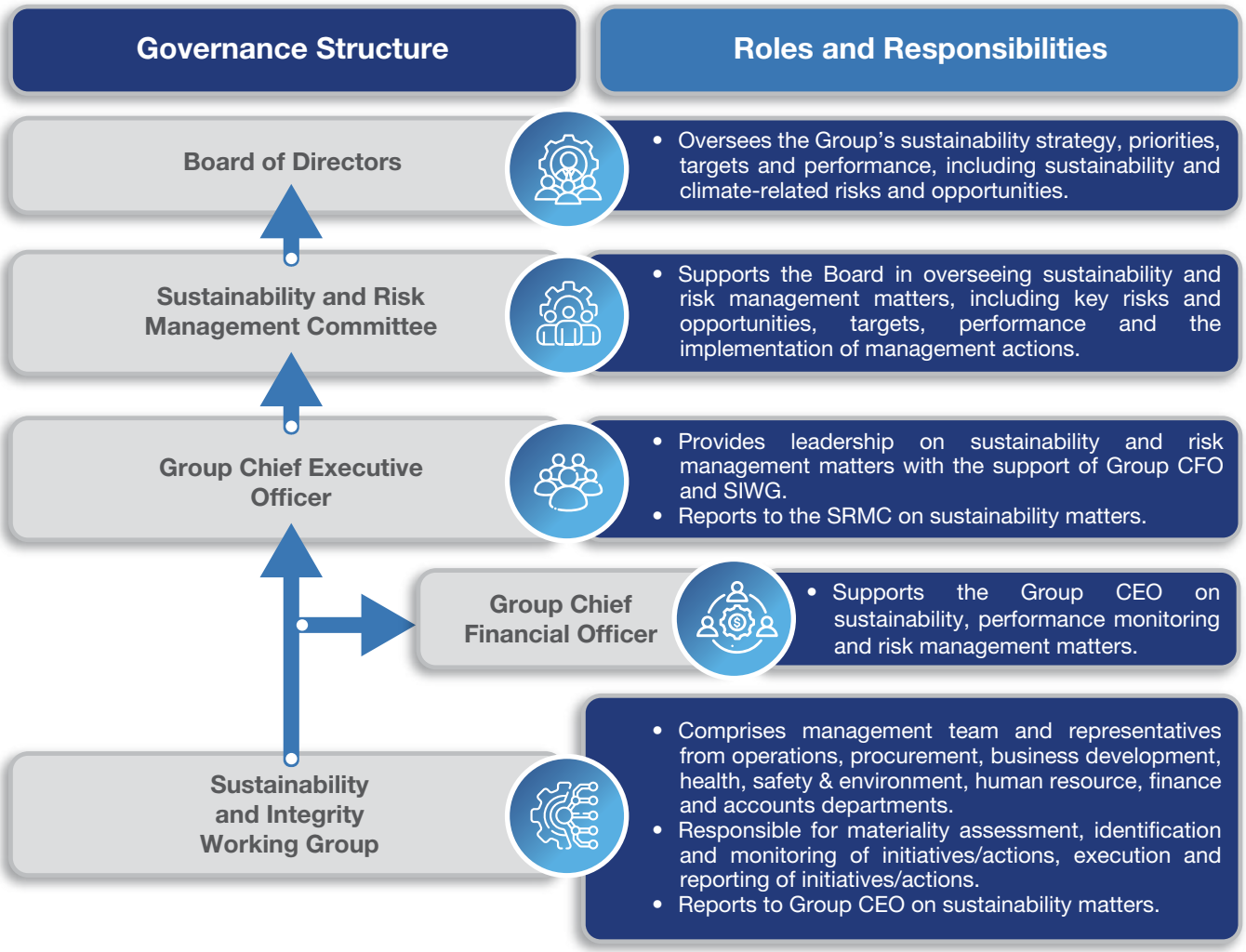
Further to becoming a corporate member of Climate Governance Malaysia, the Malaysian chapter of World Economic Forum's Climate Governance Initiative since 2021, our Board acknowledged and recognised climate change as a relevant long-term risk and/or opportunity to the business, thus, in FY2026, the SRMC had exercised its oversight of the management of climate change risks by reviewing the risk profile facilitated by external consultant on the impact of climate change to the Company's operations and the relevant controls put in place by the Management through the Company's annual enterprise risk management assessment activities. Additionally, the SRMC also reviewed various operational risks, including but not limited to those related to human rights, safety, and health.

SUSTAINABILITY STATEMENT
cont'd

OUR SUSTAINABILITY GOVERNANCE *(cont'd)*

Setting the Tone from the Top *(cont'd)*

The diagram below illustrates our sustainability governance structures along with their roles and responsibilities.



In accordance with the Board Charter, the Board of Directors are required to keep abreast of developments in sustainability and climate-related matters affecting the Group and undertake continuous education to maintain and enhance the knowledge and competencies necessary to discharge its oversight responsibilities. The Board of Directors' training needs are assessed to identify relevant development requirements, including those relating to sustainability and climate-related matters. Separately, in accordance with the Terms of Reference of SRMC, the effectiveness of the SRMC, including the skills mix and contribution of its members, is assessed annually. Where additional expertise is required, the Board of Directors and SRMC may obtain independent professional advice from external advisers.

As outlined in our Remuneration Policy and Procedures for Directors and Senior Management, the incentives and remuneration for our Directors and senior executives are directly linked to Environmental, Social, and Governance ("ESG") metrics, including climate change performance. This approach ensures that management is held accountable for meeting the Company's climate-related goals and integrating sustainability into their strategic objectives. The Group has in place a comprehensive set of Key Performance Indicators ("KPIs") directly aligned with a range of critical ESG considerations. These KPIs encompass key aspects like climate change, product quality and safety, human rights and labour practices, occupational health and safety, talent cultivation and retention, and strict adherence to regulatory obligations.

SUSTAINABILITY STATEMENT
cont'd

OUR SUSTAINABILITY GOVERNANCE *(cont'd)*

Setting the Tone from the Top *(cont'd)*

To reflect the Company's commitment in transitioning into a Net Zero carbon business by year 2050, the Group will introduce carbon emission reduction as new KPI in the near future.

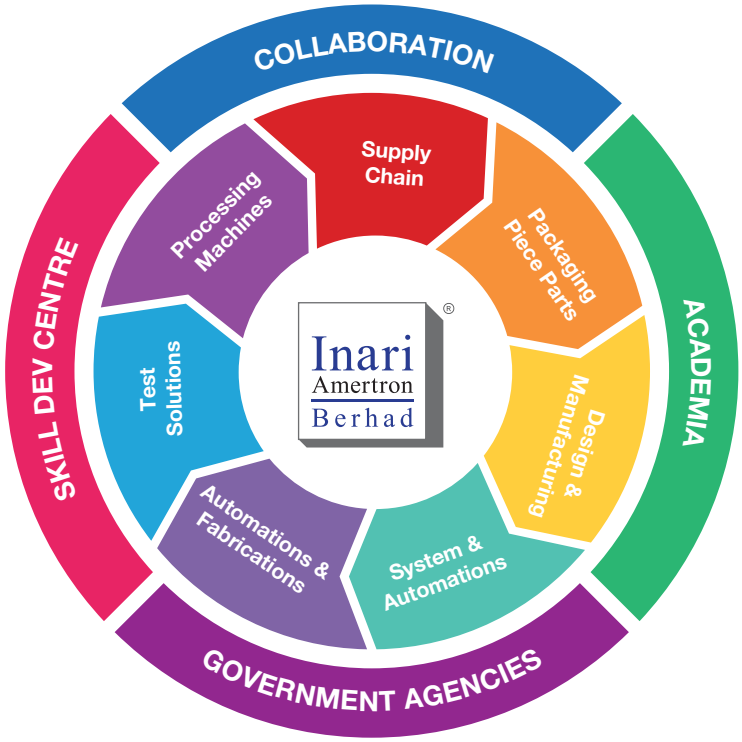
Further information on the Group's governance and risk management processes for climate-related risks and opportunities is provided in the IFRS S2 Climate-related Disclosures section of Inari's Sustainability Statement from pages 93 to 112. The Group's broader risk management processes are described in the Statement on Risk Management and Internal Control of Inari's FY2026 Annual Report.

OUR SUSTAINABILITY POLICY

Our Sustainability Policy had been established with the following objectives:

- Outline Inari Group's sustainability approach to identify, analyse, evaluate, manage and monitor significant issues concerning sustainability for the Inari Group in the areas of:
  - Economic sustainability;
  - Environmental sustainability;
  - Workplace sustainability;
  - Ethics and integrity.
- Integrate the philosophy of sustainable development into all Inari Group's activities; and
- Provide guidance to management and employees on their roles and responsibilities towards the sustainability goals of Inari Group.

Above all, our Sustainability Policy focus on collaboration with various stakeholders as we believe collaboration is the foundation of success towards sustainable development. The Company can only achieve sustainable growth by optimising all three factors in the sustainable equation: Profit, People and Planet.



SUSTAINABILITY STATEMENT
cont'd

OUR SUSTAINABILITY POLICY *(cont'd)*

This policy shall be reviewed periodically to ensure that it is always consistent with the business and market environment that Inari Group is operating in. This policy also demonstrates our commitment to the Paris Agreement 2015 and our goal of achieving Net Zero Carbon Emissions by 2050. We are continuously reviewing and refining our policies to strengthen our support for climate change mitigation and ensure alignment with evolving public policies and regulations.

OUR SUSTAINABILITY STRATEGY

Our sustainability strategy is fortified by our four (4) Sustainability Pillars, namely (i) Economic; (ii) Environment; (iii) Workplace; and (iv) Local Communities. To demonstrate our commitment towards sustainable development, we have integrated each pillar within our business value chain.

ECONOMIC

Inari promises to deliver quality services and products to our customers, uphold good business conduct and ethics and deliver good returns to our shareholders.

Material Sustainability Matters:
- Corporate Governance and Ethics
- Customer Satisfaction
- Innovation
- Supply Chain Management
- Privacy and Data Protection

WORKPLACE

Inari has systems in place to improve workplace wellbeing, respect human rights, retain talent and bring untoward incidents at workplace to zero continuously.

Material Sustainability Matters:
- Employee Gender, Diversity and Inclusion
- Employee Development and Talent Retention
- Human and Labour Rights
- Occupational Safety and Health
- Employee Welfare

ENVIRONMENT

Inari will continue to advocate green development across all our current and future business operations.

Material Sustainability Matters:
- Energy Usage
- Greenhouse Gas Emissions and Climate Change
- Water Management
- Waste Management
- Product Stewardship

LOCAL COMMUNITIES

Inari is committed to improve the wellbeing and living standard of its surrounding communities continuously.

Material Sustainability Matters:
- Local Communities

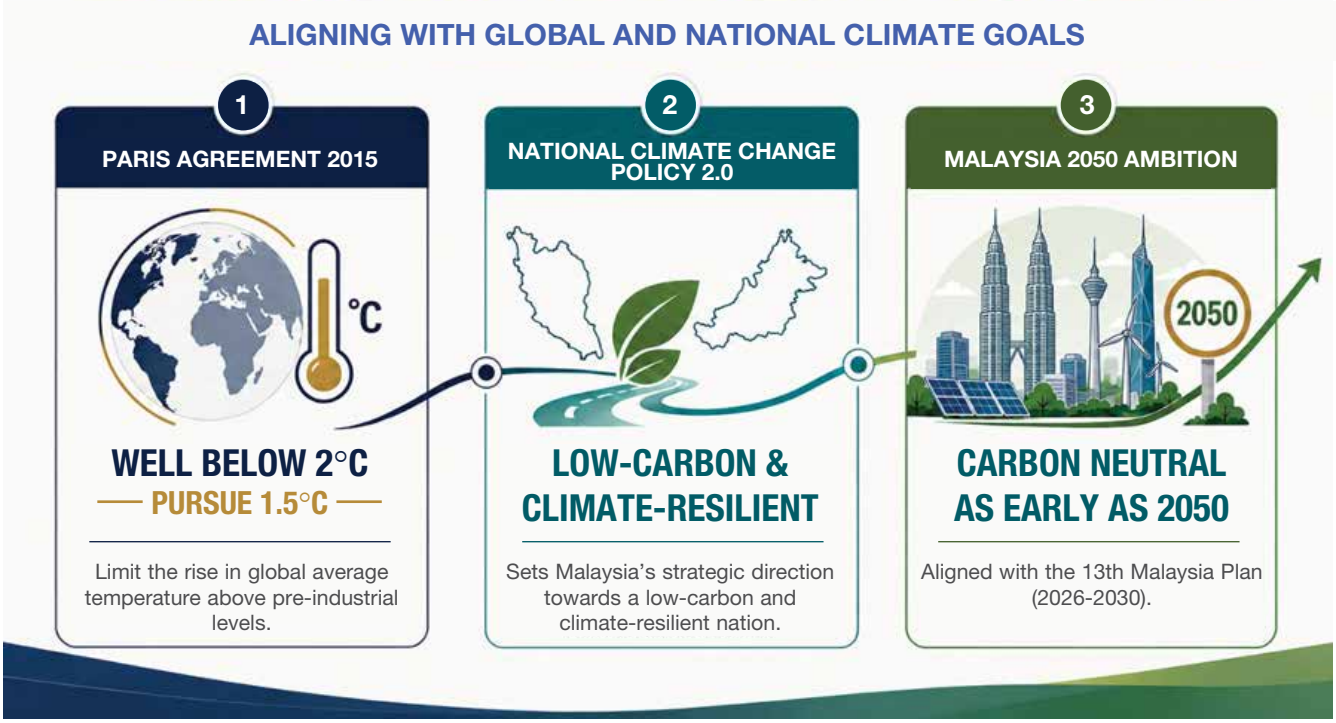
SUSTAINABILITY STATEMENT
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CORPORATE MEMBERSHIP AND ASSOCIATION

Over the years, Inari contributes to the development of economic, environmental and social sustainability matters individually and collectively via business associations. We are a corporate member of the following associations and organisations:

- Clark Investors & Locators Association ("CILA")
- Climate Governance Malaysia ("CGM")
- Federation of Malaysian Manufacturers ("FMM")
- Malaysian Employers Federation ("MEF")
- Malaysia Semiconductor Industry Association ("MSIA")
- Penang Green Council ("PGC")
- Clark Human Resource Council ("CHRC") Philippines
- SEMI Global Industry Association ("SEMI")
- Semiconductor & Electronics Industries in the Philippines, Foundation Inc ("SEIPI")

MSIA, SEMI and SEIPI are industry associations which gather companies involved directly or indirectly in the supply chain of the semiconductor industry. It serves as a platform to develop technology in the semiconductor industry and to advocate and build positive relationships with the government, agencies, and other industry associations (including chambers of commerce).



Since 2021, we became a corporate member of Climate Governance Malaysia, the Malaysian chapter of World Economic Forum's Climate Governance Initiative. Subsequently, we have also enhanced our Sustainability Policy to show our support on:

- Paris Agreement 2015's goal to reduce global warming and limit temperature rise to no more than 1.5 degree;
- Malaysia's National Climate Change Policy 2.0, which sets the strategic direction for a low-carbon and climate-resilient nation; and
- Malaysia becoming a carbon-neutral nation by as early as 2050 in line with the 13th Malaysia Plan (2026-2030).

SUSTAINABILITY STATEMENT
cont'd

CORPORATE MEMBERSHIP AND ASSOCIATION *(cont'd)*

Since 2022, Inari has been a listed supporter of the Task Force on Climate-related Financial Disclosures ("TCFD"), although the Financial Stability Board formally concluded the TCFD in October 2023, its recommendations have been fully integrated into the International Sustainability Standards Board's IFRS S2 Climate-related Disclosures.

This year, we have begun aligning our sustainability-related disclosures with the sustainability standards issued by the ISSB under the IFRS Foundation. The Group has applied the requirements of IFRS S1 General Requirements for Disclosure of Sustainability-related Financial Information insofar as they relate to climate-related risks and opportunities and has prepared its climate-related disclosures with reference to IFRS S2 Climate-related Disclosures.

As part of the Group's phased implementation of the IFRS Sustainability Disclosure Standards, the FY2026 disclosures focus primarily on climate-related risks and opportunities, with ongoing enhancements to reporting processes, data coverage and measurement methodologies.

OUR SUSTAINABILITY METRICS AND TARGETS

At Inari, we constantly monitor our performance across our sustainability pillars. To further enforce our commitments, we have aligned our sustainability goals with the UNSDGs. We have identified and selected UNSDGs based on prioritisation of our sustainability initiatives and action plans. Our initiatives include measures to address climate change through adaptation strategies, we are considering strategic investments to enhance our infrastructure resilience, specifically by incorporating climate-resistant building materials, developing comprehensive risk management plans to address potential climate-related disruptions, and implementing water conservation techniques to manage changing precipitation patterns. These measures are designed to minimise the impact of climate change on our operations and ensure the long-term sustainability of our assets and resources. See specific actions taken to address climate change from pages 93 to 112 of this Sustainability Statement.

The table below presents the overview of the sustainability goals and targets and our performance for FY2026.

Sustainability Strategy	Sustainability Goals	Performance in FY2026
Economic • Corporate Governance and Ethics • Customer Satisfaction • Innovation • Supply Chain Management • Privacy and Data Protection 	■ Practice good corporate governance and ethics	■ Zero cases of non-compliance and ethical issue
	■ Deliver good returns to our shareholders	■ Achieved revenue of RM1,187 million
		■ Achieved profit after tax of RM123 million
		■ Dividend payout ratio: 146.6%
	■ Meet customers' requirements	■ Responded to all queries received from customers
	■ Deliver quality services and products	
	■ Zero breaches of privacy and data protection	■ Zero cases related to breaches of privacy and data protection
	■ Promote purchases from local suppliers	■ Maintained over 50% of overall local sourcing where commercially and operationally feasible

SUSTAINABILITY STATEMENT
cont'd

OUR SUSTAINABILITY METRICS AND TARGETS *(cont'd)*

The table below presents the overview of the sustainability goals and targets and our performance for FY2026. *(cont'd)*

Sustainability Strategy	Sustainability Goals	Performance in FY2026
Environment • Energy Usage • Greenhouse Gas Emissions and Climate Change • Water Management • Waste Management • Product Stewardship 	■ Advocate green development to align with the Climate Governance Malaysia target to reduce global warming and the Net Zero carbon emission by year 2050 ■ Zero non-compliance with local regulatory requirements for wastewater discharge	■ Decrease in energy intensity from FY2025 (0.0000271 GJ/FOU) to FY2026 (0.0000256 GJ/FOU) ■ Decrease in GHG emissions intensity from FY2025 (0.00557 tCO2e/FOU) to FY2026 (0.00504 tCO2e/FOU) ■ Water intensity improved from 0.000041 m³/FOU in FY2025 to 0.000038 m³/FOU in FY2026 ■ 100% compliance with local regulatory requirements for wastewater discharge
Workplace • Employee Gender, Diversity and Inclusion • Employee Development and Talent Retention • Human and Labour Rights • Occupational Safety and Health • Employee Welfare 	■ Conduct employee engagement survey on yearly basis ■ Promote employee gender and diversity ■ Continuous development for every employee ■ 100% completion rate for employee performance review ■ Respect and achieve 100% compliance to human and labour rights ■ Zero workplace injury case	■ Completed annual employee engagement survey for FY2026 ■ 65% of female employees in the global workforce ■ Achieved total of 73,425 training hours with an average of 12 hours per employee ■ 100% of employees received performance reviews ■ Zero cases reported for forced/child labour, discrimination or grievances on human rights ■ 4 minor cases of workplace injuries from operations in Malaysia (3) and Philippines (1)
Local Communities • Local Communities 	■ Contribute to the wellbeing and living standard of surrounding communities	■ 327 interns hired in FY2026 with a total of 6,468 interns hired to date ■ Contributed a total of RM95,758 in external CSR initiatives in FY2026 ■ 7,796 volunteered hours, contributed by employees on community services

SUSTAINABILITY STATEMENT
cont'd

LISTENING TO OUR STAKEHOLDERS

Stakeholder Engagement

We understand the significant impact of those with a vested interest in our operations, and therefore, the success of our business is dependent on maintaining strong relationships with our stakeholders. Inari actively engages with our stakeholders through different types of platforms and channels to understand their priorities and expectations of the Group. By keeping lines of communications open, we intend to create meaningful dialogue to address stakeholders' concerns and build their confidence in us.

The table below summarises our key stakeholders, the engagement channels and their sustainability concerns. Through these engagements, there were no significant stakeholders concerns or issues with our operation.

Stakeholder Group	Type of Engagement	Sustainability Concerns	Frequency
Customers 	• Customer satisfaction surveys • Audit on operations • Meetings • Real-time production status updates	• Building of long-term relationships • Product quality, timely delivery, productivity and efficiency • Product innovation • Demonstration of good economic, environmental, social and governance adherence and practices	• As and when needed • On-going • Annually
Employees 	• Volunteer programmes • Hotline • Feedback boxes • Annual appraisal • Townhall meetings • Employee surveys	• Safe and healthy working environment • Ensure law-abiding operation • Fair remuneration and compensation packages • Diversity and equal opportunity for career advancement • Employee development and talent retention • Sustainable growth and development of organisation • Human rights • Work-life balance	• As and when needed • On-going • Annually
Senior Management 	• Management review • Operational review • Various communications meetings and sessions	• Economic, environmental, social and governance matters • Achievement of key performance indicators • Human resource management • Ethics, integrity and regulatory compliance • Anti-corruption and bribery	• On-going • Monthly • Quarterly • Annually
Shareholders 	• Investor briefing • Financial results reporting • Annual General Meeting • Annual reports • Corporate website • Regular plant visits for further understanding of our operations	• Strong and sustainable financial performance • Continuous business growth and expansion plans • Demonstration of good economic, environmental, social and governance adherence and practices • Ensure transparency in financial reporting • Timely and accurate announcements and information on Inari's website	• As and when needed • On-going • Quarterly • Annually

SUSTAINABILITY STATEMENT
cont'd

LISTENING TO OUR STAKEHOLDERS *(cont'd)*

Stakeholder Engagement *(cont'd)*

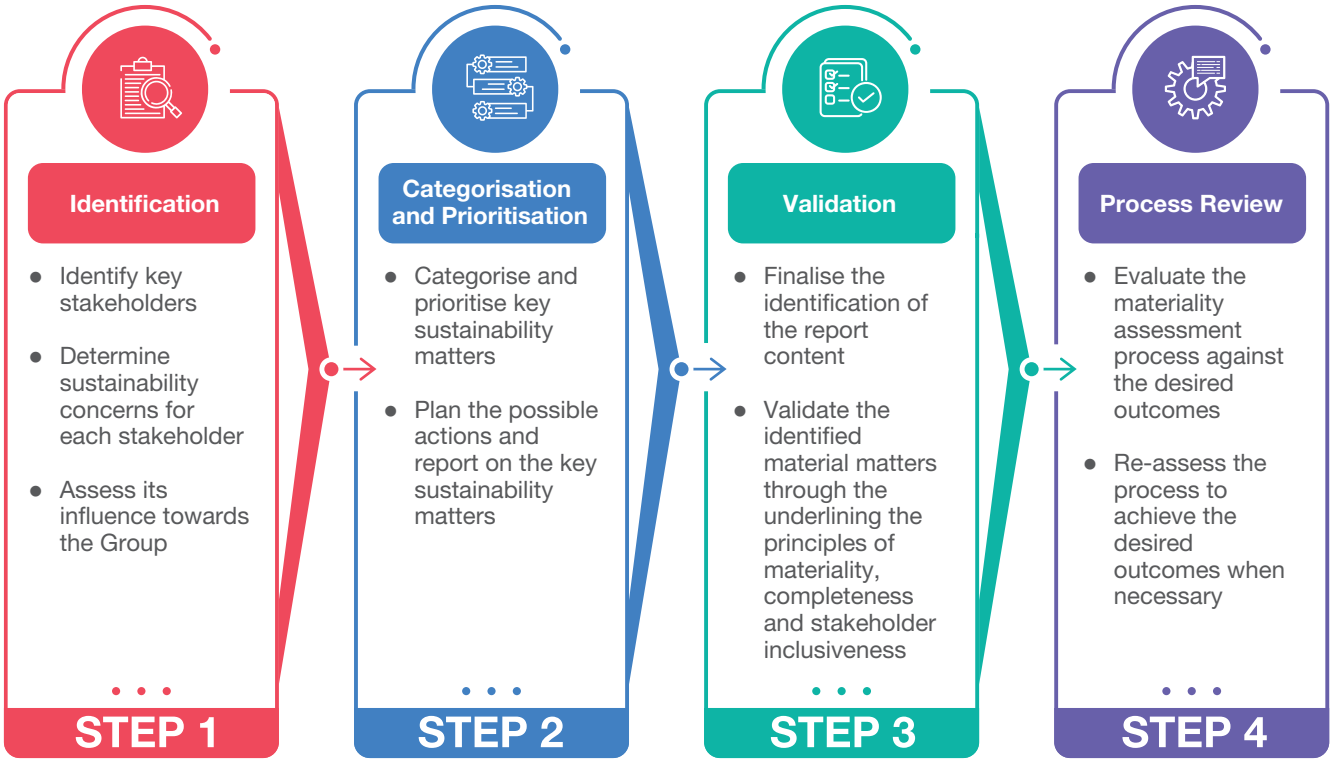
The table below summarises our key stakeholders, the engagement channels and their sustainability concerns. Through these engagements, there were no significant stakeholders concerns or issues with our operation. **(***cont'd)*

Stakeholder Group	Type of Engagement	Sustainability Concerns	Frequency
Suppliers/ Business Partners 	• Supplier selection via pre-qualification and registration • Regular supplier performance evaluation • Due Diligence	• Strategic partnerships • Fair tender practices • Ethics, integrity and regulatory compliance • Environment, health and safety governance matters • Social governance matters including human rights, child rights, non-harassment, non-discrimination, compliance with local laws on minimum wages and working hours and etc	• As and when needed • On-going • Annually
Regulators 	• Participation in programmes organised by regulatory bodies • Engaging in dialogues with regulators • Participation in industry and government interest groups • Regular plant visits	• Compliance with relevant laws and regulations • Good corporate governance practices	• As and when needed • On-going
Local Communities 	• Volunteering programmes • Engagement and participation in community and corporate social responsibility ("CSR") events	• Financial and non-financial contributions to local communities • Good corporate citizenship	• As and when needed • On-going

SUSTAINABILITY STATEMENT
cont'd

MATERIALITY ASSESSMENT

Our materiality assessment process enables us to identify and assess key risks and opportunities to ensure long-term sustainable growth. The assessment involves evaluating the significance of each sustainability issue based on its level of impact and influence on the Group. There are various factors taken into consideration including current economic, environmental, social and governance trends both locally and globally. The illustration below summarises our materiality assessment process.



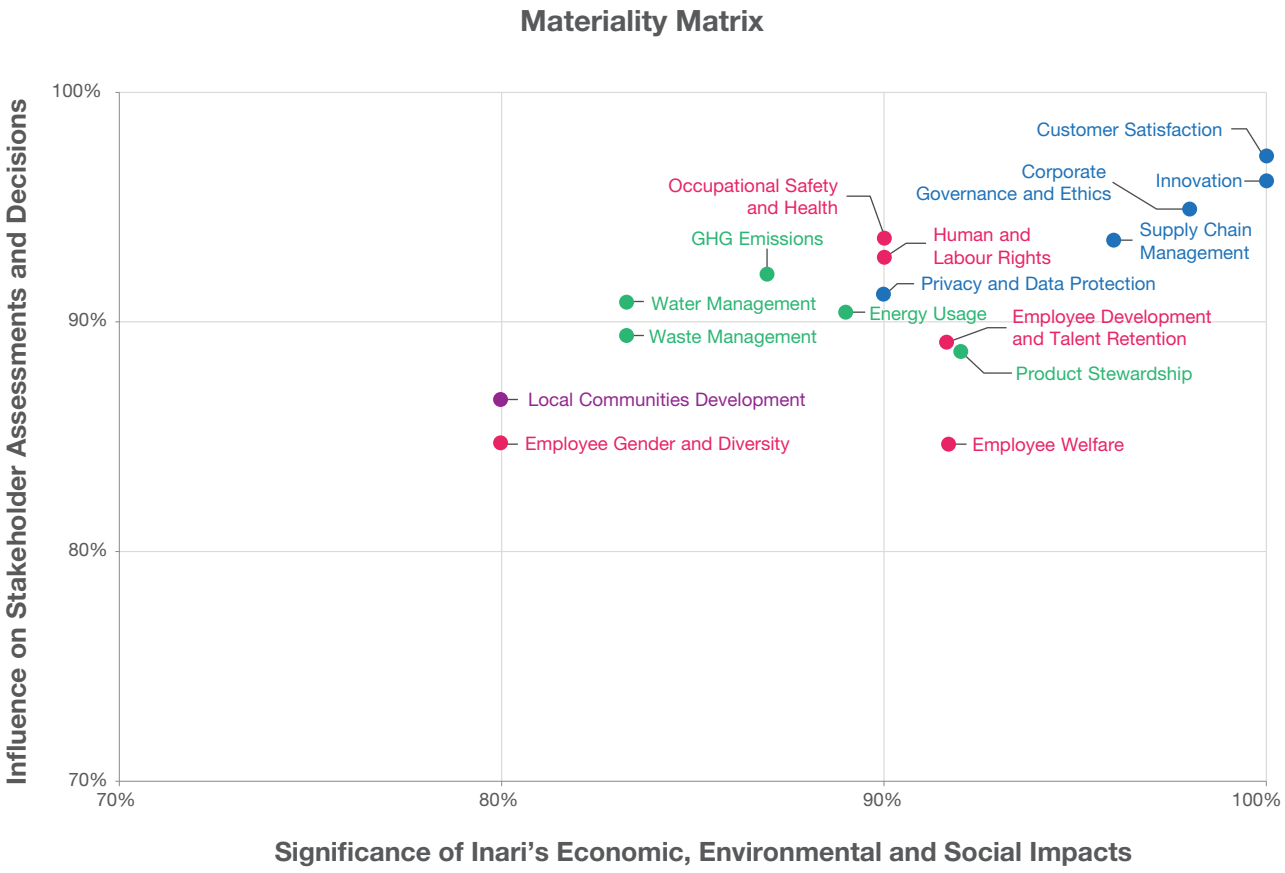
The materiality assessment process generates the materiality matrix, a visual representation of the Group's priorities. Each material sustainability matter reflects the concerns and interests of our stakeholder groups as well as its significance to the Group's business operations.

Following our materiality assessment in FY2025, we have conducted a review in FY2026 internally to evaluate the significance of key identified sustainability matters to our Group and to our stakeholders. Our approach encompassed gathering insights from both internal and external stakeholders. This involved engaging with our customers, community, government agencies, investors, suppliers and employees. This process ensured that our priorities remained aligned with evolving stakeholder expectations and the Group's long-term strategic objectives.

SUSTAINABILITY STATEMENT
cont'd

MATERIALITY ASSESSMENT *(cont'd)*

The inputs gathered were tabulated and plotted on a materiality matrix to illustrate the importance of each material sustainability matter based on the importance to our Group and importance to our stakeholders.



Legend:

- Economic
- Environment
- Workplace
- Local Communities

SUSTAINABILITY STATEMENT
cont'd

MATERIALITY ASSESSMENT *(cont'd)*

Material Sustainability Matter	Description
Economic	
Corporate Governance ("CG") and Ethics	Ensuring compliance with regulatory requirements and corporate values that are translated into internal controls, processes or guidelines to ensure that the business is conducted in an ethical and responsible manner
Customer Satisfaction	Creating positive customer experience through quality products and services to ensure satisfaction
Innovation	Developing innovative solutions through collaborative efforts to synergise technologies, skills and other strengths for common benefits
Supply Chain Management	Managing our relationships with suppliers through fair procurement practices and ensuring they comply with the supplier code of conduct that include economic, environmental, social and governance requirements and responsibilities
Privacy and Data Protection	Protecting private information for our suppliers, employees and customers through robust internal cybersecurity controls
Environment	
Energy Usage	Efforts to improve energy consumption efficiency to mitigate the impact on climate change, amongst others
Greenhouse Gas ("GHG") Emissions and Climate Change	Implementing internal controls to better manage our carbon footprint
Water Management	Efforts to improve water consumption efficiency to mitigate the impact on climate change, amongst others
Waste Management	Efforts to decrease the generation of waste and to prevent waste from being directed to landfill
Product Stewardship	Efforts to ensure products are safe throughout its lifecycle including proper management of our hazardous waste
Workplace	
Employee Gender, Diversity and Inclusion	Embracing and promoting gender diversity and fostering an inclusive work environment
Employee Development and Talent Retention	Making efforts to retain employees and develop their capabilities through various training programmes
Human and Labour Rights	Protecting human and labour rights of our employees and addressing grievances accordingly
Occupational Safety and Health ("OSH")	Safeguarding the health and safety of our employees with robust internal controls and standard operating procedures. Tracking and monitoring of incidents and developing corrective actions to address them
Employee Welfare	Looking after the wellbeing of our employees through various employee engagement activities and employee survey
Local Communities	
Local Communities	Improving the wellbeing and living standard of its surrounding communities through various CSR programmes for the underserved. Hiring locally where possible to support the local economy and communities

SUSTAINABILITY STATEMENT
cont'd

ECONOMIC - *Better Results from Better Practices*

CORPORATE GOVERNANCE AND ETHICS

Code of Business Conduct and Ethics

Inari fully recognises that good corporate culture will help employees comprehend and apply the Group's mission/vision and beliefs clearly alongside policies established within their day-to-day work. Hence, the Board of Directors has established and adopted the Code of Business Conduct and Ethics ("Code") for directors and employees which reflects the Board's commitment to maintaining the highest standard of ethical conduct and practices expected from the directors and employees of the Group.

The Code defines our high expectation of every employee to carry out good business practice and high personal conduct, with strict adherence to local laws and regulations. The Code also states explicitly that all forms of insider information and securities trading, bribery and corruption are prohibited. The Code also forbids employees and directors from offering and accepting gifts, benefits or entertainment from third parties which may create a sense of obligation, compromise their professional judgment or create an appearance of doing so.

We continue to communicate and institutionalise the Code to all directors and employees to ensure they uphold and are aligned with our ethical standards. Each employee will receive a copy of the Code which forms an integral part of the terms and conditions of employment. Annually, all directors and employees are required to make declarations to observe strictly and apply the provisions encapsulated within the Code.

In addition, all employees (except trainees and direct labour) are required to complete the Declaration of Conflict-of-Interest Form to declare any form of relationship that may exist between themselves or their family members with any organisations, projects, contracts or business dealings involving the Group. Similarly, declarations by all directors are required to complete the Conflict-of-Interest and Related Party Transactions Form on an annual basis and/or on needs basis to avoid or mitigate the risk of conflicting interests.

In FY2026, we did not record any cases of non-compliance and breach of ethical issues.

Anti-Corruption and Bribery Policy

Inari Group's businesses and operations are governed under an anti-bribery management system developed in conjunction with the introduction of Section 17A of the Malaysian Anti-Corruption Commission Act 2009 which took effect on 1 June 2020. The system adopts a risk-based management approach and is supported by adequate procedures incorporating top-level commitment, corruption risk assessments, risk-based management measures, monitoring, review and reporting processes, and adequate communication and training with relevant stakeholders to enable the implementation of our group-wide Anti-Corruption and Bribery Policy.

SUSTAINABILITY STATEMENT
cont'd

ECONOMIC - Better Results from Better Practices (cont'd)

CORPORATE GOVERNANCE AND ETHICS *(cont'd)*

Anti-Corruption and Bribery Policy *(cont'd)*

The total number and percentage (%) of employees who have received training on anti-corruption by employee category are tabulated as follows:

Employees who have received training on anti-corruption by employee category	Unit	FY2024	FY2025	FY2026
Malaysia				
Manager and above	Number	91	88	77
Executive	Number	536	538	513
Non-executive	Number	3,553	3,568	3,456
Philippines				
Manager and above	Number	37	33	34
Executive	Number	44	41	39
Non-executive	Number	1,702	1,625	1,737
China				
Manager and above	Number	13	13	13
Executive	Number	20	19	18
Non-executive	Number	251	289	261

Employees who have received training on anti-corruption by employee category	Unit	FY2024	FY2025	FY2026
Malaysia				
Manager and above	%	100.0	100.0	100.0
Executive	%	100.0	100.0	100.0
Non-executive	%	100.0	100.0	100.0
Philippines				
Manager and above	%	100.0	100.0	100.0
Executive	%	100.0	100.0	100.0
Non-executive	%	100.0	100.0	100.0
China				
Manager and above	%	100.0	100.0	100.0
Executive	%	100.0	100.0	100.0
Non-executive	%	100.0	100.0	100.0

Our Anti-Corruption and Bribery Policy clearly states that Inari has zero-tolerance towards corruption and bribery. We strictly prohibit any of our directors, employees and associated third parties (which may include but not limited to suppliers, contractors, agents, consultants, outsourced personnel, distributors, advisors, government and public bodies including advisors, representatives and officials) from taking part in any form of corruption, bribery, extortion, embezzlement or any kind of money laundering activities.

SUSTAINABILITY STATEMENT
cont'd

ECONOMIC - Better Results from Better Practices (cont'd)

CORPORATE GOVERNANCE AND ETHICS *(cont'd)*

Anti-Corruption and Bribery Policy *(cont'd)*

Our Policy is approved and governed by our Board of Directors on the ethical framework, adequacy and integrity of the internal controls system in ensuring overall ethical health and compliance level with professional and ethical standards in managing risks of corruption, bribery and money laundering. The Policy covers salient areas pertaining to corruption and bribery such as gifts, entertainment, donations, and sponsorships. The Policy also necessitates strict adherence by all parties across the supply chain. Annually, we will review the Policy's relevance based on the latest regulations and requirements.

All parties, who are subject to our Anti-Corruption and Bribery Policy, are required to complete the Corporate Social Responsibility, Donation and Sponsorship Form which includes a due diligence questionnaire, and obtain approval from the relevant approving authority if they intend to provide or receive any sponsorships, donations and contribution to charity or social projects on behalf of our Company.

At Inari, we do not make charitable donations or contributions to political parties. Although employees and associated third parties acting in their personal capacity are not restricted to making any personal political donations, Inari will not make any reimbursement for these personal political contributions.

Inari has established a confidential and anonymous whistle-blowing mechanism to enable employees and stakeholders to raise concerns, including those related to anti-bribery and corruption, without fear of retaliation. As outlined in our Anti-Corruption Policy, any report made in good faith is protected under the Whistleblowers Protection Act 2010, to the extent reasonably practicable. Such protection applies even if subsequent investigations reveal that the report was unsubstantiated with genuine concerns.

During the financial year, Enterprise Risk Management ("ERM") assessment has been carried out by our independent internal audit professional firm, Crowe Governance Sdn Bhd ("Crowe Governance") across the Group covered the present and potential integrity risk. The assessment process considered the potential impact and likelihood of occurrence, effectiveness of controls in place and action plans taken to mitigate the corruption risk.

Percentage of operations assessed for corruption-related risks	Percentage (%)
FY2024	100
FY2025	100
FY2026	100

For FY2026, there were no reported incidents of corruption or breaches against our Anti-Corruption and Bribery Policy.

Total number of confirmed incidents of corruption	Unit	FY2024	FY2025	FY2026
Malaysia	Number	0	0	0
Philippines	Number	0	0	0
China	Number	0	0	0

The Group, under the leadership of our Group CEO, voluntarily signed the Corruption-Free Pledge as part of our continuous commitment to upholding the highest standards of integrity, transparency and ethical business conduct. The pledge signifies our zero-tolerance stance against all forms of corruption and unethical practices. By taking this step, the Group not only reaffirms its compliance with anti-corruption laws and regulations but also strengthens stakeholder confidence in our governance practices. Moving forward, we remain committed to embedding anti-corruption principles across our operations through regular training, internal controls, and monitoring mechanisms to ensure a culture of integrity is upheld at every level of the organisation.

SUSTAINABILITY STATEMENT
cont'd

ECONOMIC - Better Results from Better Practices (cont'd)

CORPORATE GOVERNANCE AND ETHICS *(cont'd)*

Whistleblowing Policy and Procedures



"We encourage employees to come forward and voice their concerns and report any misconduct occurring in the organisation. We view whistleblowing as a positive act that can make a valuable contribution to the Group's efficiency and long-term success."

Inari has put in place a Whistleblowing Policy and Procedures to promote high standards of ethical conduct and has established proper channels for whistleblowing.

This Policy outlines the various reporting channels to provide directors, employees, shareholders, suppliers, customers and other stakeholders who have a business relationship with Inari an avenue to report suspected wrongdoings, unethical behaviours or workplace grievances that may cause adverse impact to the Group. The types of reportable concerns and misconducts that can be reported through whistleblowing channel and mechanism include but are not limited to corruption and bribery, breach of the provisions in the Group's Code of Business Conduct and Ethics.

The whistleblowing reporting channels include making a report directly to the employees' immediate superior or to the designated officers, up to the Audit Committee Chairman. A report can be made verbally, written via email or via the whistleblowing disclosure form as set out in the Whistleblowing Policy and Procedures. Alternately, employees may make a report via a whistleblowing hotline that is managed by an independent third party.

The Group treats all reports in a confidential manner and at the same time, the whistleblower shall be accorded protection of confidentiality of identity to the extent reasonably practicable, and protection against any adverse and detrimental actions and retaliations of all forms. In FY2026, no non-compliance and breaches of ethical issues were reported through the whistleblowing channels.

Our policies and procedures, namely the Code of Business Conduct and Ethics, Anti-Corruption and Bribery Policy, Whistleblowing Policy and Procedures were reviewed and enhanced from time to time, and made available on our Company's website at www.inari-amertron.com.

Corporate Governance and Compliance

Inari is committed to the principles and best practices of corporate governance as laid out in the Bursa Malaysia Listing Requirements and Malaysian Code on Corporate Governance ("MCCG"). We ensure that the standards of corporate governance are being observed throughout the Group with the ultimate objective of enhancing long-term shareholders' value and returns to our stakeholders. Details of our corporate governance framework and practices are presented in the Corporate Governance Overview Statement on pages 153 to 171 of this Annual Report as well as Corporate Governance Report which is available on both the Company and Bursa Malaysia website.

Tax Governance

Taxation is important for Inari and for our stakeholders - therefore we actively monitor and manage our Group tax matters. We formulate our tax strategy based on the local tax regulatory requirements in the countries where we operate including Malaysia, Philippines and China. Our tax strategy is incorporated into audited financial statements which are audited by external auditors and approved by the Board of Directors with recommendation from Audit Committee.

SUSTAINABILITY STATEMENT
cont'd

ECONOMIC - Better Results from Better Practices (cont'd)

CUSTOMER SATISFACTION

Customer satisfaction is integral to the longevity of our business. We strive to understand and meet our customer's evolving expectations in delivering quality products continuously. We adopt a customer focused approach where any requests, concerns, or dissatisfaction are handled with close attention, urgency and confidentiality. We engage with our customers at every stage - from design and manufacturing to delivery to ensure tailored care when providing them with our services. Only by achieving consistent satisfaction from our customers, will we be able to build a trustful relationship.

Aside from regular meetings with customers, we respond to customer queries through the establishment of a systematic review process which is carried out periodically based on the working level and functions involved. For all gaps identified we ensure that the appropriate action items are set out to resolve these concerns.

To ensure we maintain quality within our products and services, we are guided by our Quality Policy that enables us to achieve our quality objectives and re-affirm our commitment to excellence. The below summarises the tenets of our Quality Policy:

- Maintain the application of Quality Management System ("QMS") based on ISO 9001:2015 QMS model in general;
- Improve our QMS effectiveness continuously while maintaining the performance of our products;
- Produce safe and useful products that comply with applicable statutory and regulatory requirements as well as customers' requirements and specifications;
- Enhance the efficiency of manufacturing processes through elimination of wastage and reduction of process variances;
- Deliver timely products and services, and consistently with zero defects; and
- Inculcate a mindset across our processing chain that quality is the responsibility of all and require their total involvement and commitment.



SEMICON Southeast Asia 2026

We actively participate in international conventions, exhibitions, conferences to network and explore business opportunities with potential customers. These engagements not only allow us to connect with industry leaders but also keep us informed about the latest technologies, regulations, trends and market demands. By staying current, we are able to continuously refine our processes and enhance our products and services, ensuring we remain at the forefront of the industry.

Branding and Reputation

By building a strong brand reputation, we are able to gain trust with existing and new potential customers which in turn drives revenue and our bottom-line growth. Our brand reputation reflects our core values and strengthens confidence in our products and services. Through relentless effort, we strive to maintain an outstanding OSAT provider and to be best-of-class in our industry.

The quality of our products and services can be proven by the numerous awards we have received over the years. They are testaments to our hard work and effort in delivering quality, technological solutions and operational excellence.

Our steadfast commitment to sustainability excellence has been progressively recognised by external accolades with the Group receiving The Edge ESG Silver Award (Technology Sector) in 2023 and The Edge ESG Gold Award (Technology Sector) in FY2026. This achievement continues to serve as a testament to our dedication to continuous improvement and motivates us to strive towards greater milestones in the future.

SUSTAINABILITY STATEMENT
cont'd

ECONOMIC - Better Results from Better Practices (cont'd)

CUSTOMER SATISFACTION *(cont'd)*

Branding and Reputation *(cont'd)*

Below lists the awards presented to our business in recognising Inari's efforts and achievements.

- Top 3 Nominees - Best Company in Investor Relations (Large Cap) - Technology Sector, Bursa Malaysia Investor Relations Awards 2026
- American Malaysian Chamber of Commerce (AMCHAM) Cares Recognition 2026 - Recognition for Excellence in Corporate Social Responsibility (CSR) practices
- The Edge ESG Awards 2025 - Gold Award (Technology Sector)
- Extel's 2025 Asia (ex-Japan/ANZ) Executive Team (Small and Midcap) awards, under the categories of Overall Technology Semiconductors, Best CEO, Best CFO, Best ESG and Best Company Board
- Extel's 2025 Asia (ex-Japan/ANZ) Executive Team (Malaysia) awards, under the categories of Most Honored Companies, Best CEO, Best CFO, Best ESG, Best Company Board and Best Investor Relations Program
- Jabatan Pendidikan Negeri Pulau Pinang - Appreciation Award for the support of Program Industri Madani TVET Lestari
- Supplier Appreciation Awards 2025 - Western Digital
- Supplier Appreciation Awards 2025 - ams OSRAM
- Talent Corp - Recognition Award - Future Skills Talent Council (Chairman for E&E sector)
- HRD Awards 2024 - Excellence Award in Technical Vocational Education and Training (TVET) - Large Employer
- The Edge Billion Ringgit Club Awards 2024 - Highest Growth in Profit After Tax over Three Years
- Supplier Appreciation Awards 2024 - ams OSRAM
- TalentCorp MySIP Appreciation Award 2023 – Top 5 highest number of internships offered
- Malaysia SMART Manufacturing Award 2023 – Industry 4.0 Pillars Category (Best in System Integration)
- The Edge ESG Awards 2023 – Silver Award (Technology Sector)
- INTI International University and College Star Partner Award – Gold Award
- Supplier Appreciation Awards 2023 - ams OSRAM
- Binary University of Management & Entrepreneurship - Certificate of Leadership Excellence
- Bureau of Customs Port of Clark International Airport - Top 5 Exporter for Year 2022
- Employees' Provident Fund, Georgetown, Penang – Recognition of Best Employer 2022



- The Edge Billion Ringgit Club Awards 2022 – Highest Returns to Shareholders over Three Years
- Supplier Appreciation Awards 2022 - ams OSRAM
- The Institution of Engineers Malaysia Awards 2022 - Recognition for contribution in the Engineering Industry (Materials and Production)
- All Executive Team 2019 - ASEAN Most Honoured Companies and Special Achievement Award for CEO and CFO organised by Investor Relations Professionals Association Singapore ("IRPAS")
- Industry Excellence Platinum Award 2019 - Recognition from The Institution of Engineering and Technology
- Asiamoney Awards 2019 - The Most Outstanding Company in Malaysia (Semiconductor & Semiconductor Equipment Sector)
- Financial Times FT1000 High-Growth Companies Asia Pacific 2018
- Strong Partnership & Excellent Shipment Support 2018 - Recognition from Broadcom
- Malaysia Investor Relations Awards (MIRA) 2018 – Best CEO for Investor Relations (Mid Cap)
- The Edge Billion Ringgit Club Awards 2018 - Highest Return on Equity Over Three Years and Highest Growth in Profit After Tax Over Three Years
- Partnership Excellence 2017 - Recognition from Epson
- The Edge Billion Ringgit Club Awards 2016 - Highest Return to Shareholders Over Three Years
- Asia Best Employer Brand Awards 2016
- Broadcom's Best Supplier Award (Best Contract Manufacturers) for 2010, 2015 and 2017
- Forbes Asia 200 Best Under A Billion Company Award for 2014, 2015 and 2016
- Best Brands Blue Chip Awards 2013 (Electronics Manufacturing) - BrandLaureate SMEs

SUSTAINABILITY STATEMENT
cont'd

ECONOMIC - Better Results from Better Practices (cont'd)

INNOVATION

"Think ahead and always stay relevant to the needs of our customers."

Given the rapid pace of technological change in today's connected and digitalised world, aligning research and development goals to market opportunities is key to growing our business. We place importance on continuous improvement across our organisation and its value chain as we aim to strengthen our competitive advantage and stay ahead of our competitors. As such, innovation is woven deeply into our corporate culture, our people as well as the products and solutions we offer – a testament to innovation being placed at the center of everything we do. We ensure process efficiency and meet both market and customers' demand.

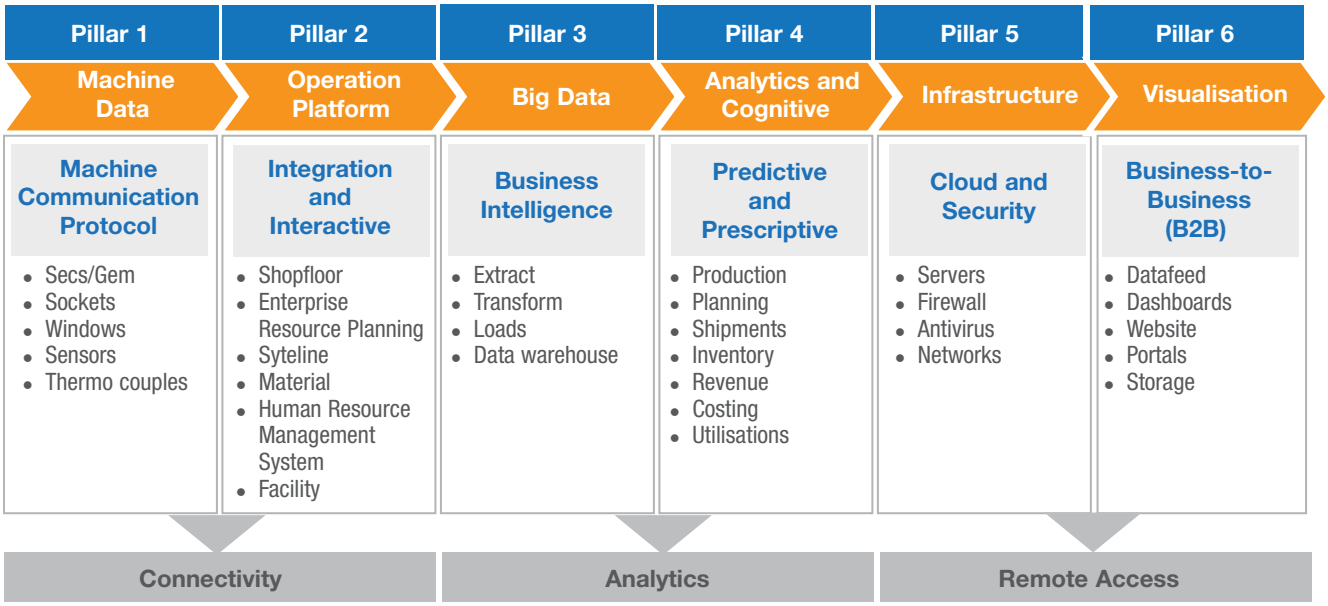
Process Innovation and Industry 4.0

Presently, the world is witnessing how the new industrial revolution is advancing the manufacturing industry with the focus on interconnectivity, automation, machine learning and real-time data acquisition and processing. Companies are integrating and enabling technologies, including those of Internet of Things ("IoT"), cloud computing & analytics, and artificial intelligence & machine learning into production facilities and throughout their operations. Being one of the top industry players, Inari has embarked on this journey since 2017.

To ensure we are driving innovation continuously, our operations are guided by our six (6) Technology Advancement pillars, which comprise:

(i) Machine Data;
(ii) Operation Platform;
(iii) Big Data;
(iv) Analytics and Cognitive;
(v) Infrastructure; and
(vi) Visualisation.

Inari's Technology Advancement Pillars



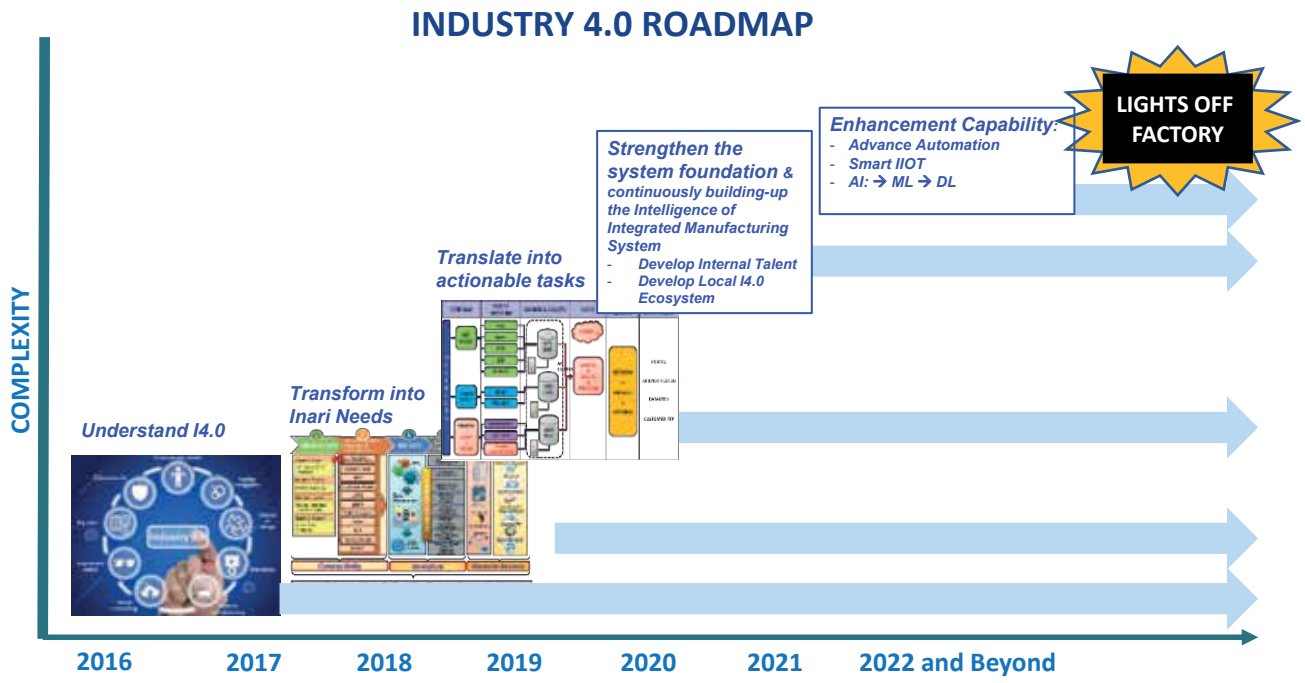
SUSTAINABILITY STATEMENT
cont'd

ECONOMIC - *Better Results from Better Practices (cont'd)*

INNOVATION *(cont'd)*

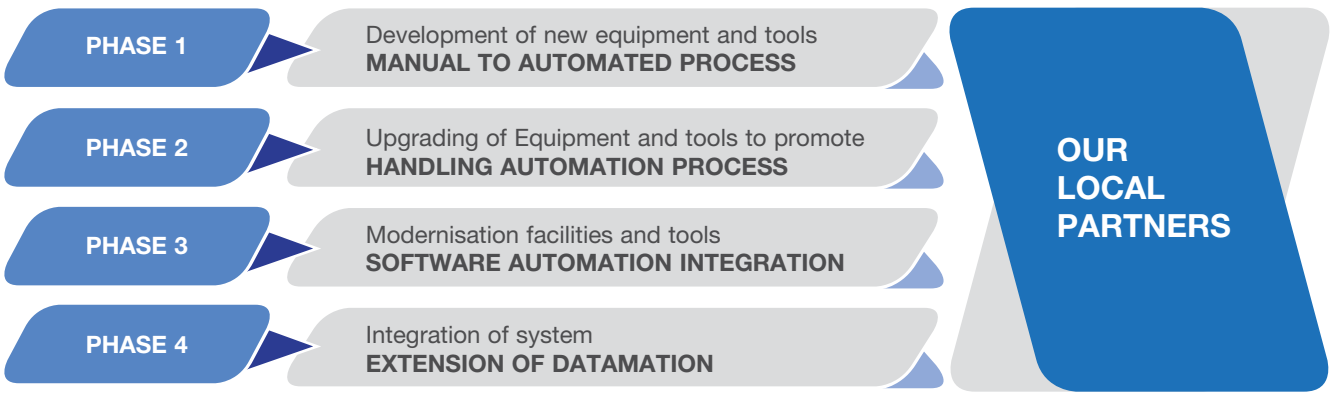
Operational Excellence through Innovation

Our Industry 4.0 Roadmap towards lights off factory is illustrated as below:



To support our Industry 4.0 Roadmap, Inari actively collaborates with local partners to synergise technologies, skills, competitive advantages and strengths by meeting common goals. We work closely with several local vision automation houses, equipment & system automation providers, original equipment manufacturers ("OEM") and sensor & related solution providers.

We have developed an Automation Strategy to guide the Group on the customised processes to achieve higher throughput, productivity and quality. The diagram below presents a summary of our automation strategy with our local partners.



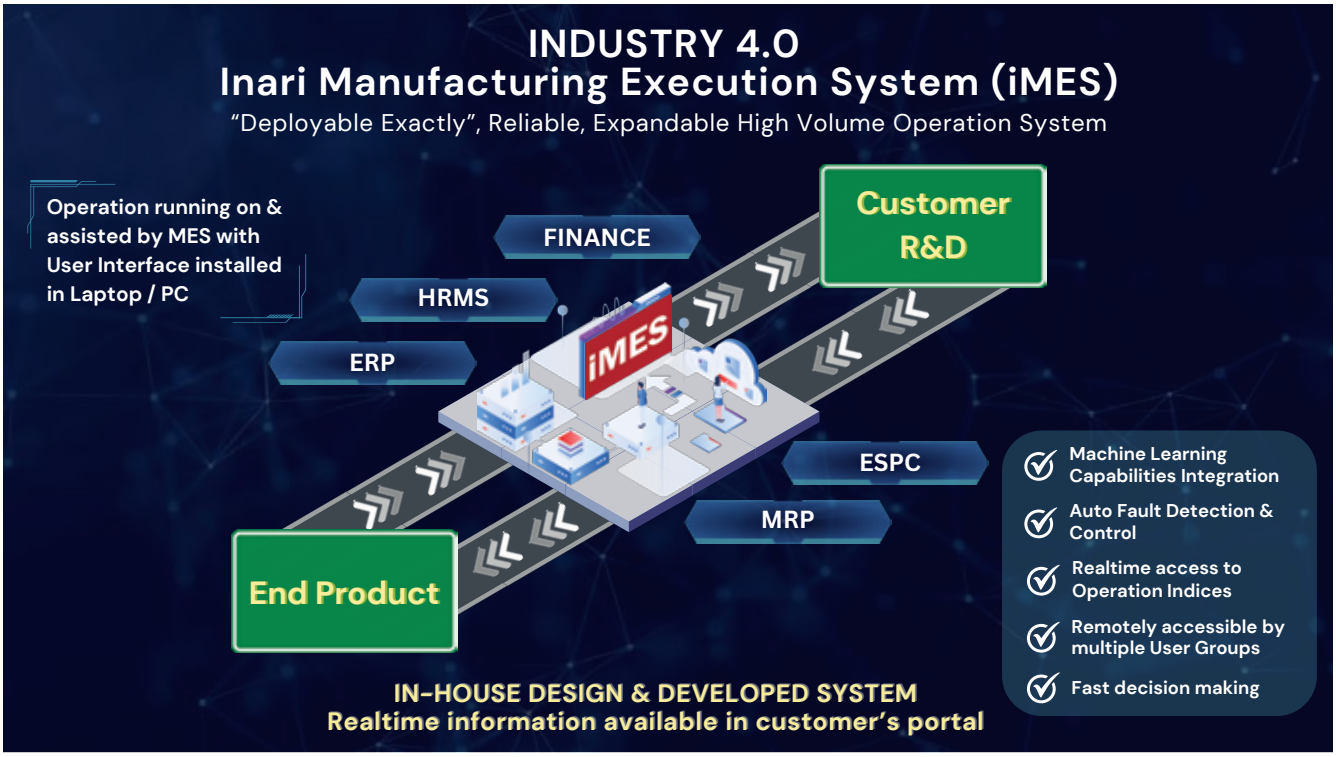
SUSTAINABILITY STATEMENT
cont'd

ECONOMIC - Better Results from Better Practices (cont'd)

INNOVATION *(cont'd)*

Operational Excellence through Innovation *(cont'd)*

In addition, we have developed the Inari Manufacturing Execution System ("iMES") to strengthen our real-time operations tracking and triggering. The iMES connectivity allows fully integrated operations at all levels of the operational teams to prepare, run and control the high-volume manufacturing operations in a lean and efficient manner for all circumstances of order fulfilment. The diagram below summarises Inari's in-house developed iMES process for implementation of Industry 4.0.



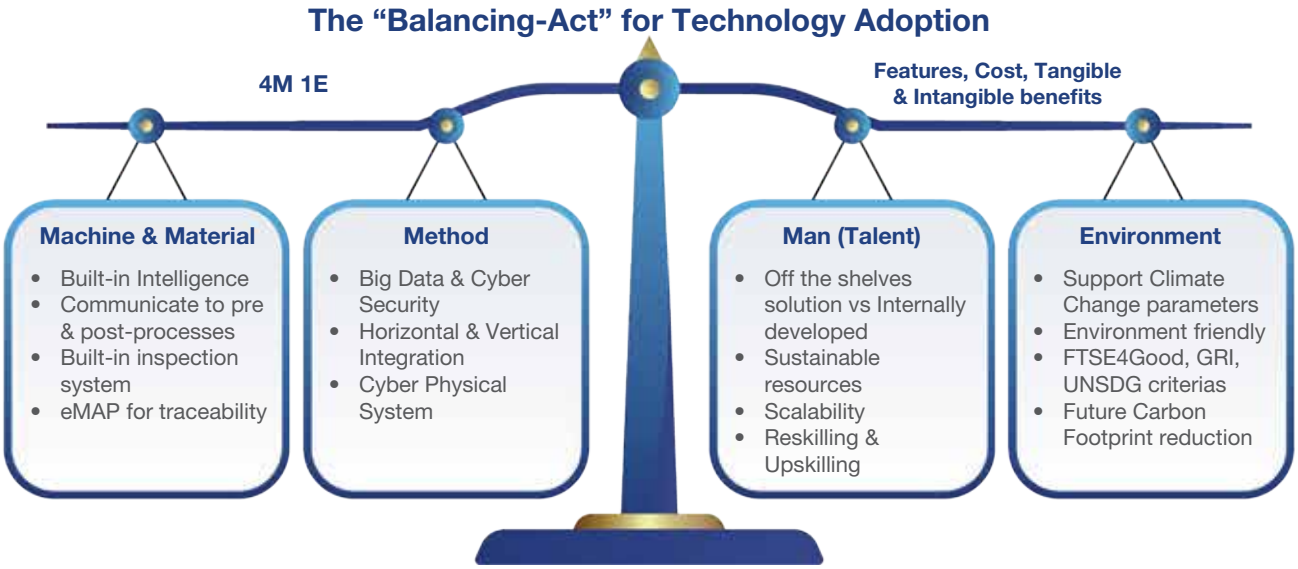
We aim to strike a harmonious balance between integrating new technologies, fostering internal talent growth, and upholding environmental sustainability to ensure holistic organisational advancement, resilience, and responsible progress.

SUSTAINABILITY STATEMENT
cont'd

ECONOMIC - *Better Results from Better Practices (cont'd)*

INNOVATION *(cont'd)*

Operational Excellence through Innovation *(cont'd)*



We've crafted a range of Internal Industry 4.0 Initiatives, to drive transformative progress within our operations as below:

Automation system to maximize machine utilization, provide visibility into downtime patterns and utilization loss, eliminates manual scheduling effort, enabling faster recovery, smoother operations and continuous improvement

eWorkStation as a real-time downtime management module that requires users to log reasons for unscheduled stops and categorizes issues by type, supports immediate notification, investigation, and action tracking for quicker response time, root cause analysis and improve equipment stability and availability.



Dispatch Manager automates dispatching engine that dynamically assigns lots to testers based on setup compatibility, machine load, and lot priority rules. This ensures that high-priority or urgent lots are processed first, prevent machine bottlenecks and misaligned throughput across stations.



Intelligent solutions that streamlines process flow synchronization, enforces readiness checkpoints, and empowers rapid root cause identification for sustained yield optimization

Product Knowledge centralized for new product introduction activities, allowing users to define product-specific NPI workflows, link documentation, recipes, and process steps, and synchronize readiness across modules to improve cross-functional team alignment.



SearchUI acts as search interface that aggregates lot summaries and yield results, accelerates root cause analysis and yield improvement.



SUSTAINABILITY STATEMENT
cont'd

ECONOMIC - Better Results from Better Practices (cont'd)

INNOVATION *(cont'd)*

Operational Excellence through Innovation *(cont'd)*

In addition to internal initiatives and commitments, Inari collaborates with external parties such as system integrators, equipment suppliers, academia and government agencies through knowledge sharing. The list below presents some of the initiatives conducted by Inari showcasing our efforts to improve the manufacturing industry landscape as at FY2026.

Date	Initiatives/Events
July 2024	■ TalentCorp's MyMahir, Future Skill Talent Council ("FSTC") - Validation exercise; review E&E talent gap analysis
	■ Adtec Taiping and MSIA discussion on re-branding of Adtec programs toward Semiconductor syllabus
	■ On-line forum panelist for University Malaysia Pahang's Bachelor of Science in Industrial Mathematics
	■ Collaborated with MIMOS, CREST, ASM and other member companies on Semiconductor Research Consortium for Technology Focused initiatives on Advanced Packaging program
	■ Organised EEPN Pillar 3; SME Development program - Understanding the pain point, challenges and resolutions. Attended by MPC, SMEs & Enablers
August 2024	■ Participated in KWAP's Inspire Conference: Advancing Circular Transformation for a Climate-Smart Malaysia
	■ Visit by Senior Officers of Federal & State Government (Grade 54) organised by MMU Cynergy – Presentation on Digital Transformation: The Road to Efficiency in the Public Sector
	■ Visit by Government Linked Investment Companies ("GLIC") organised by Khazanah for Semiconductor Study Tour
	■ Visit by Electro University group represented by Imperial College London, UTAR, University of Nottingham and Royal Holloway University of London for STEM Initiative, focused on the Semiconductor Industry in Malaysia
	■ INTI International College - Students Visit - Presentation on Semiconductor Processes and Encouragement Towards STEM Careers
	■ Visit by 4 secondary schools in Penang under JPNPP for Industrial and Computer Science related awareness programs
	■ Visit by USM's School of Physics Lecturers to understand Inari's operation and potential of doing research program
	■ Judging for the business pitching session by SME on Technology & Innovation organised by NCER
	■ Visit by MIDF Board Members to understand Inari's talent development, technological advancement and operation
	■ Han Chiang High School - Students Visit - Presentation on Semiconductor Processes and Encouragement Towards STEM Careers
	■ Visit by Science & Mathematics Centre of University Malaysia Pahang - Collaboration on internship and work-based learning (WBL) programs
	■ Visit by senior executive from Public Services Department organised by DRB Hicom University to understand Innovation in Action
	■ Participated in Focus Group Discussion on Internship Foundation, organised by Ministry of Higher Education

SUSTAINABILITY STATEMENT
cont'd

ECONOMIC - Better Results from Better Practices (cont'd)

INNOVATION *(cont'd)*

Operational Excellence through Innovation *(cont'd)*

Date	Initiatives/Events
September 2024	■ Presented at Junior Chamber International United Penang on Unlocking Success: The Entrepreneurial Journey
	■ Visit by University Utara Malaysia on potential collaboration for Internship program and Sustainability consultations
	■ Participated in Industry Workshop 2024 for National Semiconductor Strategy organised by CREST focusing on Talent and Technology landscape
	■ Presented at USM Engineering campus on Career in E&E sector to School Counselors organised by Ministry of Human Resources with guidance provided to students on the knowledge and skills needed for career path in E&E Industry
	■ Visit by SMK St Xavier and SMJK Chung Hwa for industry and STEM awareness and promotions
	■ Industrial judge for Final Year Project Exhibition by TAR University of Management Technology ("TARUMT")
	■ Visit by selected high school Form 5 Computer Science students under Penang Math Platform
October 2024	■ Career talk podcast at Politeknik Tuanku Syed Sirrajuddin Perlis
	■ Speaker and exhibitor at Malaysian 4th Industrial Revolution session at MTDC Serdang
	■ Participated in Khazanah Semicon workshop lab to explore the effective academia-industrial collaboration for the preparation of future talent skills required by Semiconductor industry
	■ Visit by SMJK Heng Ee and SMJK Keat Hwa II for industry and STEM awareness and promotions
	■ Forum panelist for Selangor Information & Digital Economy Corporation (Sidec) on Establishing a Resilient Semiconductor Test & Assembly Supply Chain in Southeast Asia
	■ Forum panelist on Future Engineers under IEMT Conference 2024
	■ Visit by Malaysian Technical Standard Forum Berhad ("MTSFB") to understand E&E digital transformation programs by Semiconductor industry
November 2024	■ Forum panelist moderator for International Semiconductor Executive Summit ("ISES") on Building a Robust Manufacturing Ecosystem: Integrating Supply Chain & Manufacturing, Collaboration Across the Ecosystem
	■ Participate in Roundtable Discussion themed "Building a Highly Skilled Workforce for Malaysia's National Semiconductor Strategies" organised by University Malaysia Pahang
	■ Visit by UNITAR College - Inari factory tour and presentation for sharing of E&E knowledge
December 2024	■ Visit by UniMap for Industrial Visit program
	■ Forum panelist on "How to encourage Industry to use AI in manufacturing" organised by PSDC to SMEs in Penang
	■ Forum panelist on "How Companies Navigate Through the Value Chain" with the current Policies under NIMP2030 and National Semiconductor Strategy, organised by AmCham
	■ Participated at Penang Silicon Design MoU signing and exhibition organised by Invest Penang
	■ Presentation to University Malaya's Institute of Mechanical Engineers (Student Chapter) on Industry Challenges and Opportunities
	■ Presentation to industry audience on Unlocking the Smart Manufacturing Potential, organised by MTSFB
	■ Participate in workshop on Enhancing Semiconductor Industry and Supply Chain Network in Asean organised by Malaysia National University
	■ Industrial visit by Macau University of Science and Technology

SUSTAINABILITY STATEMENT
cont'd

ECONOMIC - Better Results from Better Practices (cont'd)

INNOVATION *(cont'd)*

Operational Excellence through Innovation *(cont'd)*

Date	Initiatives/Events
January 2025	■ Forum panelist at Asean Economic Opinion Leaders discussing on Driving ASEAN's Semiconductor Industry as Global Leaders
	■ SMK Bukit Gambir - Students Visit - Presentation on Semiconductor Processes and Encouragement Towards STEM Careers
	■ Presentation to USM students on Navigating Corporate Culture and Challenges organised by Prime Minister Department & USM
	■ Visit by STEM School Students organised by Penang State Education Department
	■ Visit by MIDA for Advanced Packaging Initiatives and Programs
	■ Union High School and Penang Free School – Students Visit - Presentation on Semiconductor Processes and Encouragement Towards STEM Careers
	■ Presentation to University Technology Mara ("UiTM") students on Smart Manufacturing and Innovations
	■ Visit by USM Engineering Campus - Presentation on Smart Manufacturing and Innovations
February 2025	■ Forum panelist on Driving the Future of Innovation: How Semiconductor Leaders are Shaping Smart Technologies and Sustainable Growth, organised by Plug and Play
March 2025	■ Visit by University of Nottingham Malaysia organised by Institute of Engineers Malaysia - Presentation on Smart Manufacturing and Innovations
	■ Participated in the workshop for Semiconductor Talent Strategic organised by TalentCorp
April 2025	■ Forum panelist for SME Empowerment Catalyst program organised by SME Corp
	■ Judging for TechIdol pitching session organised by SEMICON SEA
	■ Participated in the introductory session of K-Youth TVET BOLTS with teachers in Penang
	■ Participated in the roundtable discussion on Semiconductor Course program by UniMAP
May 2025	■ Visit by Institute of Engineering & Technology (Student Chapter) of UiTM - Presentation on Smart Manufacturing and Innovations
June 2025	■ Provided lecture session to USM Physics' postgraduate students on Advanced Packaging
	■ Organised AI training to SMEs under E&E Productivity Nexus on SMEs development program
July 2025	■ Elected as Industry Advisor for Integrated Engineering at University Technology Petronas
	■ Participated the introductory session to semiconductor with parliament committee for economic and finance
	■ Speaker for the launch of Semiconductor Industry Seminar at ADTEC Taiping
	■ Conducted seminar on Innovation and Entrepreneurial Ecosystems to JPA – Series 1
August 2025	■ Conducted talk to UTP student under Integrated Engineer Department
	■ Conducted seminar on Innovation and Entrepreneurial Ecosystems to JPA – Series 2
	■ Industrial Advisory to USM - Talk on Industry and Academia collaborations
	■ Participated in providing information on E&E ecosystem study/interview by USM
	■ Participated in the launch of the Penang Semiconductor Design @ 5KM
	■ Participated in the New Semiconductor Strategic (NSS) program for funding with Khazanah
September 2025	■ Served as a judge for the Integrated Engineer Department Bootcamp
	■ Visited by Politeknik Alor Setar Kedah

SUSTAINABILITY STATEMENT
cont'd

ECONOMIC - *Better Results from Better Practices (cont'd)*

INNOVATION *(cont'd)*

Operational Excellence through Innovation *(cont'd)*

Date	Initiatives/Events
October 2025	■ Participated in workshop on iESG Sustainability Awareness and Greenhouse Gas (GHG) Inventory Reporting
	■ Inari AI Training needs analysis with PSDC
	■ Presentation on Semiconductor ecosystem and Inari to Brazil Internship students
	■ Visited by JCI Senators Group Penang
	■ Visited by Politeknik Tunku Syed Sirajuddin Perlis
	■ Planning with USM on CORE AI Capex and Technology Blocks
	■ Advanced Packaging workshop with IEEE
	■ Conducted lecturing to UiTM PRAI on semiconductor Engineering and Inari
	■ Participated in workshop on Leadership Habits for Breakthrough Success" (7 Habits Training)
	■ Visited by UiTM PRAI
November 2025	■ Served as a panel speaker on Tariffs, Trade Wars, & Tech Sovereignty during Semicon Malaysia Conference
	■ Joined the panelist of Powering Malaysia's Future: Synergy For a World class E7E & Semiconductor Ecosystem. Organized by USM for Industry and Academia collaborations
	■ Served as a speaker at GEA Workshop on Transition into Advanced Packaging Heterogeneous Integration for AI, Memory, and High-Density Interconnects
	■ Participated in Industry Collaboration & Career Development by PSP
	■ Engaged with German delegations on inter country relations
	■ Received CSR Recognition from AMCHAM
December 2025	■ Joined the panelist of AI for Industry during SME Tech Summit at PSDC
January 2026	■ Conducted lecturing to USM Master Students on semiconductor on and optoelectronic technology
	■ Visited by Kolej Vocational Terengganu
	■ Visited by University of Nottingham Malaysia, Robotic society
	■ Participated in Industry-University Innovation & Investment Dialogue by USM
February 2026	■ Participated in the Automation, Test & Equipment Campus by Invest Penang
March 2026	■ Visited by IEEE IDTM
	■ Served as a judge for TechIDOL @ SEMICON SEA 2026
April 2026	■ Visited by Politeknik Ungku Omar Perak
	■ Visited by Adtech Jitra Kedah
	■ Visited by Institute of Engineering Malaysia
May 2026	■ Participated in Semicon SEA at MITEC Kuala Lumpur
	■ Participated the launch of Malaysia Advanced Packaging Consortium
	■ Visited by Ministry of Finance, Economic and Mosti to P34
	■ Served as a judge for Final TechIdol for Semicon SEA 2
	■ Visited by Kastam Penang
	■ Visited by Security Commission Malaysia
	■ Joined the panelist of AI and Future Talent Forum by University Malaya
June 2026	■ Moderated the engagement session of 2035 National Productivity Roadmap
	■ Participated in the 2026-2027 PSDC Wayforward Planning and Drafting

SUSTAINABILITY STATEMENT
cont'd

ECONOMIC - Better Results from Better Practices (cont'd)

INNOVATION *(cont'd)*

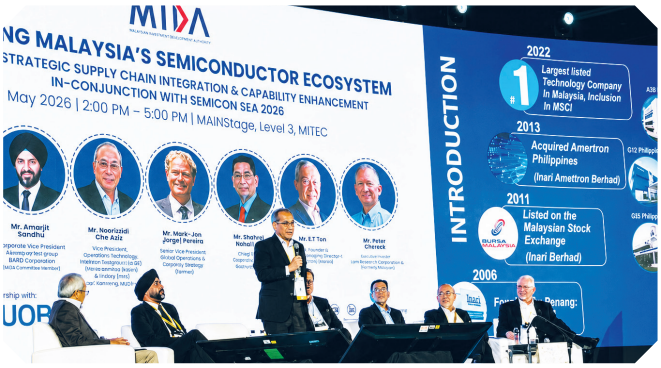
Operational Excellence through Innovation *(cont'd)*



Opening Ceremony of SEMICON Southeast Asia 2026



Business Visit to Clark Development Corporation



Industry Seminar by Malaysian Investment Development Authority (MIDA)



Launch of Malaysia Advanced Packaging Consortium (MAPC)

SUPPLY CHAIN MANAGEMENT

Supply chain management is a critical driver of our business success. As a responsible corporation, Inari is committed to managing its operations in a sustainable and ethical manner. We actively engage with our suppliers to minimise risks of non-compliance related to human rights, labour standards, and environmental management across our value chain. We recognise that the performance of our supply chain directly influences customer confidence in our business, and therefore remain committed to delivering ethical products and services while supporting the wellbeing of our suppliers and their employees.

Our procurement processes are designed to be fair, transparent, and non-discriminatory, with supplier selection and retention guided by a structured bidding and tendering process. With an international footprint, we ensure our procurement activities comply with relevant laws and regulations in every jurisdiction where we operate, reflecting our dedication to sustainable procurement practices.

To manage the environmental impact of our supply chain, Inari embeds sustainability requirements into supplier engagement practices. All suppliers are required to sign the Supplier Code of Conduct, which includes commitments to responsible sourcing and environmental compliance. We mandate adherence to environmental regulations and standards such as RoHS, REACH (SVHC), and Halogen-Free requirements to minimise hazardous substances and promote safer material use. Restrictions on packaging materials are also enforced to reduce waste and encourage sustainable packaging solutions.

SUSTAINABILITY STATEMENT
cont'd

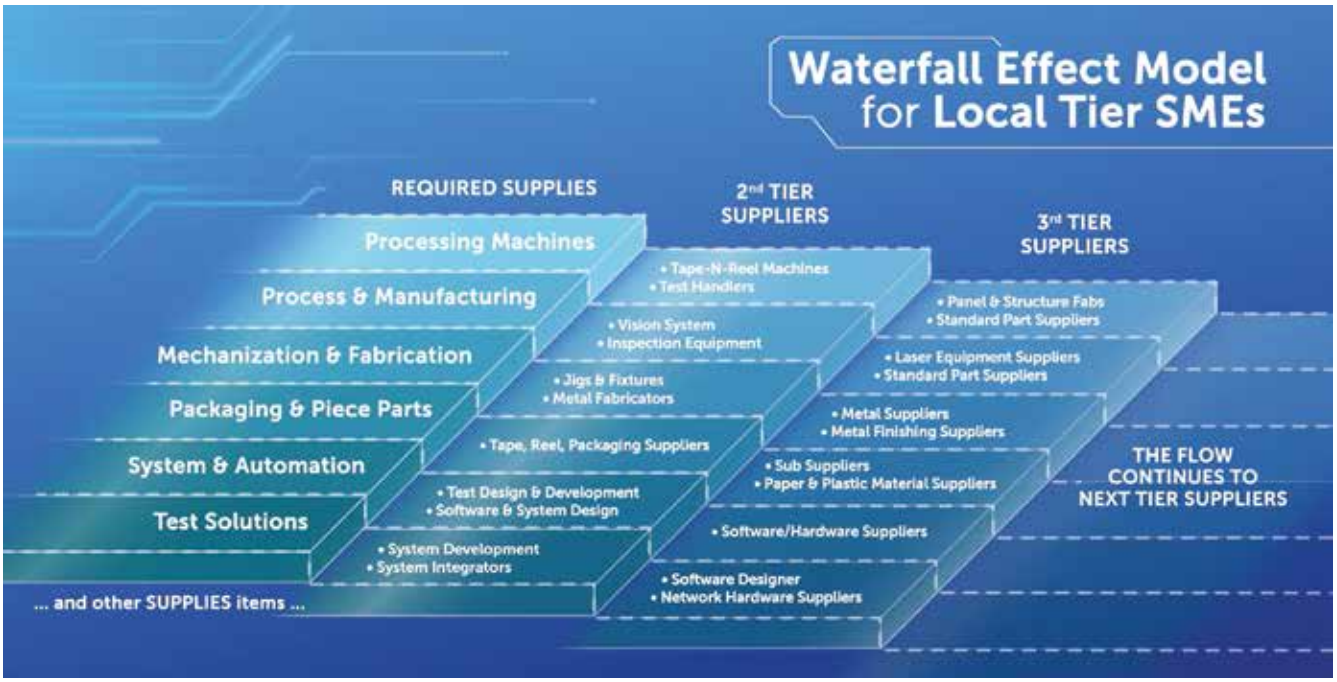
ECONOMIC - Better Results from Better Practices (cont'd)

SUPPLY CHAIN MANAGEMENT *(cont'd)*

In addition, we uphold ethical and responsible sourcing through our Conflict-Free Minerals Policy, requiring suppliers to source exclusively from RMAP-conformant smelters and to provide CMRT and EMRT declarations. These practices allow us to monitor supplier performance, enhance transparency and reporting, and drive continuous improvements in reducing environmental and social impacts across our supply chain.

Inari Waterfall Effect

We aim to establish a mutually beneficial relationships with our suppliers. The below summaries the waterfall effect to our local partners/suppliers with our Industrial 4.0 Roadmap:



Under the leadership of our Group CEO, Mr. Lau Kean Cheong, the initiative was designed to systematically identify challenges, address structural barriers, and propose actionable solutions for local SMEs. The program convened key stakeholders, including the Malaysia Productivity Corporation ("MPC"), SMEs, technology providers and financial institutions - providing a structured platform for dialogue and collaboration. Through this platform, participants were able to align with Industry 4.0 transformation objectives, reinforce their manufacturing resilience and enhance long term competitiveness in line with national industrial priorities.

This initiative not only deepens our engagement with suppliers but also creates a waterfall effect – where knowledge, technology, and best practices cascade through the supply chain, uplifting local partners and reinforcing the overall competitiveness of the ecosystem. By supporting SMEs in their journey, we contribute to building a resilient supply network that aligns with both national industrial strategies and global market demands.

SUSTAINABILITY STATEMENT
cont'd

ECONOMIC - Better Results from Better Practices (cont'd)

SUPPLY CHAIN MANAGEMENT *(cont'd)*

Supplier Code of Conduct

We developed our Supplier Code of Conduct ("SCOC") as part of our standard terms and conditions to ensure our requirements are communicated and made clear to our suppliers. Our SCOC is also translated into relevant languages and is communicated globally to all our suppliers. Our environmental, social, and corporate governance standards contained within the SCOC are outlined below, which makes reference to the Responsible Business Alliance Code of Conduct, GRI Standards, United Nations Global Compact Initiative, United Declaration of Human Rights, and International Labour Organisation Conventions.

Environment	Social	Governance
■ Comply with all local and international regulations on environmental, health and safety matters. ■ Use resources efficiently, apply energy and water-efficient environmentally friendly technologies and reduce waste as well as gas emissions. ■ Adopt appropriate management systems to ensure product quality and safety meet the applicable requirements. ■ Minimise the negative impact on biodiversity, climate change, pollution and water scarcity. ■ Identify the potential safety and health issues and minimise their impact by implementing occupational safety and health procedure (including emergency reporting, employee notification and evacuation procedures, employees training and drills, appropriate fire detection and suppression equipment, adequate exit facilities and recovery plans).	■ Respect personal dignity, privacy and rights of each individual. ■ Support the protection of human rights and prohibit any forced labour and child labour. ■ Uphold the freedom of association and the right to collective bargaining. ■ Provide a workplace free of harassment, harsh and inhumane treatment and discrimination of any kind. ■ Ensure the employees are fairly compensated, comply with local laws on minimum wages and working hours. ■ Enable all of the stakeholders to report concerns or potentially unlawful practices at the workplace via our whistleblowing channel.	■ Abide by all applicable local and international trade laws and regulations. ■ Consider business integrity as the basis of business relationships. ■ Prohibit all types of bribery, corruption and money laundering. ■ Endeavour to deal fairly and should not take unfair advantage of anyone through the manipulation, concealment, abuse of privileged information, misrepresentation of a material fact or any other unfair business practices. ■ Declare any potential or actual conflicts of interest. ■ Respect the privacy and confidentiality of information of all the employees and business partners as well as protect data and intellectual property from misuse.

In addition to the SCOC, we expect continuous improvement from our suppliers in terms of economic, environmental, social, and corporate governance performance. To ensure commitment from our suppliers, we have prepared a Supplier Declaration Form ("SDF") reflecting our principles of which all suppliers are requested to sign. The intention of this SDF is to increase awareness and improve transparency, economic, environmental and social corporate governance adherence and integrity of Inari's supply chain.

SUSTAINABILITY STATEMENT
cont'd

ECONOMIC - Better Results from Better Practices (cont'd)

SUPPLY CHAIN MANAGEMENT *(cont'd)*

Responsible Resource Management

In line with our commitment to sustainability and responsible resource management, we provide a disclosure of the raw materials procured for our operations over the past three years. This information is crucial for assessing our impact on natural resources and guiding our efforts to reduce pollution and optimise resource efficiency. Our disclosures below are organised into two types, namely direct materials and indirect materials.

Site	Unit	FY2024		FY2025		FY2026	
		Direct Materials	Indirect Materials	Direct Materials	Indirect Materials	Direct Materials	Indirect Materials
Malaysia	Tonne	7.66	296.69	20.03	295.18	10.98	359.60
Philippines	Tonne	171.00	170.00	173.89	162.38	185.74	173.26
China	Tonne	80.10	4.01	76.46	3.52	90.12	3.86

Conflict-Free Minerals Policy

We have established a Conflict-Free Minerals Policy to ensure that material defined as conflict minerals do not directly or indirectly benefit the armed groups in the Democratic Republic of the Congo, adjoining countries, or other Conflict-Affected and High-Risk Areas, while continuing to support responsible mineral sourcing in the region.

Inari has defined its Conflict Minerals Due Diligence Programme as aligned with the framework of "Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Area" promulgated by the Organisation for Economic Cooperation and Development. Inari has also evaluated its internal controls for conflict minerals and encourage our suppliers to conduct similar evaluation with their suppliers.

We also encourage our suppliers to purchase minerals from smelters who are listed on the Conflict-Free Smelter Program Compliant Smelter List to ensure the materials used in our supply chain are conflict-free. Our Conflict-Free Minerals Policy is made available on our Company's website.

Fair Procurement Practices and Supplier Screening

We believe that our sourcing process is key to conducting successful tender projects together with our suppliers that add value to Inari as well as to the communities in which we operate. Presently, our sourcing process and procedure are governed by our Procurement Policy. We will ensure all suppliers are treated fairly and equally. Additionally, we work to establish a common objective with our suppliers to achieve a favourable balance between quality and price whilst fulfilling the economic, environmental, social, and corporate governance requirements.

To ensure ethical business operations, we maintain a comprehensive checklist for new vendor selection request. We assess our suppliers in term of quality, pricing, delivery lead time, product certification (which includes the assessment of environmental and social performance) as well as organisation background. We carry out due diligence assessments on all the suppliers vide Supplier Due Diligence Questionnaire in our Procurement Policy.

SUSTAINABILITY STATEMENT
cont'd

ECONOMIC - Better Results from Better Practices (cont'd)

SUPPLY CHAIN MANAGEMENT *(cont'd)*

Supplier Monitoring and Audit

On annual basis, supplier's risk assessment and audit were conducted for top suppliers. In FY2026, we have audited top 7 suppliers (FY2025: top 7 suppliers) for Malaysia, top 15 suppliers (FY2025: top 2 suppliers) for Philippines and top 3 suppliers (FY2025: top 2 suppliers) for China focusing on the following areas:

- Environment Protection and Waste Management
- Safety and Health
- Social compliance
- Legal compliance
- Human Rights (Anti-discrimination, Fair treatment, Providing minimum wage and Prevention of forced labour and Human trafficking)

Based on the supplier audit, there was no high-risk suppliers and zero case of non-compliance by suppliers have been noted, thus, no further measures were taken. Nonetheless, we ensure all suppliers comply with requirements in preventing negative environmental impact. We will officially communicate and reporting back to the suppliers should there be any abnormality found.

Training on Social and Environment Supply Chain Policy

Each year, we organise a minimum of 2 internal training sessions for our buyers and material planners to continuously enhance their expertise. In FY2026, our Malaysia operation conducted a comprehensive training session for our suppliers, focusing on human rights including no excessive working hours, diversity, corporate liability, safety and health, as well as environmental responsibility.

In our Philippines operations, it is standard practice to conduct an annual supplier training session. This training is designed to increase awareness and ensure that our suppliers align with our commitment to conserve energy, avoid the use of hazardous chemicals, and fully complying with environmental regulations. In addition, supplier survey will be conducted to key suppliers regarding ESG Compliance.

Supporting Local Ecosystem and Local Procurement

We strongly believe the health of the local electronics and electrical ecosystem is an important requirement in our long-term economic sustainability. Over the years, we initiated with various local equipment manufacturers and academia to co-develop or improve existing equipment performance and create new automation, machine connectivity and data extraction systems. These collaborations also formed part of our Industry 4.0 framework.

Our concerted efforts have created new capabilities and platforms which benefit local equipment manufacturers by enhancing their company portfolios and profiles. This has also further enabled Inari in supporting industries such as metal fabrication and component suppliers to increase their revenues thereby creating more employment opportunities. The academia sector also benefits in this programme as university-owned research and development are used and tested in an industry environment, concurrently providing platforms for students and lecturers to gain up-to-date knowledge and practical experiences.

At Inari, we continue to prioritise procurement of goods and services from local suppliers who meet the standards we require. By promoting local suppliers, Inari is able to reduce dependency on foreign equipment and the impact of foreign exchange fluctuations through local purchases. In terms of business operations, working with local equipment improves production and development turnaround time with services and support from local suppliers and academia. Ultimately, we will be contributing a direct positive economic impact on the communities where we operate.

SUSTAINABILITY STATEMENT
cont'd

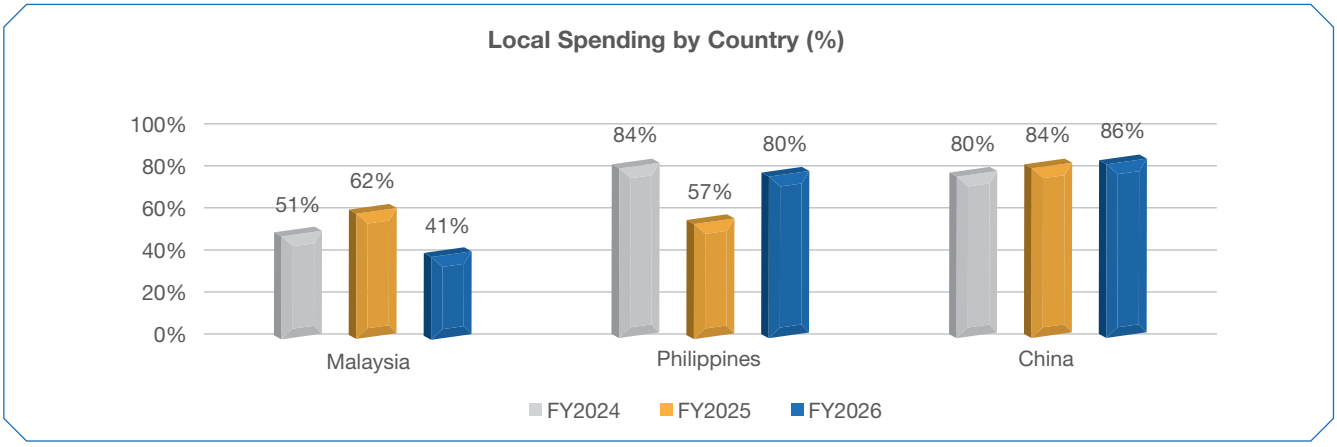
ECONOMIC - *Better Results from Better Practices (cont'd)*

SUPPLY CHAIN MANAGEMENT *(cont'd)*

Supporting Local Ecosystem and Local Procurement *(cont'd)*

Inari works to retain the cost-effectiveness of our supplier base by continuously engaging with local suppliers for our indirect material. The proportion of our spending allocated to local suppliers is as shown below:

Proportion of spending	Unit	FY2024		FY2025		FY2026	
		Local Suppliers	Foreign Suppliers	Local Suppliers	Foreign Suppliers	Local Suppliers	Foreign Suppliers
Malaysia	%	51	49	62	38	41	59
Philippines	%	84	16	57	43	80	20
China	%	80	20	84	16	86	14
Overall	%	59	41	59	41	52	48



While the proportion of local spending moderated in FY2026 compared with FY2025, the Group continued to prioritise local sourcing where commercially and operationally feasible.

Involvement in Initiatives on Environmental Impacts in Supply Chain

In Malaysia, Inari is recognised as a ''Strategic Partner'' by the Department of Environment (DOE), a role further reinforced by being awarded an appreciation certificate and officially designated as Rakan Strategik in DOE communications. The DOE frequently invites Inari to collaborate in state-level National Environment Day events, where our Malaysia operations have actively participated in seminars and dialogues. These engagements are vital in keeping us updated on the latest requirements for effective environmental management and control. In FY2026, we were honoured with the AMCHAM Cares Recognition from the American Malaysian Chamber of Commerce for its exceptional Corporate Social Responsibility (CSR) practices.

Our Malaysia operations also attended the screening of WASTED in FY2025, an award-winning impact documentary on the global waste challenge, organised by Eco-Business in collaboration with the Penang Green Council, Standard Chartered Bank Malaysia and PPB Group. The updated documentary, reflecting outcomes of the United Nations negotiations on a legally binding treaty on plastic pollution, highlighted the pressing realities of waste generation, its links to human health, and its intersection with the climate crisis. The screening was followed by a panel discussion with industry experts, policymakers and community leaders focusing on Malaysia's waste management systems, with a key focus on Penang. Our participation underscores Inari's commitment to engaging with multi-stakeholder initiatives that raise awareness and drive solutions for sustainable waste management and a cleaner future.

SUSTAINABILITY STATEMENT
cont'd

ECONOMIC - *Better Results from Better Practices (cont'd)*

SUPPLY CHAIN MANAGEMENT *(cont'd)*

Involvement in Initiatives on Environmental Impacts in Supply Chain *(cont'd)*

We are members of the Semiconductor & Electronics Industries in the Philippines Foundation, Inc. and the Suzhou Electronic Information Industry Association. Our involvement in these organisations underscore our commitment to participating in initiatives that address environmental impacts across the supply chain.

PRIVACY AND DATA PROTECTION

As technology becomes increasingly integral to the workplace to enable more effective and efficient forms of collaboration, it is imperative that Inari is able to manage the threats and increasing risk of cyber-attacks to the Company. Inari is committed to protecting the private information and personal data of our customers, suppliers, and employees.

Our cybersecurity measures and practices ensure that information is appropriately and lawfully shared and that data is handled with the utmost care, done confidentially and with integrity. We comply with the regulations of the Personal Data Protection Act which apply to dealing with and processing personal data in commercial transactions. All information and personal data are secured using our integrated data protection and information security strategy.

Below lists the key internal controls to protect data privacy:

- ✓ Protect our technology resources and assets with encryption, firewalls, antivirus or anti-malware software, automated patching and security vulnerability assessments
- ✓ Use appropriate physical and organisational security measures to protect personal data
- ✓ Require all employees to comply with Inari's Code of Business Conduct and Ethics
- ✓ Provide training and awareness programmes on data security and proper handling of information
- ✓ Sign Non-Disclosure Agreements between Inari and customers, suppliers and contractors
- ✓ Annual simulation on disaster recovery
- ✓ Disable USB for our employees to fortify our defence against potential data breaches and malware threats, prevent unauthorised data transfers and safeguard sensitive information
- ✓ Enhance Wi-Fi configuration to allow only authorised Inari assets to connect to reduce the risk of unauthorised access and potential intrusions
- ✓ Provide secure and controlled access for Inari customers, issue individual vouchers for Wi-Fi connectivity, to ensure only authorised users can access to the network and minimise potential security vulnerabilities
- ✓ Implement advanced virus detection mechanisms to analyse cybersecurity trends to proactively address emerging risks and strengthen our defence mechanisms
- ✓ Filtered Secured File Transfer Protocol ("SFTP") connections through authorised IP addresses to protect sensitive data during file transfer, where only connections from authorised IP addresses are allowed for SFTP, adding an extra layer of security against unauthorised access attempts
- ✓ Network isolation for legacy machines at production floor to minimise potential vulnerabilities and safeguard critical infrastructure
- ✓ All office desktops join a domain to ensure uniform Group Policy setting across the organisation, to enhance security, consistency and centralise management and reduce risk of misconfigurations
- ✓ Default High User Account Control ("UAC") setting to protect operating systems from unauthorised changes and empower users to make informed decisions when accessing potentially sensitive system functions
- ✓ Deploy multi-factor authentication on all servers and remote access points to further enhance security and strengthen our defence against unauthorised access
- ✓ Conduct both external and internal network vulnerability assessments and penetration testing by independent firms to identify and address potential security vulnerabilities
- ✓ Conduct regular internal and third-party audits to assess the effectiveness of privacy controls and identify areas for improvement
- ✓ Conduct periodic phishing simulations to enhance employee awareness and strengthen resilience against social engineering threats

SUSTAINABILITY STATEMENT
cont'd

ECONOMIC - Better Results from Better Practices (cont'd)

PRIVACY AND DATA PROTECTION *(cont'd)*

Below lists the key internal controls to protect data privacy: *(cont'd)*

- ✓ Review and update data handling procedures and privacy-related policies periodically to maintain compliance with evolving regulatory requirements and recognised best practices
- ✓ Encrypt all backup systems to safeguard the integrity and availability of sensitive data, particularly in the event of ransomware attacks or system failures
- ✓ Enable automatic session timeouts and screen-lock settings on all end-user and shared devices to reduce the risk of unauthorised access through unattended terminals
- ✓ Enable enhanced logging of critical system operations to strengthen user accountability and facilitate forensic investigations in the event of a security incident

Due to our data privacy and protection efforts, we have received zero cases related to breaches of data and complaints received from external stakeholders.



ZERO
Cases for Breaches of Data



ZERO
Complaints Received from External Stakeholders

Total number of identified data leaked	Unit	FY2024	FY2025	FY2026
Malaysia	Number	0	0	0
Philippines	Number	0	0	0
China	Number	0	0	0

Total number of complaints received from external stakeholders	Unit	FY2024	FY2025	FY2026
Malaysia	Number	0	0	0
Philippines	Number	0	0	0
China	Number	0	0	0

SUSTAINABILITY STATEMENT
cont'd

ENVIRONMENT - *Caring for our Planet*

"We aim to deliver green and safe products and services while maintaining the good of the environment."

Responsible stewardship of the environment is no longer a voluntary decision, but it has emerged to be a critical action to future proof our business. The ongoing discussions and calls for companies to act on climate change has accelerated the transition to low carbon products and services to ensure environmental impacts are reduced and managed in a responsible manner. Against this backdrop, we are committed to providing environmentally friendly products to our customers and improving practices along our value chain for the efficient and responsible use of all resources. Likewise, our Supplier Code of Conduct includes environmental guidelines which delineates our expectation towards the suppliers.

Presently, our environmental management and practices are governed by the Environmental Policy as shown below:

Inari Amertron Berhad

ENVIRONMENTAL POLICY

"We aim to deliver green and safe services and products for the good of environment"

Inari is committed to providing environmentally friendly products to our customer. This is achieved through a continuous effort to improve operations, processes and the work environment to be cleaner and safer for the customer, employee and our society.

- We use only environmentally safe materials that comply with RoHS, REACH and Halogen-free requirements in our products and processes.
- We establish objectives, targets and standards for continuous environmental improvement and protection.
- We prevent water, air and noise pollution, reduce waste and minimise the consumption of natural resources.
- We strive to mitigate the climate change by reducing greenhouse gas (GHG) emissions and conserve energy and water wherever feasible.
- We always comply with relevant environmental regulations and customer's specific requirements.
- We educate, train and motivate employees to be environmentally friendly in a responsible manner.
- We encourage and influence environmental protection among the suppliers and subcontractors.

The key areas of focus in our environmental and climate change management are to enhance energy consumption efficiency, reduce GHG emission, ensure efficient use of water resources, and maximise recovery, re-use and recycling activities. Our Environmental Policy is outlined below, which is also made available on our Company's website.

SUSTAINABILITY STATEMENT
cont'd

ENVIRONMENT - *Caring for our Planet (cont'd)*

Environmental Policy

- We use only environmentally safe materials that comply with Restriction of Certain Hazardous Substances ("RoHS"), Registration, Evaluation, Authorisation and Restriction of Chemicals ("REACH") and Halogen-free requirements in our products and processes.
- We establish objectives, targets and standards for continuous environmental improvement and protection.
- We prevent water, air and noise pollution, reduce waste and minimise the consumption of natural resources.
- We strive to mitigate the climate change by reducing greenhouse gas (GHG) emissions and conserve energy and water wherever feasible.
- We always comply with relevant environmental regulations and customers' specific requirements.
- We educate, train and motivate employees to be environmentally friendly in a responsible manner.
- We encourage and influence environmental protection among the suppliers and subcontractors.

Certifications

Our efforts in managing our environmental and climate change management have led our operations to receive several certifications in relation to Environment, Health and Safety ("EHS") compliance from local and international governing bodies which recognise our efforts in preserving the environment. All our operating sites in Malaysia, Philippines and China are fully certified with ISO14001:2015.



ISO14001 – Malaysia
MY08/00011



ISO14001 – Malaysia
MY08/01599



ISO14001- Philippines



ISO14001 - China

In addition to ISO14001:2015, our capabilities have undergone assessments and received certification through the following accreditation:

Certification	Operating Sites	Validity Period
ISO14001:2015 - Environmental Management System	Malaysia	26 January 2029
	Philippines	14 September 2027
	China	5 April 2027
ISO45001:2018 - Occupational Health and Safety Management System	China	12 June 2027
IATF 16949:2016 - Automotive Quality Management System	Malaysia	2 February 2027
	Philippines	3 September 2027
	China	29 August 2029
ISO 9001:2015 - Quality Management System	Philippines	10 October 2027
RoHS Compliant	Malaysia	Valid indefinitely
REACH Compliance	Malaysia	Valid indefinitely
Green Energy Certificate	Malaysia	Valid indefinitely
Aqua Save Certificate	Malaysia	October 2028
Penang Green Office	Malaysia	October 2028
Radiation Safety Permit	Malaysia	15 May 2029
	China	10 October 2031

SUSTAINABILITY STATEMENT
cont'd

ENVIRONMENT - *Caring for our Planet (cont'd)*

Certifications (*cont'd*)

Biodiversity

Inari is supportive of the preservation of biodiversity in the regions where we operate. We have chosen our operation sites diligently to ensure that our operation sites are not located within proximity to any reserved forest or protected habitat. Our operation sites are located at the industrial zones in Malaysia, Philippines and China as detailed below:

- Bayan Lepas Free Industrial Zone, Penang, Malaysia;
- Bayan Lepas Non-Free Industrial Zone, Penang, Malaysia;
- Batu Kawan Industrial Park, Penang, Malaysia;
- Clark Freeport Zone, Clark, Philippines; and
- Kunshan Comprehensive Bonded Zones, Jiangsu, China.

Environmental compliance

We are committed to complying with all applicable environment laws and regulations. In FY2026, we complied with all relevant environmental regulations and no sanctions resulting from non-compliance for our operations in Malaysia, Philippines and China.

ENERGY USAGE

We acknowledge the worldwide apprehension regarding climate change arising from heightened energy consumption and GHG emissions. Our dedication lies in the execution and reinforcement of energy-efficient initiatives. In FY2026, our investments persistently target eco-friendly technologies and enhancements to plant operations. These efforts culminate in the production of goods through energy-efficient procedures, underscoring our commitment to curbing GHG emissions, mitigating climate change repercussions, and minimising our ecological imprint.

Our initiatives on energy-efficiency and saving projects as at FY2026 are listed below:

Energy-efficiency projects	Purpose	Target saving	Status
Installation of solar panels at P1, P3 and P5	Green energy	44,302 kWh/month	Completed
Replacement of screw chillers to centrifugal chillers at P34	Energy efficiency	8,365 kWh/month	Completed
Increase of chiller temperature by 0.5 degree Celsius at P1, P3, P5, P13 and P21	Energy saving	41,950kWh/month	Completed
Reduction of compressor pressure setting at P1, P3, P5, P13, P21 and P34	Energy saving	102,400 kWh/month	Completed
Reduction of vacuum suction pressure at P13	Energy saving	64,830 kWh/month	Completed
Change of fixed speed vacuum pump to VSD vacuum pump at P21	Energy saving	24,870 kWh/ month	Completed
Divert AHU from IT office to Managers' cubicle and switch off ACSU air conditioner at P21	Energy saving	5,790 kWh/month	Completed
Divert process cooling tower supply to WCPU and shut down of rooftop cooling tower system at P1, P3 and P5	Energy saving	8,350 kWh/month	Completed

SUSTAINABILITY STATEMENT
cont'd

ENVIRONMENT - *Caring for our Planet (cont'd)*

ENERGY USAGE *(cont'd)*

Energy-efficiency projects	Purpose	Target saving	Status
Shut down DI/CO2 System 3 as no longer required for current process at P1, P3 and P5	Energy saving	2,375kWh/month	Completed
Shut down 60USGPM System 1 as discharge usage able to support at P1, P3 and P5	Energy saving	2,375kWh/month	Completed
Reduction of 16K CFM fan to 7K CFM fan at P1, P3 and P5	Energy efficiency	4,750kWh/month	Completed
Installation of solar panel at P21	Green energy	161,594 kWh/month	Completed
Replace infill for Cooling Tower 3 to reduce energy consumption for 2 other chillers	Energy saving	7,850 kWh/month	Completed
Conversion of refrigerant ACSU split unit to chilled water	Energy efficiency	1,205 kWh/month	Completed
Conversion of refrigerant ACSU split unit to AHU unit	Energy efficiency	2,680 kWh/month	Completed
Installation of CDA receiver tanks at P3L2 & P5L2 and reduction of discharge pressure	Energy efficiency	13,890 kWh/month	Completed
Conversion of ACSU to chilled water by tapping from AHU 17 to male/female surau L2 at P13	Energy efficiency	36 kWh/month	Completed
Installation of solar panels at P13	Green energy	93,343 kWh/month	Completed
Installation of smart switch at canteen air conditioning system for automated operation at P21	Energy saving	522 kWh/month	Completed
Running 2 units 132 VSD air compressor instead of one FS fixed speed air compressor (261KW) at P34	Energy efficiency	39,375 kWh/month	Completed
Increase of chiller temperature by 0.2 degree Celsius at P34	Energy saving	36,120 kWh/month	Completed
Installation of 8 units of VFD at CK2, Philippines	Energy saving	10,090 kWh/month	Completed
Installation of Online Room Temperature Monitoring & Setting at CK1, and Cleanroom Temperature Optimisation (23–24°C) at CK2, Philippines	Energy saving	8,700 kWh/month	Completed
Air compressor energy saving project through CDA pressure sustain at 5.5 bar at CK1 and CK2, Philippines	Energy efficiency	53,618 kWh/month	Completed
Conversion of fluorescent tube to LED at Kunshan, China	Energy efficiency	1,124 kWh/month	Completed
Adjustment of temperature of centralised air conditioning system at Kunshan, China	Energy saving	1,040 kWh/month	Completed
Replacement of central air conditioning motor from level 5 energy efficiency to level 2 energy efficiency	Energy saving	54 kWh/month	Completed
Replacement of conventional air conditioning box with ice water tray cooling	Energy saving	5,632 kWh/month	Completed
Installation of Solar Night Lamp, Philippines	Green energy	1,920 kWh/month	Completed
Conversion of variable frequency air compressors at Kunshan, China	Energy efficiency	15,879 kWh/month	In-progress
Replacement of facility pump motors with higher-efficiency motors across 5 identified areas, China	Energy efficiency	1,291 kWh/month	Completed
Adjustment of central air-conditioning cooling water circulation pump frequency from 50Hz to 45Hz, China	Energy efficiency	2,160 kWh/month	Completed
Replacement of 36W factory lighting with 20W LED lighting, China	Energy efficiency	3,897 kWh/month	In-progress

SUSTAINABILITY STATEMENT
cont'd

ENVIRONMENT - Caring for our Planet (cont'd)

ENERGY USAGE *(cont'd)*

Energy-efficiency projects	Purpose	Target saving	Status
Replacement of existing AHU soft starters with VFDs at P21	Energy efficiency	2,534 kWh/month	In-progress
Replacement of belted-type IE1 motor with direct-drive IE3 motor at P21 Cooling Tower No. 3	Energy efficiency	179 kWh/month	In-progress
Installation of centralised ducted air-conditioning system for HT/LV rooms at P21	Energy efficiency	10,800 kWh/month	In-progress
Coordinate with the operation team to minimise energy waste and optimise daily energy consumption at P34	Energy efficiency	2,562 kWh/month	In-progress
Use of VSD air compressor to replace fixed-speed air compressors at P34	Energy efficiency	13,620 kWh/month	Completed
Weekend shutdown of 270 RT chiller at P34	Energy saving	220,400 kWh/month	Completed
Daily shutdown of 200 RT chiller of one system from 10:00 pm to 10:00 am at P1, P3 and P5	Energy saving	49,000 kWh/month	Completed
Removal of pre-cool 8 refrigerant cooling and utilise AHU 8 chilled-water cooling in coater room at P13 of ISL	Energy efficiency	5,760 kWh/month	In-progress

In addition to the above energy-efficiency projects, we also expect discipline among our employees at Inari to switch off unused lighting and electronic equipment within Inari's premises.

With the energy-efficiency projects in place, we managed to contain the total energy consumption with marginally increase by 0.3% to approximately 488,781 GJ in FY2026. Moreover, the Group achieved an improvement in overall energy intensity to 0.0000256 GJ/FOU in FY2026, compared with 0.0000271 GJ/FOU in FY2025. This represents the ***lowest overall energy intensity recorded since FY2021*** and remains below the FY2020 level of 0.0000289 GJ/FOU, reflecting improved energy efficiency across our operations.

Petrol Consumption	Unit	FY2024	FY2025	FY2026
Malaysia	GJ	183	191	217
Philippines	GJ	116	54	53
China	GJ	232	242	225
Total	**GJ**	**531**	**487**	**495**
Diesel Consumption	**Unit**	**FY2024**	**FY2025**	**FY2026**
Malaysia	GJ	835	762	735
Philippines	GJ	3,763	3,010	3,301
China	GJ	- [(a)]	- [(a)]	- [(a)]
Total	**GJ**	**4,598**	**3,772**	**4,036**
Electricity Consumption	**Unit**	**FY2024**	**FY2025**	**FY2026**
Malaysia	GJ	360,139	380,286	383,792
Philippines	GJ	87,174	82,428	79,470
China	GJ	20,295	20,411	20,988
Total	**GJ**	**467,608**	**483,125**	**484,250**

Note:

(a) No consumption of diesel for operation in China.

SUSTAINABILITY STATEMENT
cont'd

ENVIRONMENT - Caring for our Planet (cont'd)

ENERGY USAGE *(cont'd)*

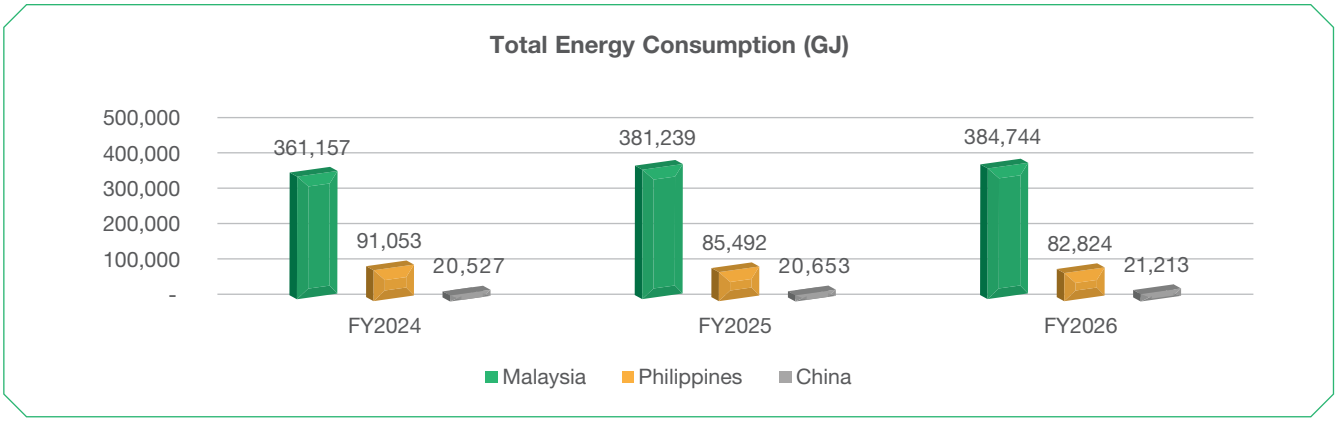
Total Energy Consumption (Petrol, Diesel, Electricity)	Unit	FY2024	FY2025	FY2026
Malaysia	GJ	361,157	381,239	384,744
Philippines	GJ	91,053	85,492	82,824
China	GJ	20,527	20,653	21,213
Total	**GJ**	**472,737**	**487,384**	**488,781**

Energy Intensity	Unit	FY2024	FY2025	FY2026
Malaysia	GJ/FOU [(b)]	0.000021	0.000022	0.000021
Philippines	GJ/FOU [(b)]	0.000339	0.000535	0.000607
China	GJ/FOU [(b)]	0.000163	0.000196	0.000180

Overall Energy Intensity	GJ/FOU
FY2024	0.0000272
FY2025	0.0000271
FY2026	0.0000256

Note:

(b) FOU stands for Factory Output Unit.

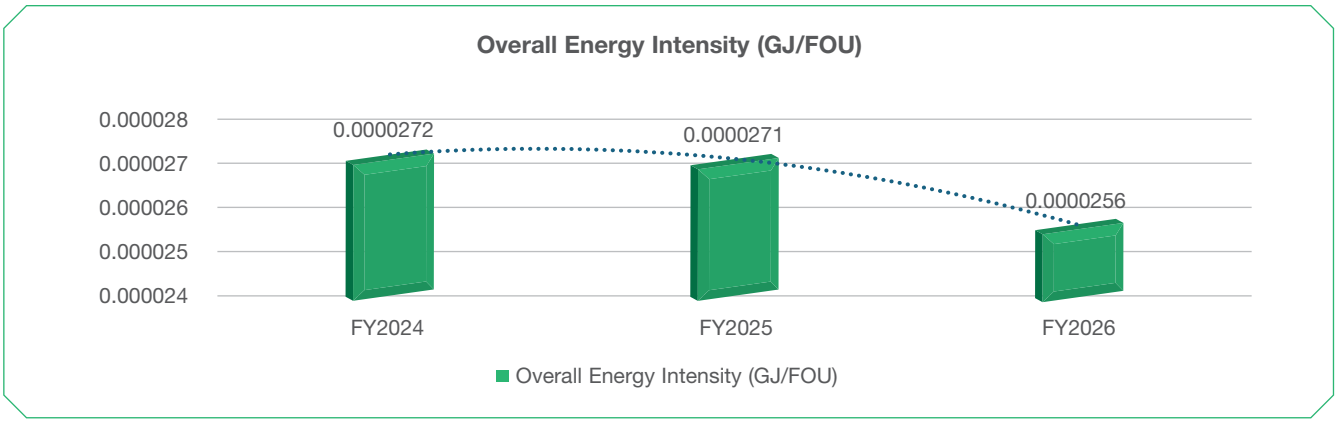


The energy-efficiency projects contained total energy consumption (GJ) with only marginal increase by 0.3% in FY2026.

SUSTAINABILITY STATEMENT
cont'd

ENVIRONMENT - Caring for our Planet (cont'd)

ENERGY USAGE *(cont'd)*



Overall energy intensity improved in FY2026 to 0.0000256 GJ/FOU, lowest level recorded since FY2021.

WATER MANAGEMENT

As outlined in our Environmental Policy, we are committed to prevent water pollution and minimise the consumption of natural resources which include water. At Inari, our wafer fabrication and packaging facilities consumed a large portion of our daily water usage to clean silicon wafers in the course of wafer processing. Due to the high volume of water consumption within our production processes, we continue to focus on water conservation and efficiency across our operations.

Our initiatives on water-efficiency and saving projects as at FY2026 are listed below:

Water-saving projects	Purpose	Target saving	Status
Cooling tower - Change of preventive maintenance method at P21	Water saving	120m³/month	Completed
Rainwater harvesting - Divert the existing Level 2 drainpipe to reclaim rainwater for use in Cooling Towers 3 and 4 at P21	Water efficiency	Not quantifiable	Completed
Recycle condensate water from AHU for reuse at cooling tower at P13	Water efficiency	216m³/month	Completed
Transfer Condensation water for AHU & Pre-cooled Level 3 to level 6 at P34	Water saving	492m³/month	Completed
Reuse AHU L2 and L3 condensate water to top up at L1 Process Cooling Tower at P3	Water saving	600m³/month	In Progress
Recycle AHU condensate water to rooftop cooling tower (P34)	Water efficiency	194m³/month	Completed
Rainwater harvesting - reclaim rainwater for use at BL5 Cooling tower at P13	Water efficiency	Not quantifiable	In Progress

SUSTAINABILITY STATEMENT
cont'd

ENVIRONMENT - *Caring for our Planet (cont'd)*

WATER MANAGEMENT *(cont'd)*

In addition to the above projects, we have also introduced supporting measures to further strengthen water conservation efforts across our plants:

✓ **Process optimisation through equipment upgrades**

We improved efficiency by converting single spindle machines to dual spindle machines. This upgrade increases wafer production capacity while maintaining the same water intake, resulting in reduced water consumption per unit produced.

✓ **Recycling water for daily operations**

Our plants are equipped with rinse water collection systems that channel lightly contaminated wastewater for reuse in toilet flushing. Reverse osmosis reject water is recycled for gardening and as raw water supply. In the Philippines, cooling water are reused for flushing systems in CK2 building. These practices extend the lifecycle of water and reduce reliance on fresh sources.

✓ **Upgrade of water piping and regular monitoring**

We have also upgraded our water piping system to compensate the low domestic water pressure which may have resulted from the ageing of underground water piping. Our facility team will continue to monitor and look for cost-effective methods to improve our water usage. With that, our Malaysia operations had been presented by the local water authorities with a certificate of Accreditation for our initiative and continuous efforts in water conservation.

✓ **Signage and reminders**

We have installed signage across all our plants to remind and encourage everyone including employees and visitors to practice water conservation. These reminders are strategically placed in high-usage areas such as restrooms and the canteen to promote responsible water use at all times.

Water Withdrawal

At Inari, we hold a deep understanding of the significance of resource management. Consequently, recognising the pivotal role of water withdrawal data becomes evident, as it serves a dual purpose: effective resource management and the crucial task of mitigating environmental impact.

Large-scale water withdrawals can have serious environmental consequences, such as reducing water availability for ecosystems, aquatic life, and local communities. The following water withdrawal information helps us understand how using water affects nature. It guides us in making better choices for the environment and being careful with resources. We're dedicated to managing resources responsibly.

Water Withdrawal	Unit	FY2024	FY2025	FY2026
Municipal potable water				
Malaysia	m^3	595,376	624,494	610,449
Philippines	m^3	105,795	98,207	94,592
China	m^3	15,521	20,111	15,781
Total	**m^3**	**716,692**	**742,812**	**720,822**

Water Consumption

Our water consumption in FY2026 amounted to a total of 720,822m^3, representing a reduction compared to FY2025. **Overall water intensity also improved to 0.000038 m^3/FOU**. This signifies the effectiveness of our water saving and consumption efficiency initiatives.

SUSTAINABILITY STATEMENT
cont'd

ENVIRONMENT - Caring for our Planet (cont'd)

WATER MANAGEMENT *(cont'd)*

Water Consumption *(cont'd)*

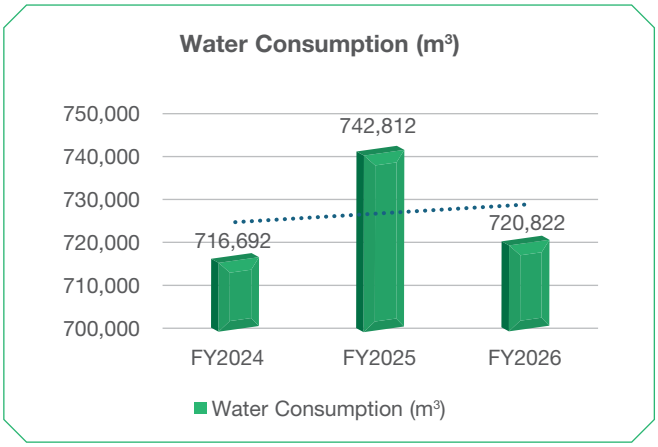
Water Consumption	Unit	FY2024	FY2025	FY2026
Malaysia	m^3	595,376	624,494	610,449
Philippines	m^3	105,795	98,207	94,592
China	m^3	15,521	20,111	15,781
Total	**m^3**	**716,692**	**742,812**	**720,822**

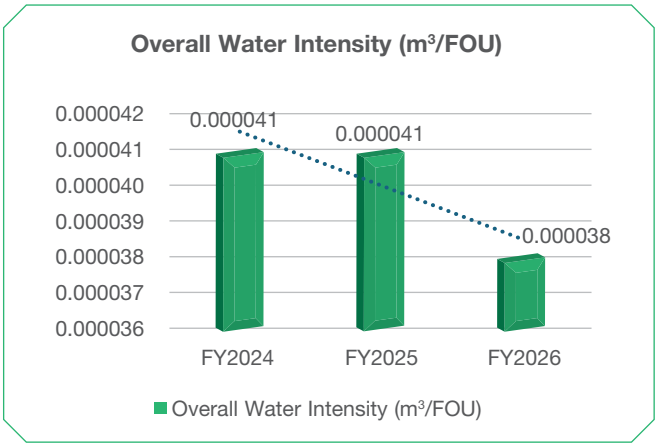
Water Intensity	Unit	FY2024	FY2025	FY2026
Malaysia	m^3/FOU	0.000035	0.000035	0.000033
Philippines	m^3/FOU	0.000394	0.000614	0.000693
China	m^3/FOU	0.000124	0.000190	0.000134

Overall Water Intensity	Unit (m^3/FOU)
FY2024	0.000041
FY2025	0.000041
FY2026	0.000038

Note:

(a) FOU stands for Factory Output Unit.





Water consumption decreased in FY2026, accompanied by a further improvement in overall water intensity.

Water Discharge

We adhere to strict protocols for the responsible discharge of water to ensure environmental protection and compliance with regulatory standards. For Malaysia and China, our treated water discharge is routed through municipal common drainage systems, which ultimately channel the water to the ocean, for Philippines, to the Abacan River. We ensure that all discharged water meets regulatory requirements and is treated to remove contaminants before it enters these drainage systems. Our commitment includes regular monitoring and testing of water quality to prevent any adverse environmental impact and to uphold our responsibility towards sustainable water management.

SUSTAINABILITY STATEMENT
cont'd

ENVIRONMENT - Caring for our Planet (cont'd)

WATER MANAGEMENT *(cont'd)*

Water Discharge *(cont'd)*

Water Discharged	Discharge Destination	Unit	FY2024	FY2025	FY2026
Malaysia	Ocean	m^3	595,376	624,494	610,449
Philippines	Abacan River	m^3	105,795	98,207	94,592
China	Ocean	m^3	15,521	20,111	15,781
Total		**m^3**	**716,692**	**742,812**	**720,822**

Note:

(a) The water discharged data closely mirrors our water consumption figures, as the volume used for human consumption is negligible and therefore considered immaterial to our overall water usage profile.

Wastewater Discharge Quality

Generally, our water is discharged to the municipal common drainage system, which ultimately channels it to the ocean.

Effluent discharge contains chemicals, metals, organic and inorganic compounds which may be detrimental to the environment. Hence, Inari as a Group strives to maintain the water quality discharged to ensure compliance with the applicable local regulatory requirements. The effluent discharged will be treated prior to discharge from operation sites into sewerage connecting to municipal's sewerage treatment plant. During the financial year under review, **we fully complied with all local regulatory requirements** for our wastewater discharge quality in all sites in Malaysia, Philippines and China.

Compliance Status: Full compliance											
Wastewater discharge quality	Unit	Malaysia				Philippines		China			
		FY2024	FY2025	FY2026	(a)	FY2024, FY2025 & FY2026	(b)	FY2024	FY2025	FY2026	(c)
Temperature	°C	NA	NA	NA	40°C	Waste water discharged is treated by a licensed third party service provider [d]	22.0-32°C	NA	NA	NA	NA
pH	-	7.1	7.3	7.2	5.5 - 9.0		5.5 - 9.5	7.5	7.5	8.1	6.0-9.0
BOD_5	mg/L	3.0	7.0	2.0	<50		<120.0	65.8	NA[f]	NA[f]	<350.0
COD	mg/L	12.0	28.0	8.0	<200		<200.0	291.0	194.0	267.0	<500.0
Suspended solids	mg/L	2.0	2.0	1.0	<100		<150.0	160.0	9.0	35.0	<400.0
Oil and grease	mg/L	NA	NA	NA	NA		<15.0	1.2	NA[f]	NA[f]	<15.0
Ammoniacal Nitrogen	mg/L	NA	NA	NA	NA		<7.5	43.3	19.8	22.8	<45.0

Notes:

(a) Malaysia's Standard B under Environmental Quality (Industrial Effluents) Regulations 2009.
(b) Philippines' Water Quality Guidelines and General Effluent Standards (DENR Administrative Order no 2016-08).
(c) China's Integrated Wastewater Discharge Standard (GB/T 31962-2015).
(d) Since FY2021, the wastewater discharged for our operation in Philippines is treated by a licensed third-party service provider, Clark Water Corporation. No non-compliance case was observed.
(e) The Department of Environment assesses that temperature is not critical parameter as Inari does not have any process that will discharge hot water.
(f) Not required for testing by the authorities. However, our operations in China had voluntarily conducted tests over the past years to ensure the results were within safe parameters. As the parameters consistently complied with the standards, the Company has decided to discontinue the voluntary testing in the current year.

SUSTAINABILITY STATEMENT
cont'd

ENVIRONMENT - *Caring for our Planet (cont'd)*

WATER MANAGEMENT *(cont'd)*

Water Security and Water Stress Management

Presently, our operations are not located in water stress areas. The water consumed within our operations in Malaysia, Philippines and China, is primarily fresh water supplied by respective local licensed water service providers, namely Perbadanan Bekalan Air Pulau Pinang, Clark Water Corporation, Philippines and Kunshan Water Supply Group Co., Ltd., China. The respective local water service providers will provide water tanker supply in the event of any disruption of supply. As of to date, we do not have major water disruptions issue within our operations. However, we remain vigilant to monitor the impact of water security on our operations as an integral part of our risk management strategy. Recognising water's crucial role in our processes and communities, we track its availability, quality, and potential disruptions. By doing so, we ensure business continuity, uphold environmental responsibility, and contribute to the resilience of local water resources.

To strengthen our water risk management and safeguard operational continuity, we have invested in on-site water storage facilities across our Malaysia plants. These facilities serve as contingency measures to mitigate the impact of potential supply disruptions and to ensure uninterrupted production.

- P1, P3 and P5 – RM265,500 invested in 2 storage tanks with a total capacity of 120 m^3 each.
- P13 – RM973,030 invested in 6 storage tanks with a capacity of 120 m^3 each.
- P21 – RM228,650 invested in 4 storage tanks with a capacity of 25 m^3 each.
- P34 – RM240,000 invested in 1 storage tank with a capacity of 130 m^3.

These investments (total RM1.7 million) reflect our proactive approach to water security, ensuring sufficient reserves are available during supply interruptions while reinforcing resilience within our production facilities.



Water storage tanks at Penang P13 (Malaysia)

SUSTAINABILITY STATEMENT
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ENVIRONMENT - *Caring for our Planet (cont'd)*

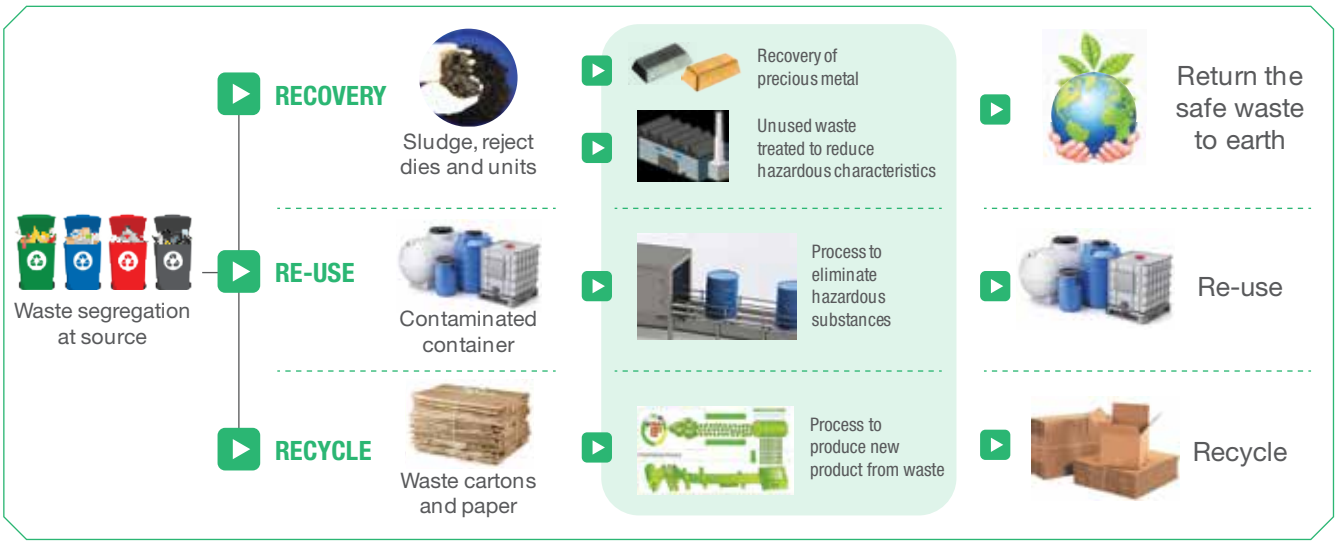
WASTE MANAGEMENT

Our commitment to effective waste management is a cornerstone of our Environmental Policy. We are committed to reducing waste generation and minimising the consumption of natural resources. We follow the 3R Program – "Recovery, Re-use, Recycle" to handle waste from our operations. We train employees, including new hires, on this approach. Our waste is sorted, recovered, and recycled, with skilled local contractors converting it into reusable materials. We carefully choose these contractors through a stringent selection and auditing process, focusing on electronics and scheduled waste recycling. In addition, we engaged reputable and licensed local waste recovery contractors with expertise in recycling electronics and scheduled waste, to recycle the waste into usable and re-usable forms. The waste recovery contractors are selected through a rigorous selection and audit process.

Inari's 3R Programme

3R Programme	Methodology
Recovery	■ Invest in Industrial Effluent Treatment System ■ Increase efficiency in extracting pollutants ■ Ensure cleaner waste discharged to the environment ■ Provide recycle bins in strategic locations
Re-use	■ Collaborate with licensed hi-tech waste recycling contractor ■ Increase waste re-use proportion ■ Re-use of carton box ■ Re-use of plastic tray and reel
Recycle	■ Collaborate with licensed hi-tech waste recycling contractor
Disposal	■ Minimise the mass ended up in landfill

3R Waste Management Approach



SUSTAINABILITY STATEMENT
cont'd

ENVIRONMENT - *Caring for our Planet (cont'd)*

WASTE MANAGEMENT *(cont'd)*

Our waste management approach also includes organic and non-organic waste chemicals. The organic waste chemicals are converted into raw materials for pesticides and water treatment solutions, while the non-organic waste chemicals are broken down to produce alcohol, thinner and solutions used by other industries. The table below presents the sample list of production waste which recovers, re-uses and recycles.

Production Waste	3R Program	Recycled Products
Electronic waste	Recovery	Precious metal recovery (gold, nickel & copper)
Metal sludge	Recovery	Heavy metal extraction
Spent lubricating oil	Recovery	Industrial lubricating oil
Waste of non-halogenated organic solvent	Recovery	Recycled solvent (propanol, pesticide & coagulant)
Contaminated container	Re-use	Cleaned container
Contaminated rags and gloves	Re-use	Reuse as low-grade rags & gloves
Plastic scrap	Recycle	Plastic pallet for consumer product
Metal waste	Recycle	Precious metal (iron & aluminium bar)
Solder waste	Recycle	New solder wire

At Inari, we also aim to reduce the consumption of new material. These initiatives have contributed to cost savings and allow effective use of materials. We recorded an increase in the recycling and re-use tonnage over the years, derived mainly from:

- Re-use of packaging carton when shifting material and semi-finished goods for inter-warehouse and inter-production floor transfer; and
- Increase the use of recycled plastic trays in our plants rather than reels for material and semi-finished products for inter-production line transfer.

The following table discloses our total waste generated, comprising both hazardous and non-hazardous waste across our operations in Malaysia, Philippines and China.

Waste Generation	Unit	Malaysia			Philippines			China		
		FY2024	FY2025	FY2026	FY2024	FY2025	FY2026	FY2024	FY2025	FY2026
Hazardous Waste[a]	MT	162.7	189.8	141.1	63.5	38.1	38.1	19.0	13.3	8.3
Non-Hazardous Waste[b]	MT	596.4	572.6	713.8	147.0[c]	121.6[c]	165.3[c]	54.9[c]	36.8[c]	30.2[c]
Total Waste Generated	**MT**	**759.1**	**762.4**	**854.9**	**210.5**	**159.7**	**203.4**	**73.9**	**50.1**	**38.5**

Notes:

(a) Hazardous waste covers chemicals, organic and inorganic compounds.
(b) Non-hazardous waste covers paper, plastic, metal and general waste.
(c) Non-hazardous waste for the Philippines and China cover paper and carton box consumption only. Other applicable wastes are classified as hazardous in accordance to local regulatory requirements.

The following table discloses the waste diverted from and to disposal, across our operations in Malaysia, Philippines and China.

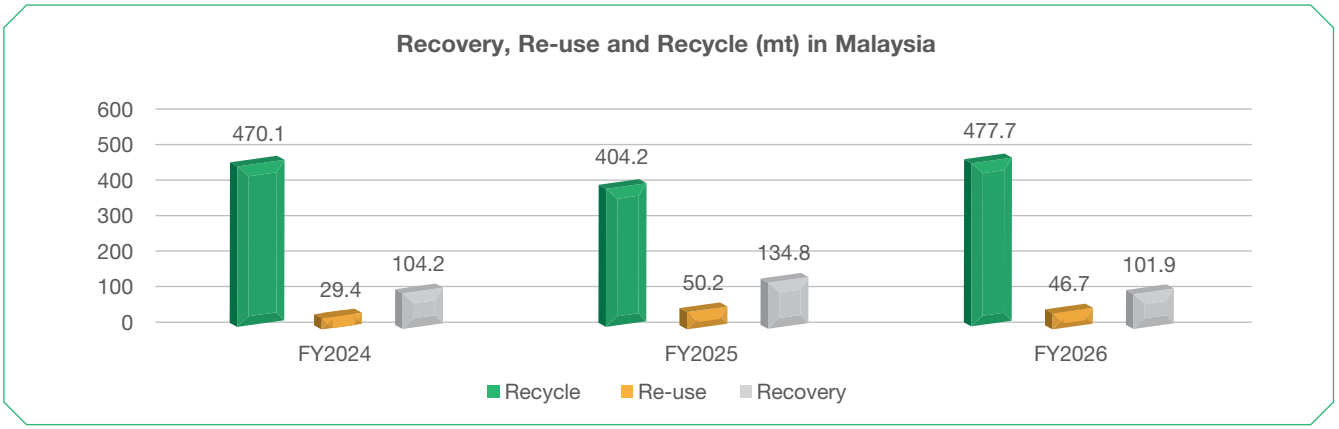
Waste Generation	Unit	Malaysia			Philippines			China		
		FY2024	FY2025	FY2026	FY2024	FY2025	FY2026	FY2024	FY2025	FY2026
Diverted from Disposal	MT	603.7	589.2	626.3	147.0	95.5	84.9	26.6	13.9	31.9
Directed to Disposal	MT	155.4	173.2	228.6	63.5	64.2	118.5	47.3	36.2	6.6
Total Waste Generated	**MT**	**759.1**	**762.4**	**854.9**	**210.5**	**159.7**	**203.4**	**73.9**	**50.1**	**38.5**

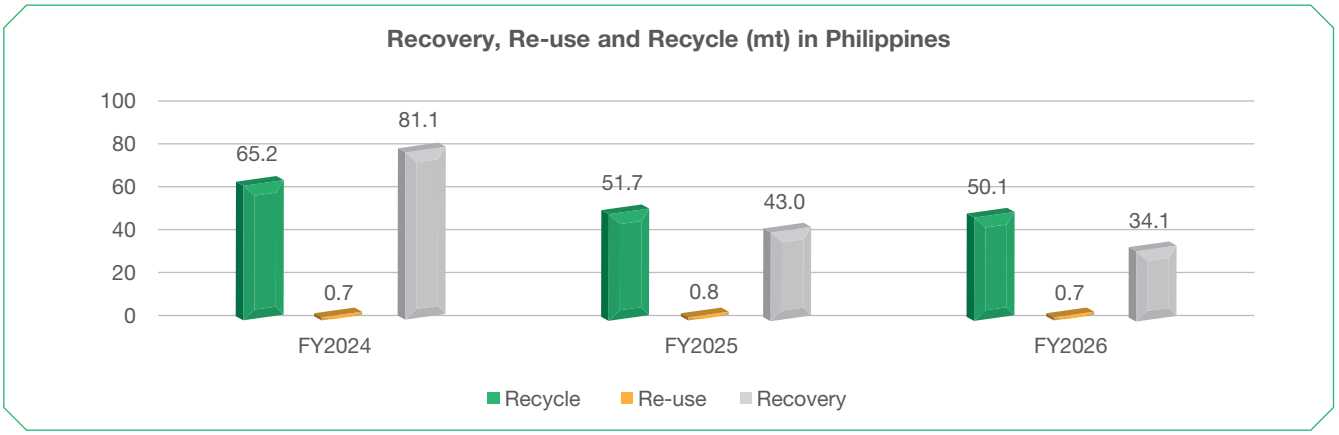
SUSTAINABILITY STATEMENT
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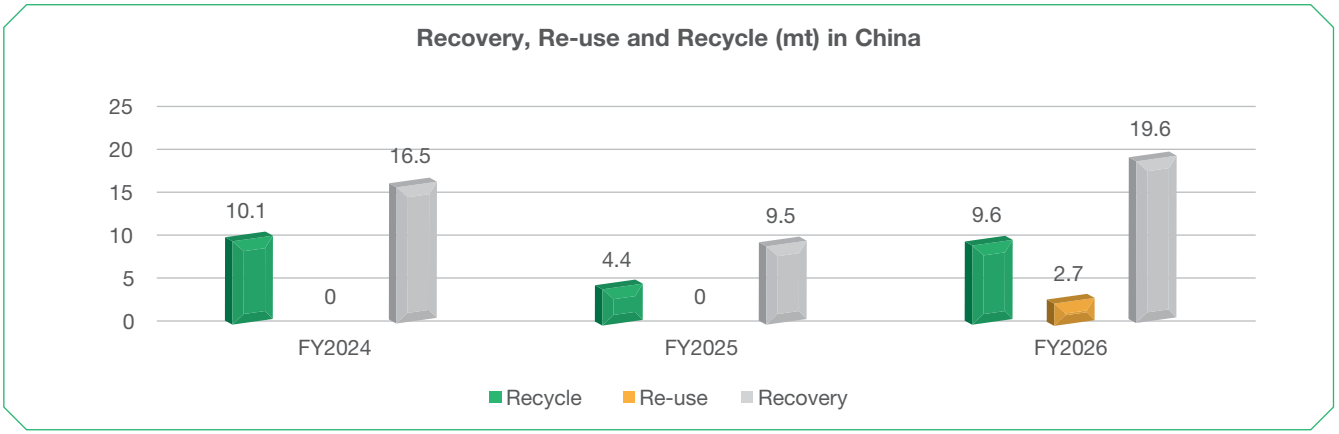
ENVIRONMENT - *Caring for our Planet (cont'd)*

WASTE MANAGEMENT *(cont'd)*

The following chart discloses our 3R rates (total waste diverted from disposal), across our operations in Malaysia, Philippines and China.







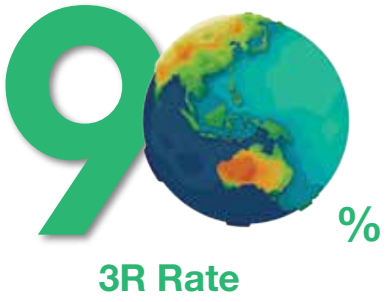
SUSTAINABILITY STATEMENT
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ENVIRONMENT - *Caring for our Planet (cont'd)*

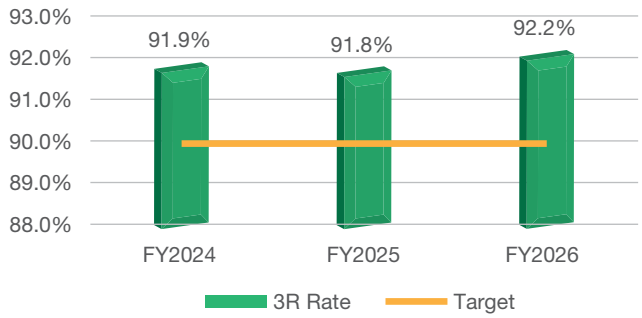
WASTE MANAGEMENT *(cont'd)*

In Malaysia, we have set our production waste management target with the aim of achieving 90% of 3R rate. The following charts present our 3R Programme performance at our Malaysia operating site.

WASTE MANAGEMENT TARGET



3R Rate in Malaysia in Percentage (%)



The implementation of "No Plastic Day" occurs every Monday, Wednesday, and Friday at our Penang plants. This initiative is part of our commitment to reducing plastic waste and promoting sustainable practices within our operations. By designating specific days for this initiative, we aim to foster a culture of environmental responsibility among our employees and contribute to a cleaner, more sustainable future.

PRODUCT STEWARDSHIP

Our stringent product stewardship initiatives ensure our manufacturing meets top-tier quality and safety standards throughout their life cycle. Our goal is to equip customers and stakeholders with valuable skills and high product quality.

Our production and product development adhere to European Union standards on hazardous substances.

To comprehensively address environmental, safety, and health risks associated with our products and services, we conduct thorough evaluations. We collaborate closely with customers and suppliers, supporting research and development to monitor impacts and ensure product safety and sustainability. These assessments culminate in structured Safety Data Sheets, outlining product hazards, risks, and alignment with local regulations.

SUSTAINABILITY STATEMENT
cont'd

ENVIRONMENT - *Caring for our Planet (cont'd)*

IFRS S2 CLIMATE-RELATED DISCLOSURES

Our basis of preparation and presentation, reporting boundary, and statement of assurance are set out in the Introduction section of this Statement. Outlined below is a summary of the key judgements and significant areas applied in preparing our IFRS S2 climate-related disclosures:

Judgement

Necessary judgement has been applied in determining the information that is relevant, reliable and useful for disclose. This includes interpreting reporting requirements and exercising informed judgement in areas where the standards permit flexibility, particularly where assumptions and estimations are required.

The table below summarises key judgements applied in preparing this Statement.

Topic	Description
Materiality assessment process	To identify relevant climate-related risks and opportunities and determine material information for disclosure, Management applied judgement in assessing impacts and dependencies across the value chain that could reasonably be expected to affect the Group's strategy, business model, financial position and financial performance over the short, medium and long term. Judgement was also applied in determining which industry-based metrics set out in the Sustainability Accounting Standards Board ("SASB") Standards were most relevant to the Group's operation and risk profile at the point of this financial year.
GHG emissions	Management exercised judgement when selecting: • appropriate emission factors for each emissions category; and • proxy activity data for Scope 3 emissions where actual data was unavailable. These judgements were necessary due to limitations in data availability across certain parts of the value chain.
Scenario selection	Selecting scenarios for climate-related scenario analysis required the judgement to reflect a range of temperature outcomes and transition pathways that capture the uncertainties most likely to affect the Group's strategy, business model, financial position and financial performance under different climate futures.

Sustainability and climate-related disclosures inherently involve measurement uncertainty due to evolving methodologies, data availability and the complexity of assessing future climate-related impacts. Such uncertainty may arise from data gaps, reliance on proxy information, external factors and forward-looking assumptions. As data quality, methodologies and assessment capabilities continue to advance, the reliability and transparency of these disclosures are expected to improve progressively.

SUSTAINABILITY STATEMENT
cont'd

ENVIRONMENT - *Caring for our Planet (cont'd)*

IFRS S2 CLIMATE-RELATED DISCLOSURES *(cont'd)*

Judgement *(cont'd)*

The table below summarises the main sources of measurement uncertainty affecting the disclosure in this Statement.

Topic	Description
GHG emissions	Quantification of GHG emissions is inherently subject to limitations due to incomplete scientific knowledge and the nature of measurement methodologies used to determine emissions factors and activity data. Accordingly, different but acceptable selections of emission factors, estimation approaches or system boundaries may result in materially different GHG emissions figures being reported.
Resilience assessment	Climate resilience assessments rely on forward-looking assumptions regarding future climate conditions, including the frequency and severity of extreme weather events, rising temperatures and long-term climate trends, which may disrupt operations, supply chains and physical assets. These assessments also incorporate assumption related to policy and regulatory developments, such as timing and scopes of new climate-related regulations, carbon pricing mechanisms and reporting requirements, which may affect compliance obligations and cost structures. In addition, assumptions are made regarding technological developments, including the speed and effectiveness of low-carbon technologies, which may influence operational processes, investment decisions and competitiveness as well as market responses, such as changes in customer preferences and demand patterns. Given these factors, climate resilience assessments are subject to inherent uncertainty because the timing, magnitude and interaction of climate-related risks and opportunities may differ from the assumptions applied. As a result, the outcomes of scenario analysis and resilience assessments are indicative in nature and should not be interpreted as predictive of future impacts.

These uncertainties are integrated into the Group's strategic planning, risk management, and capital allocation decisions to strengthen resilience against climate-related risks and support opportunities identified in the climate-related risks and opportunities assessment.

CLIMATE GOVERNANCE

The Group's governance of climate-related risks and opportunities is integrated into its overall sustainability governance and risk management structure, as described in Our Sustainability Governance section of this Statement. The Board of Directors has overall responsibility for overseeing climate-related matters, with the SRMC supporting the Board in discharging its oversight responsibilities. Their respective responsibilities are set out in the Board Charter and the Terms of Reference of SRMC.

In discharging these responsibilities, the Board of Directors considers material climate-related risks and opportunities in overseeing the Group's strategy and major business decisions. The SRMC supports this oversight by considering the integration of climate-related matters into strategy and decision-making, including relevant trade-offs and significant acquisitions, investments, divestments and new business activities. The SRMC also reviews and recommends climate-related targets to the Board of Directors, monitors performance against relevant KPIs, targets and strategic plans, and oversees the Group's assessment of climate resilience, including climate-related scenario analysis.

At Management level, the SIWG, led by the Group CEO and supported by the Group CFO, supports the implementation and monitoring of the Group's sustainability and climate-related initiatives and performance. In FY2026, the SIWG reviewed and deliberated on sustainability and climate-related matters on an ongoing basis, including progress of climate-related initiatives, performance against relevant targets and KPIs, and developments requiring Management attention.

SUSTAINABILITY STATEMENT
cont'd

ENVIRONMENT - *Caring for our Planet (cont'd)*

CLIMATE GOVERNANCE *(cont'd)*

The SRMC convened quarterly meetings during FY2026 as part of its oversight of the Group's sustainability and climate-related matters. Relevant matters arising from Management and SIWG reviews are presented to the SRMC for consideration and direction. Key matters, recommendations and decisions arising from the SRMC's deliberations are subsequently escalated to the Board of Directors through the Group's established governance and reporting process.

CLIMATE CHANGE RISK MANAGEMENT

Climate-related risks and opportunities are integrated into the Group's overall ERM framework. In accordance with the Group Risk Management Policy, relevant business units and risk owners identify climate-related risks and opportunities by assessing potential changes and developments that may affect their operations, including physical climate risks and risks associated with the transition to a lower-carbon economy.

The Group assesses identified climate-related risks by considering their causes, likelihood and potential impact using the applicable risk parameters. The effectiveness of existing controls is also considered in evaluating the residual risk exposure. Climate-related risks are then evaluated and prioritised alongside other enterprise risks, including strategic, financial, operational and compliance risks, taking into account the Group's established risk parameters, risk appetite and risk tolerance levels. Where further action is required, appropriate management action plans are established and monitored through the Group's ERM process. Beyond climate-related risk identification, the Group also assessed climate-related opportunities based on the potential benefits and the actions required to realise them. Climate-related risks and opportunities are documented in the Group's Risk Register and Opportunity Register, respectively.



The FY2026 climate-related risk and opportunity assessment covered the Group's operations in Malaysia, the Philippines and China. Going forward, climate-related risks and opportunities shall be reviewed on an annual basis as part of the ERM process, with changes in the business environment and emerging risks and opportunities monitored as part of the Group's ongoing risk management activities.

CLIMATE SCENARIO ANALYSIS

The Group uses climate-related scenario analysis to assess the resilience of its strategy and business model under a range of plausible future climate conditions. The analysis covered the Group's operations in Malaysia, the Philippines and China. The analysis provides a forward-looking perspective on how different climate pathways may influence the nature and severity of physical and transition climate-related risks and opportunities over three (3) different time horizons applied in scenario analysis, as defined below:

- Short term (0 – 12 months)
- Medium term (1 – 5 years)
- Long term (beyond 5 years)

SUSTAINABILITY STATEMENT
cont'd

ENVIRONMENT - *Caring for our Planet (cont'd)*

CLIMATE SCENARIO ANALYSIS *(cont'd)*

In FY2026, the Group conducted climate-related scenario analysis using publicly available climate data and projections from internationally recognised sources, including climate modelling frameworks adopted by the Intergovernmental Panel on Climate Change ("IPCC"). The assessment considered two Shared Socioeconomic Pathway ("SSP")-based scenarios used in the IPCC Sixth Assessment Report ("AR6"): SSP2-4.5 and SSP5-8.5.

Both scenarios represent different assumptions regarding future socioeconomic development, greenhouse gas emissions, technological development, energy systems and climate mitigation efforts. The scenarios are not intended to represent forecasts of future outcomes. They are used to test the Group's resilience under a range of plausible conditions and to inform strategic planning, risk management, business continuity and capital-allocation decisions.

For the purpose of the Group's assessment, SSP2-4.5 is used as an intermediate-emissions scenario reflecting a combination of moderate transition and physical climate risks, while SSP5-8.5 is used as a very high-emissions scenario to assess exposure under more severe physical climate conditions, as defined in table below:

Climate Scenario	Impact on Inari's Strategy and Business Model
Scenario 1: Intermediate Emissions Scenario (SSP2-4.5) Moderate Transition and Physical Risk	This scenario represents a continuation of current global development trends, where climate mitigation efforts progress gradually but without aggressive policy intervention. Carbon pricing mechanisms and climate regulations continue to develop across jurisdictions, albeit at a moderate pace. Renewable energy capacity expands steadily, although the pace of technological deployment and infrastructure development varies across regions. Under this pathway, global temperatures are projected to increase by approximately 1.7°C to 3.2°C by 2100, resulting in a moderate increase in the frequency and intensity of extreme weather events. This scenario reflects a balanced exposure to both transition risks and physical climate risks for the Group. In response to this, moderate efficiency improvements will be introduced after careful considerations.
Scenario 2: Very High Emissions Scenario (SSP5-8.5) High Physical Risk	This scenario assumes limited global action on climate mitigation, with continued reliance on fossil fuels and slower adoption of renewable energy technologies. Governments prioritise economic growth and energy security over emissions reduction, resulting in relatively limited carbon pricing mechanisms and inconsistent climate policies across jurisdictions. As a result, greenhouse gas emissions continue to increase significantly, leading to higher global temperature increases and more severe physical climate impacts. Global temperatures may rise by approximately 3.2°C to 5.4°C by year 2100, resulting in a substantial increase in the frequency and intensity of extreme weather events. Such conditions may pose heightened risks to infrastructure, supply chains and operational continuity for the Group. In response to this, the Group will focus on physical risk adaptation, including infrastructure improvement, disaster preparedness and supply chain resilience.

Scenario analysis was performed for the FY2026 and will be reviewed annually, with a more comprehensive reassessment undertaken at least once every three (3) years or when significant new climate data that may materially affect the analysis becomes available.

SUSTAINABILITY STATEMENT
cont'd

ENVIRONMENT - *Caring for our Planet (cont'd)*

CLIMATE-RELATED RISKS AND OPPORTUNITIES

The following tables summarise the identified material climate-related risks and opportunities that could reasonably be expected to affect the Group's operations, financial performance and long-term resilience. The detailed assessment together with the corresponding strategies and actions undertaken or planned in response can be found in pages 99 to 105.

Overview of material climate-related risks:

Title	Description	Time Horizon
Transition risk: Policy and legal	New or strengthened climate regulations, carbon-pricing mechanisms and disclosure requirements may increase compliance obligations, energy and supplier costs, and investment requirements for energy-efficient equipment, renewable energy and reporting capabilities.	• Short • Medium • Long
Transition risk: Reputation	Failure to meet evolving customer, investor and external-assessment expectations concerning GHG emissions, renewable energy, climate resilience and disclosure transparency may affect stakeholder confidence, customer relationships, market access and access to capital.	• Medium • Long
Transition risk: Technology	Ageing or inefficient production and utility equipment may increase energy consumption and maintenance costs, while advances in lower-emission technologies may require equipment upgrades, retrofits or replacement and supporting infrastructure.	• Short • Medium • Long
Physical risk: Acute and chronic risks	Acute Risks Flooding, intense rainfall, extreme temperatures and weather-related disruptions may damage assets and inventories and interrupt utilities, suppliers, transportation and production. Chronic Risks Rising temperatures and reduced water availability may increase cooling and utility requirements and affect operational efficiency and continuity.	• Short • Medium • Long

Overview of material climate-related opportunities:

Title	Description	Time Horizon
Resource efficiency	Adoption of energy-efficient machinery and lighting, cooling and HVAC optimisation, enhanced energy and utility monitoring, and water-conservation, recovery and reuse technologies.	• Short • Medium • Long
Energy source	Increased use of solar and other renewable energy sources, together with EVs and lower-emission transportation, may reduce grid reliance, conventional fuel consumption, operating costs and associated GHG emissions.	• Short • Medium • Long
Markets	Credible climate performance, environmental certifications, transparent disclosures, supplier engagement and supply-chain localisation may strengthen customer confidence, supply resilience, market access and sustainable manufacturing partnerships.	• Short • Medium • Long

As this represents the Group's first year of climate-related financial disclosures, priority has been given to establishing a sound qualitative assessment of the current and anticipated effects of each identified climate-related risk and opportunity. This assessment provides the foundation for developing the data, assumptions and methodologies required for meaningful quantification. Accordingly, quantitative effects are disclosed for FY2026 and, where applicable, across the short, medium and long term only where they can be reasonably and reliably estimated. Where quantitative information has not been provided, this is principally due to uncertainty regarding the timing, magnitude or financial consequences of the relevant climate-related matter.

SUSTAINABILITY STATEMENT
cont'd

ENVIRONMENT - *Caring for our Planet (cont'd)*

CLIMATE-RELATED RISKS AND OPPORTUNITIES *(cont'd)*

In addition, the quantitative estimates presented are based on information and assumptions available as of the reporting date and are inherently subject to uncertainty. They are intended to provide an indication of the potential financial exposure or benefits associated with the Group's climate-related risks and opportunities under the assumptions and scenarios considered and should not be interpreted as forecasts or guidance on the Group's future financial performance.

Impact on business model and value chain

The Group recognises that climate-related risks and opportunities may affect both its direct manufacturing operations and the broader value chain that supports its business activities. Potential climate-related effects may arise through physical disruption to facilities, utilities and supply networks, increased energy and water requirements, investment required for the transition towards more energy-efficient and lower-emission technologies, and evolving customer expectation on sustainability. At the same time, the potential opportunities arising from improved resource efficiency, renewable energy and lower-emission transportation may reduce resource consumption and operating costs and enhance operational resilience.

Building on the FY2026 climate-related risk and opportunity assessment, the table below summarised the factors that may affect different parts of the Group's value chain, including upstream suppliers, manufacturing operations, logistics and distribution, and downstream customer demand:

Inari's Value Chain	Potential Climate Impact
Raw Materials/Upstream Suppliers	Climate-related disruptions at supplier facilities may reduce the availability of raw materials and components, potentially leading to inventory shortages and a greater need for buffer stocks. These risks highlight opportunities to strengthen inventory planning, diversify supply sources and engage suppliers on climate resilience, allowing the Group to maintain adequate stock levels and more reliable access to essential materials.
Manufacturing/ Operations	Flooding and extreme weather may disrupt manufacturing activities, damage facilities, equipment and utility infrastructure, restrict site access and interrupt manufacturing activities. Alongside these disruptions, rising temperatures may increase cleanroom cooling and humidity-control demands, while heat stress and water shortages may affect employee productivity and production capacity. Ageing or inefficient equipment may compound these pressures through higher energy consumption and reduced reliability. Addressing these vulnerabilities presents opportunities to strengthen site protection and business continuity, adopt energy-efficient machinery and lighting, optimise cooling and HVAC systems, and improve water conservation and reuse. These measures may support more stable operations and efficient resource use, while greater utilisation of solar energy may complement energy-efficiency improvements by reducing reliance on grid electricity and associated GHG emissions.
Logistics & Distribution	Heavy rainfall, flooding and other extreme weather events may disrupt transport routes and freight services, delaying inbound materials and outbound shipments. Inbound delays may interrupt production schedules and cause downtime, while outbound delays may affect customer delivery commitments. These risks highlight opportunities to strengthen route planning, shipment monitoring and alternative delivery arrangements to improve delivery reliability. Complementing these resilience measures, electric vehicles and other lower-emission transport options may reduce conventional fuel consumption and transportation-related GHG emissions.
Customers/ Downstream Demand	Customers may gradually increase their expectations for responsible manufacturing practices in response to climate change and broader environmental concerns. Failure to keep pace with these expectations may weaken customer confidence, affect customer retention and reduce the Group's competitiveness. Improving energy efficiency, increasing renewable-energy utilisation, reducing GHG emissions and embedding climate considerations into manufacturing processes may help the Group meet evolving customer requirements and strengthen its position as a responsible business partner.

SUSTAINABILITY STATEMENT
cont'd

ENVIRONMENT - *Caring for our Planet (cont'd)*

CLIMATE-RELATED RISKS AND OPPORTUNITIES *(cont'd)*

Impact on business model and value chain *(cont'd)*

Based on the Group's assessment, none of the identified climate-related risks is currently expected to result in a significant risk of a material adjustment to the carrying amounts of assets and liabilities within the next financial year. Nevertheless, the Group continues to monitor emerging climate-related risks and changes in external conditions that may give rise to such uncertainties in future reporting periods.

Climate resilience and strategy

Based on the FY2026 climate-related scenario analysis, the Group's strategy and business model are evaluated against the potential impacts of both SSP2-4.5 and SSP5-8.5 across the short, medium and long term. The analysis considers the Group's exposure to transition and physical climate risks, as well as the measures available to manage these risks and support the continued resilience of its operations and financial position.

Existing measures, including business continuity and emergency-response arrangements, facility and utility safeguards, preventive maintenance, supply-chain contingency measures and insurance coverage, provide a foundation for managing these risks. The Group also seeks to capture opportunities through energy- and water-efficiency initiatives, renewable-energy generation, evaluation of lower-emission technologies and engagement with customers and suppliers on evolving sustainability requirements.

The Group's financial position, internally generated cash flows and capacity to allocate operating and capital expenditure provide flexibility to implement climate-related measures. Existing initiatives are expected to be financed mainly through internal resources and approved budgets. Further investments will be considered in line with the materiality of the relevant climate-related risk or opportunity, implementation requirements, anticipated benefits and the Group's broader business priorities.

The Board, together with Management, remains committed to the effective oversight and management of climate-related risks and opportunities. Through the Group's sustainability governance and ERM processes, relevant exposures, initiatives and resource requirements will continue to be monitored and reviewed. As climate conditions, regulations and technologies evolve, the Group will adjust its operational and investment priorities to maintain business continuity and progressively strengthen its long-term resilience.

ASSESSMENT ON CLIMATE-RELATED RISKS AND OPPORTUNITIES

Transition Risks – Policy and Legal

The Group recognises that the governmental policies and legal frameworks in addressing climate change continue to evolve across the jurisdictions where the Group operates. These include requirements and initiatives relating to energy efficiency, renewable-energy adoption, GHG emissions management, carbon pricing and climate-related reporting. Such developments may affect the Group directly through additional operational, compliance and reporting obligations, and indirectly through changes in energy costs, supporting infrastructure and sustainability expectations across global supply chains.

In Malaysia, the policy direction is reflected in the National Policy on Climate Change 2.0, the 13th Malaysia Plan, and the National Sustainability Reporting Framework. Together, these measures support the country's transition towards low-carbon and climate-resilient development and its commitments under the Paris Agreement 2015. Similar energy-conservation, emissions-reduction and renewable-energy initiatives are also being advanced in China and the Philippines. As a Malaysia-headquartered semiconductor group operating across these jurisdictions, the Group supports these national climate objectives and recognises the need to progressively adapt its operations and reporting processes as the policy and legal landscape develops.

SUSTAINABILITY STATEMENT
cont'd

ENVIRONMENT - *Caring for our Planet (cont'd)*

ASSESSMENT ON CLIMATE-RELATED RISKS AND OPPORTUNITIES *(cont'd)*

Transition Risks – Policy and Legal *(cont'd)*

The principal risk to the Group is that new or strengthened requirements may necessitate changes to energy sourcing, accelerated investment in energy-efficient equipment, renewable-energy solutions and supporting infrastructure, as well as enhancements to climate data, governance and reporting capabilities. These developments may result in additional capital investment and related operating and maintenance expenditure, increased compliance and reporting workload, and greater demand for specialised internal resources. Failure to respond appropriately could increase regulatory non-compliance exposure and affect the Group's ability to meet customers' sustainability-related requirements. Future expansion of carbon-pricing mechanisms may expose the Group to additional costs. Although Malaysia's announced carbon tax initially targets the energy, iron and steel sectors, any future extension to semiconductor manufacturing could result in direct carbon costs and additional emissions-reporting requirements. Even without direct coverage, such costs may be passed through via higher electricity tariffs and supplier prices, increasing operating costs and accelerating investment in energy-efficient equipment and renewable energy. The scope, timing, rates and available reliefs remain uncertain.

The Group considered SSP2-4.5 and SSP5-8.5 to assess how this risk may develop under different climate pathways. No major impact has been identified for FY2026, nor is one anticipated within the short-term horizon of less than one year under either scenario. Near-term effects are expected to remain principally associated with ongoing regulatory monitoring, environmental compliance, energy management and climate-related reporting activities.

Under SSP2-4.5, policy and regulatory requirements are expected to develop progressively. Over the medium-term horizon of one to five years, this may require incremental investment in energy-efficient equipment, renewable-energy initiatives, supporting infrastructure and reporting capabilities. Over the long-term horizon of more than five years, the cumulative effect of increasingly established energy, emissions and disclosure requirements may result in more extensive operational adjustments and sustained resource requirements. Under SSP5-8.5, coordinated transition policies may initially develop more slowly or unevenly. However, increasingly severe climate impacts could prompt more reactive, fragmented or accelerated governmental intervention over the medium to long term. This could increase regulatory uncertainty, shorten implementation lead times and require the Group to undertake operational adjustments or investments within a more compressed timeframe.

The Group responds by monitoring regulatory developments and assessing their applicability to its operations. Existing measures include environmental legal compliance monitoring, the ISO 14001 environmental management system, GHG and sustainability reporting processes, energy and utility monitoring, preventive maintenance and ongoing energy-efficiency initiatives. The Group also evaluates renewable-energy opportunities and continues to strengthen its ESG data-management processes and internal competency.

Transition Risks – Reputation

Inari faces increasing expectations from customers, investors and other stakeholders to demonstrate responsible ESG practices and a credible response to climate change across its operations. Customers may increasingly incorporate requirements relating to greenhouse gas emissions, renewable energy, resource efficiency, climate resilience and reporting transparency into supplier assessments and procurement decisions. Similarly, capital market investors may consider the Group's ESG and climate-related performance, external ratings and index eligibility as part of their investment analysis.

The Group's ability to meet these evolving expectations may influence its reputation, customer confidence and attractiveness to investors. Any actual or perceived shortfall, including inconsistencies between its commitments, actions and disclosures, could result in greater stakeholder scrutiny, weaker external assessments and potential implications for customer relationships, business opportunities and access to capital. Conversely, it is worth noting that the Group's FTSE Russell ESG score of 4.8 out of 5.0 and continued inclusion in the FTSE4Good Bursa Malaysia Index reflect its commitment to meeting recognised sustainability expectations and provide a strong foundation for continued improvement.

SUSTAINABILITY STATEMENT
cont'd

ENVIRONMENT - *Caring for our Planet (cont'd)*

ASSESSMENT ON CLIMATE-RELATED RISKS AND OPPORTUNITIES *(cont'd)*

Transition Risks – Reputation *(cont'd)*

Under SSP2-4.5, the progressive transition towards a lower-carbon economy is expected to result in increasingly stringent customer requirements, investor expectations and international assessment criteria over the medium and long term. Under SSP5-8.5, transition pressure may initially be less pronounced; however, increasingly severe climate effects could intensify scrutiny over the Group's emissions, operational resilience and preparedness, potentially leading to more urgent stakeholder expectations over the longer term.

No reputational impact has been identified for FY2026 or the short-term horizon of below one year. Potential exposure may increase over the medium and long term as climate-related and broader ESG expectations evolve. The Group manages this risk by monitoring customer requirements and international assessment criteria, strengthening its ESG and climate-related practices, and progressively enhancing the quality and transparency of its disclosures.

Transition Risks – Technology

The Group's manufacturing operations depend on production equipment and supporting utility systems with substantial energy requirements. As equipment ages or becomes less efficient, electricity consumption and maintenance needs may increase, resulting in higher operating costs and reduced operational efficiency. Advances in energy-efficient and lower-emission technologies may also require the Group to progressively upgrade, retrofit or replace existing equipment. The transition towards renewable energy may also require investment in energy-efficient equipment, solar systems and supporting infrastructure.

The Group has established various controls and ongoing actions to manage this risk across its operations, including preventive maintenance, monitoring of energy consumption and equipment performance, progressive replacement of inefficient or ageing equipment, and implementation of energy-efficiency and optimisation projects. Energy-saving initiatives and appropriate budget allocations for equipment upgrades support the continued improvement of equipment efficiency across the Group's operations. The Group also evaluates more energy-efficient technologies and renewable-energy solutions, including available investment incentives at the Philippines operations, to manage the operational and financial implications associated with the technology transition. Further details of the Group's energy-efficiency initiatives, including their targeted energy savings and implementation status, are provided under the Energy Usage section of this Statement.

During FY2026, the Group continued to invest in replacing and upgrading equipment with more energy-efficient alternatives. The immediate financial effects principally comprise additions to property, plant and equipment and the associated investing cash outflows. Over time, these investments may also affect financial performance through depreciation, repair and maintenance expenses, and changes in energy costs, with potential efficiency savings partly offsetting the related expenditure.

Under SSP2-4.5, continued advances in energy-efficient and lower-emission technologies may progressively increase the need for equipment upgrades and replacement. In the short term, the effects are expected to relate mainly to planned energy-efficiency projects within existing investment cycles. Over the medium term, further capital investment may be required to retrofit or replace less-efficient equipment, with corresponding effects on cash flows and future depreciation. Over the long term, the cumulative effects may become more pronounced as existing assets age and more efficient technologies become commercially available, although reductions in energy consumption and maintenance requirements may partly offset the investment costs.

Under SSP5-8.5, higher temperatures and more demanding operating conditions may place greater strain on energy-intensive and ageing equipment. Short-term effects are similarly expected to remain associated with planned energy-efficiency initiatives. Over the medium term, increased maintenance requirements and declining equipment efficiency may accelerate upgrades or replacement. Over the long term, the potential effects could be more pronounced than under SSP2-4.5, as sustained thermal stress may reduce equipment efficiency and reliability and require more extensive investment in production equipment, cooling systems and supporting utilities.

SUSTAINABILITY STATEMENT
cont'd

ENVIRONMENT - *Caring for our Planet (cont'd)*

ASSESSMENT ON CLIMATE-RELATED RISKS AND OPPORTUNITIES *(cont'd)*

Transition Risks – Technology *(cont'd)*

The actual timing and magnitude of these financial effects will depend on factors including the condition and useful life of existing equipment, technology availability, energy performance, project feasibility and the timing and scale of future investment decisions.

Physical Risks – Acute and Chronic Risks

The Group is exposed to acute and chronic physical effects of climate change across its manufacturing operations and supporting value chain. Acute risks include flooding, intense rainfall, extreme temperatures and weather-related disruptions to utilities, suppliers and transportation networks. Chronic risks include rising average temperatures, increased cooling and humidity-control requirements, and reduced water availability. These conditions could damage facilities, equipment and inventories; interrupt electricity, water and raw-material supplies; restrict site access and deliveries; and increase energy, maintenance, logistics, repair and recovery costs. In more severe circumstances, they could disrupt production continuity and the Group's ability to meet customer commitments.

The Group manages these risks through business continuity and emergency response plans, flood-preparedness procedures, preventive maintenance, drainage and facility inspections, emergency-response exercises and backup utility arrangements. Supply-chain resilience is supported through buffer-stock management, production planning, qualified secondary suppliers and alternative transportation arrangements. The Group also monitors energy and water consumption, production temperatures and equipment performance, while implementing energy-efficiency, cooling-optimisation and water-conservation initiatives. Further information is provided under the Energy Usage and Water Management sections of this Statement.

As part of its risk-transfer measures, the Group incurred approximately RM1.5 million in FY2026 on insurance premiums for coverage over its assets and inventories against specified physical risks. This insurance coverage complements the Group's operational controls and mitigates the financial consequences of insured events, subject to applicable policy limits, deductibles, terms and exclusions.

Based on current conditions and existing controls, no material financial effect from physical climate risks was identified in FY2026 or is presently anticipated over the short-term horizon, although acute weather events remain inherently unpredictable.

Under SSP2-4.5, physical climate pressures are expected to increase progressively. In the short term, potential effects are expected to arise mainly from incremental cooling and utility requirements and planned resilience and efficiency initiatives, which are expected to be managed within existing operating and capital expenditure budgets. Over the medium term, rising temperatures and periodic severe weather could increase energy consumption, maintenance expenditure, inventory-buffer requirements and the need for alternative logistics and backup utilities. Over the long term, sustained cooling demand, water constraints and greater exposure to extreme weather could require more extensive investment in resilient facilities, utility systems and production equipment.

Under SSP5-8.5, short-term effects are expected to remain broadly similar to SSP2-4.5, as the differences between the scenarios are less pronounced over the near term. Over the medium and long term, however, more severe heat, flooding, water constraints and weather-related disruptions could result in greater pressure on facilities, utilities, suppliers and transportation networks. This may lead to higher repair and recovery costs, increased operating expenditure, prolonged production disruption and accelerated investment in adaptation and resilience measures. More severe or frequent events could also result in higher insurance premiums, increased deductibles or more restrictive coverage terms, thereby increasing the Group's financial exposure.

SUSTAINABILITY STATEMENT
cont'd

ENVIRONMENT - *Caring for our Planet (cont'd)*

ASSESSMENT ON CLIMATE-RELATED RISKS AND OPPORTUNITIES *(cont'd)*

Physical Risks – Acute and Chronic Risks (*cont'd)*

The potential financial effects of these physical climate risks may be reflected in the Group's property, plant and equipment, revenue, trade receivables and payables, operating expenses and operating and investing cash flows. The actual timing and magnitude of these effects remain subject to uncertainty and will depend on the severity and frequency of climate-related events, location-specific exposure, utility costs, supplier resilience and the effectiveness of the Group's mitigation and adaptation measures.

Climate-related Opportunity – Resource Efficiency

The Group has identified climate-related opportunities to enhance energy and resource efficiency across its manufacturing operations. These opportunities may lower operating costs and associated GHG emissions while strengthening operational efficiency and resilience to increasing utility demand and resource constraints.

The Group continues to pursue these opportunities through the progressive replacement and upgrading of energy-intensive equipment, preventive maintenance, energy and utility monitoring, cooling and HVAC optimisation, improvements to cooling-water distribution and insulation, and the use of smart monitoring technologies. Water-efficiency measures include monitoring water consumption, recovering rainwater and condensate, reusing treated process water, preventing leaks and implementing other conservation initiatives. Further information is provided under the Energy Usage and Water Management sections of this Statement.

During FY2026, the Group implemented initiatives involving energy-efficient machinery and lighting, while continuing to implement cooling, utility and water-efficiency projects across its operations. These initiatives are intended to reduce energy and utility consumption and related expenditure over time, although certain projects required upfront capital investment.

Under SSP2-4.5, continued advances in energy-efficient technologies and resource-management practices may enable the Group to manage increasing energy requirements and utility costs more effectively. In the short term, benefits are expected to arise mainly from existing and planned efficiency projects. Over the medium term, the progressive implementation of machinery upgrades, cooling optimisation and water-conservation measures may generate cumulative cost savings, reduce associated emissions and improve operational efficiency. Over the long term, integrating energy and resource efficiency into equipment replacement, facility planning and investment decisions may provide more sustained financial and operational benefits.

Under SSP5-8.5, higher temperatures and increasing pressure on energy and water resources may enhance the operational importance of these initiatives. Short-term benefits are expected to remain broadly consistent with those arising from existing efficiency projects. Over the medium and long term, more efficient cooling, equipment and water-management systems may help mitigate increases in energy and water demand, reduce pressure on supporting utilities and strengthen production resilience. However, the resulting savings may partly offset, rather than fully eliminate, the additional costs arising from more demanding climate conditions, and further investment may be required to maintain operational efficiency.

The financial benefits arising from these resource-efficiency initiatives may be reflected through lower cost of goods sold, overhead and other operating expenses and operating cash outflows, while certain initiatives may require upfront investment in property, plant and equipment. The actual level of savings will depend on project implementation, equipment performance, energy and water consumption, utility tariffs and operational requirements.

SUSTAINABILITY STATEMENT
cont'd

ENVIRONMENT - *Caring for our Planet (cont'd)*

ASSESSMENT ON CLIMATE-RELATED RISKS AND OPPORTUNITIES *(cont'd)*

Climate-related Opportunity – Energy Source

The Group has identified opportunities to increase its use of renewable and lower-emission energy sources and transportation options. These opportunities may reduce reliance on grid electricity and conventional fuels, lower associated GHG emissions and operating costs, and support the Group's transition towards lower-emission operations.

The Group has installed solar photovoltaic systems at its manufacturing facilities and continues to monitor their performance and contribution to its renewable-energy consumption. Further renewable-energy projects are evaluated based on technical feasibility, operational requirements and financial viability. The Group is also assessing the progressive adoption of electric vehicles and other lower-emission transportation options where operationally suitable.

In FY2026, the Group's installed solar photovoltaic systems generated 3,757,412 kWh of renewable electricity, resulting in estimated electricity cost savings of approximately RM1.65 million. This reduced the Group's reliance on purchased grid electricity and contributed to lower associated GHG emissions.

Based on the average annual solar electricity generation of 2,949,075 kWh recorded from FY2022 to FY2026, the Group estimates that its existing solar photovoltaic systems could generate annual electricity cost savings of approximately RM1.25 million in the near term. This anticipated benefit is expected to be reflected in lower electricity-related operating expenses and operating cash outflows compared with purchasing an equivalent amount of grid electricity. The estimate assumes that historical generation remains representative of near-term output and that system performance and electricity tariffs remain broadly consistent. Actual savings may therefore vary.




Solar Panel Installation at Penang P21 (Malaysia)

Under SSP2-4.5, advances in renewable-energy and lower-emission transportation technologies, together with the broader transition towards a lower-carbon economy, may improve the feasibility and strategic relevance of these opportunities. In the short term, the Group's existing solar photovoltaic systems are estimated to generate annual electricity cost savings of approximately RM1.25 million. The Group will also continue evaluating further renewable-energy and EV initiatives. Over the medium and long term, expanding these initiatives may generate additional energy and fuel cost savings, reduce associated emissions and support progress towards the Group's climate-related objectives.

Under SSP5-8.5, renewable energy and lower-emission transportation remain relevant for managing higher energy requirements, fuel costs and associated emissions under more demanding climate conditions. Given the Group's short-term horizon of less than one year, no material variation from the estimated annual electricity cost savings of approximately RM1.25 million under SSP2-4.5 is currently expected. Over the medium and long term, further adoption of renewable energy and lower-emission transportation may help mitigate increases in conventional energy and fuel consumption. However, the resulting savings may partly offset, rather than fully eliminate, the higher energy demand and operating costs associated with more severe climate conditions.

SUSTAINABILITY STATEMENT
cont'd

ENVIRONMENT - *Caring for our Planet (cont'd)*

ASSESSMENT ON CLIMATE-RELATED RISKS AND OPPORTUNITIES *(cont'd)*

Climate-related Opportunity – Energy Source *(cont'd)*

The financial effects of these opportunities may be reflected in property, plant and equipment, operating expenses and operating and investing cash flows. The actual benefits will depend on factors including project implementation, capital requirements, renewable-energy generation, electricity and fuel prices, vehicle utilisation and the operating performance of the relevant initiatives.

Climate-related Opportunity – Markets

The Group has identified opportunities to strengthen its market position and customer partnerships by demonstrating credible sustainability and climate performance, transparent disclosures and resilient supply-chain practices. As customers increasingly incorporate sustainability and climate-related considerations into supplier assessments and sourcing decisions, maintaining relevant environmental certifications and demonstrating credible sustainability practices may enhance customer confidence, support existing business relationships and create opportunities for partnerships with sustainability-focused customers.

The Group pursues this opportunity by supporting customer ESG assessments, maintaining relevant environmental certifications, enhancing sustainability and climate-related reporting, engaging suppliers on evolving requirements and monitoring customer expectations. The Group also seeks to qualify and develop local suppliers and increase supply-chain localisation where commercially and operationally appropriate. Local sourcing, including packaging materials, may reduce transportation requirements and associated emissions, shorten lead times and strengthen supply continuity.

Under SSP2-4.5, the transition towards a lower-emission economy is expected to increase customer emphasis on emissions management, environmental credentials, disclosure quality and responsible supply-chain practices. In the short term, the Group's ability to respond effectively to customer assessments and demonstrate credible environmental performance may strengthen its preferred-supplier positioning and existing customer relationships. Over the medium term, closer supplier engagement and greater localisation may support lower transportation requirements, improved cost efficiency and collaboration with customers seeking to reduce supply-chain emissions. Over the long term, sustained climate performance and transparent reporting may differentiate the Group, improve market access and create opportunities to participate in new or expanded customer programmes.

Under SSP5-8.5, transition-related expectations may be less pronounced than under SSP2-4.5, but more severe physical climate conditions may increase customer focus on supply continuity and operational resilience. In the short term, qualified local and secondary suppliers may provide greater sourcing flexibility. Over the medium and long term, supply-chain localisation and diversification may reduce reliance on extended transportation networks, mitigate certain disruption risks and strengthen the Group's ability to meet customer delivery requirements. Demonstrating both environmental responsibility and climate resilience may therefore remain important in sustaining customer confidence and securing longer-term partnerships.

The financial benefits arising from this opportunity may be reflected through inventories, cost of goods sold and operating cash flows. Potential benefits may also arise through customer retention, new business opportunities, revenue growth and improved market access. These benefits have not been separately quantified as they depend on future customer sourcing decisions and cannot readily be isolated from other commercial and operational factors. Their actual extent will depend on customer sustainability requirements, supplier capability and qualification, the scale of localisation and the Group's ability to maintain relevant environmental and sustainability standards.

SUSTAINABILITY STATEMENT
cont'd

ENVIRONMENT - *Caring for our Planet (cont'd)*

METRICS AND TARGETS

Climate Transition Plan

Environmental and climate-related risks continue to present significant challenges to businesses globally. According to the World Economic Forum's Global Risks Report 2026, environmental risks remain among the most severe global risks over the longer term, with extreme weather events, biodiversity loss and ecosystem collapse, changes to critical Earth systems and natural resource shortages featuring prominently in the global risk outlook. These developments reinforce the importance of managing both physical climate risks and transition risks arising from the shift towards a lower-carbon economy.

As at 30 June 2026, the Group had not approved a comprehensive net-zero target or transition plan covering all relevant GHG emission scopes. While the Group does not currently maintain a formalised climate transition plan, we remain committed to mitigating the impacts of climate change through measures to improve energy and water efficiency, conserve resources and reduce the environmental impact of our operations. These efforts complement the Group's broader climate strategy and support its commitment towards achieving Net Zero by 2050.

The Group's climate transition approach focuses on progressively reducing GHG emissions and improving energy and resource efficiency across its manufacturing operations. Current efforts are centred on improving the efficiency of production and facility equipment, increasing the utilisation of renewable energy, reducing energy and water consumption and monitoring climate-related performance against established targets.

Progress towards the Group's climate-related objectives is monitored through its sustainability governance processes. The SIWG monitors carbon emissions on a monthly basis and GHG emissions on a quarterly basis, together with relevant energy and environmental performance indicators, to track progress and identify areas where further actions may be required.

The Group has implemented and continues to pursue a range of initiatives to support its climate-related objectives and progress towards its Net Zero ambition:

- ✓ We have obtained Green Office certifications from the Penang Green Council and Perbadanan Bekalan Air Pulau Pinang ("PBA"), namely the Penang Green Office Certification and Aqua Save Certification;
- ✓ We have implemented various energy and water saving action plans and initiatives, as detailed in the Energy Usage and Water Management sections;
- ✓ We actively engage in reforestation efforts by planting trees at our operation sites to support local ecosystems, improve air quality, and foster employee participation in impactful environmental efforts. As of 30 June 2026, we have planted approximately 1,864 trees that is more than 6ft height as below:

Plant in Malaysia Operations	Number of Trees Planted
P1, P3 and P5	199
P13	582
P21	1,020
P34	63
Total	**1,864**





SUSTAINABILITY STATEMENT
cont'd

ENVIRONMENT - *Caring for our Planet (cont'd)*

METRICS AND TARGETS *(cont'd)*

Climate Transition Plan *(cont'd)*

The Group has implemented and continues to pursue a range of initiatives to support its climate-related objectives and progress towards its Net Zero ambition: *(cont'd)*

✓ We are committed to driving our own environmental projects, while also supporting broader global initiatives:

- **Fruit and Vegetable Garden (Malaysia)**

  In Malaysia, we established a 456 square foot fruit and vegetable garden at its P13 facility in August 2025. The project transformed an available outdoor space into raised planting beds enriched with organic compost, supporting the cultivation of water spinach, sweet potato leaves, lady's fingers, passion fruit and other leafy vegetables. Employees participated in planting, maintenance and harvesting activities, providing a practical platform for sustainability engagement and local food cultivation.



Passion fruit



Water spinach

- **Tree Planting (Philippines)**

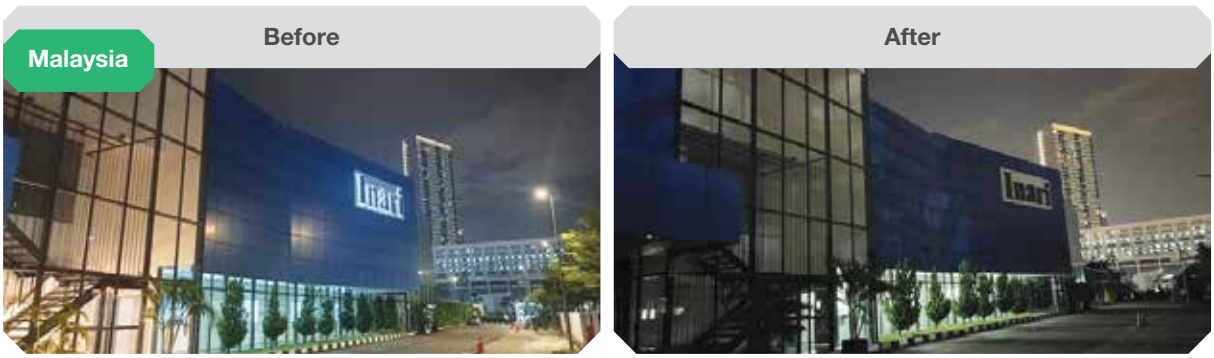
  In Philippines, our operations organised the tree planting activity during FY2026 to enrich local ecosystems, restore green spaces, and promote biodiversity. These initiatives also encouraged employee involvement, strengthening awareness and ownership of sustainability practices.



Tree planting activity

- **Earth Hour (Group)**

  In addition, we continued to participate in Earth Hour 2026, the annual global movement organised by the World Wildlife Fund ("WWF") to encourage individuals, communities and businesses to switch off non-essential lights for one hour. On 28 March 2026, our operation sites in Malaysia, the Philippines, and China joined this initiative, demonstrating our shared commitment to environmental sustainability.



SUSTAINABILITY STATEMENT
cont'd

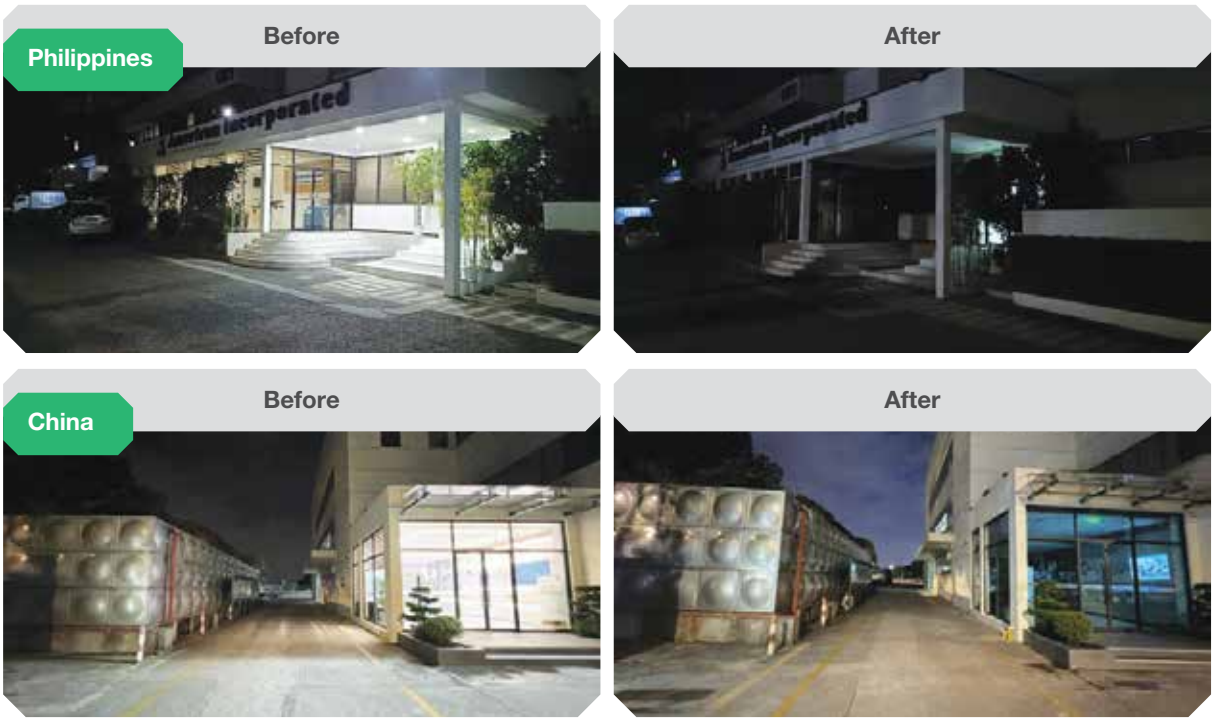
ENVIRONMENT - *Caring for our Planet (cont'd)*

METRICS AND TARGETS *(cont'd)*

Climate Transition Plan *(cont'd)*

The Group has implemented and continues to pursue a range of initiatives to support its climate-related objectives and progress towards its Net Zero ambition: *(cont'd)*

- **Earth Hour (Group)** *(cont'd)*



Climate-related Targets and Performance

The Group identified the Semiconductors industry guidance as the primary industry-based guidance relevant to its OSAT activities. In identifying climate-related risks and opportunities and determining relevant metrics, the Group referred to and considered the applicability of the industry-based guidance accompanying IFRS S2.

Based on the Group's business model and risk profile, the applicable metrics are disclosed in the Energy Usage, GHG Emissions, Water Management and Waste Management sections of this Statement. Metrics assessed as material to the Group's prospects will be progressively enhanced as the required data and measurement processes mature.

To support its climate transition and broader environmental objectives, the Group has established quantitative reduction and efficiency targets. Performance against these targets is monitored periodically to assess progress and identify areas where further improvement measures may be required.

SUSTAINABILITY STATEMENT
cont'd

ENVIRONMENT - *Caring for our Planet (cont'd)*

METRICS AND TARGETS *(cont'd)*

Climate-related Targets and Performance *(cont'd)*

Theme	Indicator	Short term target (up to 5 years) - FY2022 actual as base year	Long term target (more than 5 years) - FY2022 actual as base year	Status in FY2026
Climate Change	Percentage reduction target (%) - scope 1 (tCO2e)	-3%	-5%	Achieved
Climate Change	Percentage reduction target (%) - scope 2 (tCO2e)	-2%	-3%	In-Progress
Climate Change	Percentage reduction target (%) - GHG Intensity (tCO2e/FOU)	-2%	-5%	In-Progress
Climate Change	Percentage reduction target (%) - Energy consumption (GJ)	-3%	-5%	In-Progress
Climate Change	Percentage reduction target (%) - Energy Intensity (GJ/FOU)	-2%	-3%	In-Progress
Water Security	Percentage reduction target (%) - Water consumption (m^3)	-3%	-5%	In-Progress
Water Security	Percentage reduction target (%) - Water Intensity (m^3/FOU)	-5%	-5%	In-Progress
Pollution & Resources	Percentage reduction target (%) - Waste generation (MT)	-3%	-5%	Achieved
Pollution & Resources	Percentage target (%) - 3R	90%	90%	Achieved

GHG EMISSIONS

The Group measures and monitors its GHG emissions as part of its efforts to understand its carbon footprint and track progress against its climate-related objectives. For FY2026, the Group's GHG emissions comprise:

- Scope 1 emissions: refers to direct GHG emissions from the activities in our organisation including mobile combustion, such as petrol and diesel consumed by Company owned vehicles;
- Scope 2 emissions: refers to indirect GHG emissions from consumption of electricity. The purchased electricity is primarily used to operate production machinery, facility equipment, office equipment and etc; and
- Scope 3 emissions: refers to other indirect GHG emissions that occur in the value chain of our organisation. For FY2026, the Group's Scope 3 disclosure covers business travel and employee commuting.

SUSTAINABILITY STATEMENT
cont'd

ENVIRONMENT - *Caring for our Planet (cont'd)*

GHG EMISSIONS *(cont'd)*

In FY2026, the Group recorded combined Scope 1 and Scope 2 GHG emissions of 95,696 tCO2e, compared with 100,079 tCO2e in FY2025. The decrease was mainly attributable to lower Scope 2 emissions across the Group's operations.

GHG Emissions Scope 1	Unit	FY2024	FY2025	FY2026
Malaysia	tCO2e	67	62	61
Philippines	tCO2e	258	204	222
China	tCO2e	14	15	13
Total	**tCO2e**	**339**	**281**	**296**

Notes:

(a) GHG emissions Scope 1 covers consumption of petrol and diesel.
(b) Malaysia, Philippines and China: For FY2024 and FY2025, the emission for Scope 1 is calculated using emission factor obtained from IPCC Fifth Assessment Report, while the default emissions factors were based on IPCC Guidelines for National Greenhouse Gas Inventories (2006). For FY2026, the emission for Scope 1 is calculated using emission factor obtained from Department for Environment Food and Rural Affairs ("DEFRA") 2025.

GHG Emissions Scope 2	Unit	FY2024	FY2025	FY2026
Malaysia	tCO2e	65,319	79,428	76,110
Philippines	tCO2e	17,246	15,879	15,632
China	tCO2e	4,465	4,491	3,658
Total	**tCO2e**	**87,030**	**99,798**	**95,400**

Notes:

(a) GHG emissions Scope 2 covers consumption of electricity.
(b) Malaysia: For FY2024, the emission for Scope 2 is calculated using the emission factor obtained from 2017 Clean Development Mechanism ("CDM") Electricity Baseline for Malaysia, Malaysia Green Tech Corporation. For FY2025, the emission for Scope 2 is calculated using the 2022 Grid Emission Factor, calculated by the Energy Commission Malaysia. For FY2026, the emission for Scope 2 is calculated using 2024 Grid Emission Factor, calculated by the Energy Commission Malaysia.
(c) Philippines: For FY2024, the emission for Scope 2 is calculated using emission factor obtained from 2015-2017 National Grid Emission Factor, Department of Energy, Republic of the Philippines. For 2025, the emission for Scope 2 is calculated using the 2019-2021 National Grid Emission Factor by Department of Energy, Philippines. For FY2026, the emission factor for Scope 2 is calculated using the 2023 Enerdata emission factor.
(d) China: For FY2024 and FY2025, the emission for Scope 2 is calculated using emission factor obtained from China's regional power grids for emission reduction projects in 2019. For FY2026, the emission factor for Scope 2 is calculated using the 2023 Enerdata emission factor.

Total GHG Emissions (Scope 1 and Scope 2)	Unit	FY2024	FY2025	FY2026
Malaysia	tCO2e	65,386	79,490	76,171
Philippines	tCO2e	17,504	16,083	15,854
China	tCO2e	4,479	4,506	3,671
Total	**tCO2e**	**87,369**	**100,079**	**95,696**

SUSTAINABILITY STATEMENT
cont'd

ENVIRONMENT - Caring for our Planet (cont'd)

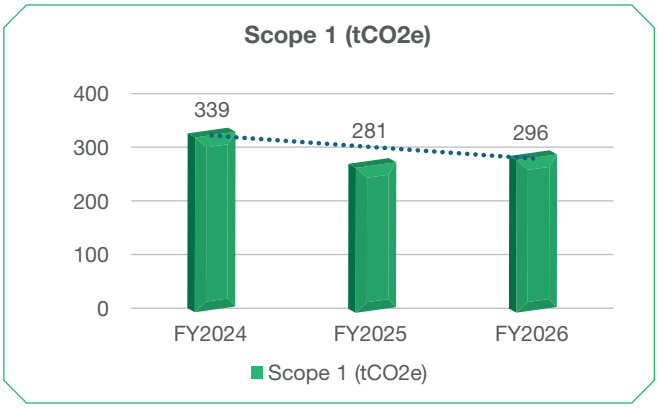
GHG EMISSIONS *(cont'd)*

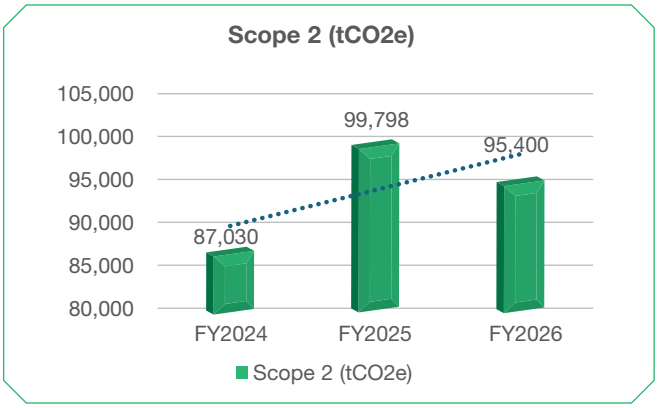
GHG Emissions (Scope 1 and Scope 2) Intensity	Unit	FY2024	FY2025	FY2026
Malaysia	tCO2e/FOU ('000)	0.00385	0.00449	0.00406
Philippines	tCO2e/FOU ('000)	0.06523	0.10061	0.11622
China	tCO2e/FOU ('000)	0.03587	0.04267	0.03117

Overall GHG Emissions (Scope 1 and Scope 2) Intensity	(tCO2e/FOU ('000))
FY2024	0.00503
FY2025	0.00557
FY2026	0.00504

Note:

(a) FOU stands for Factory Output Unit.





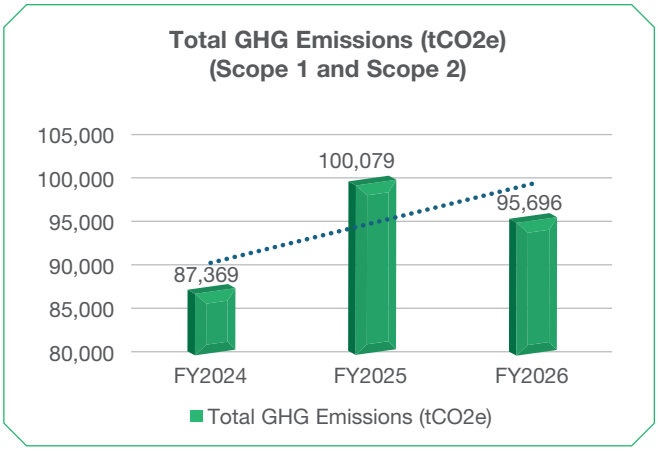
The Group's total Scope 1 emissions increased marginally to 296 tCO2e in FY2026, compared with 281 tCO2e in FY2025, but remained below the FY2024 level of 339 tCO2e.

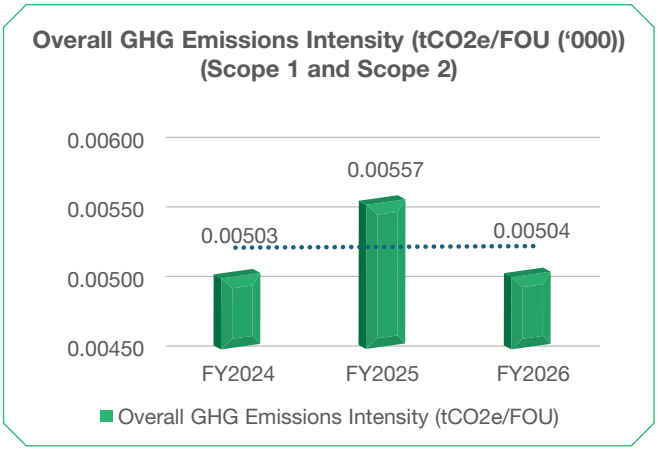
The Group's Scope 2 emissions decreased to 95,400 tCO2e in FY2026, compared with 99,798 tCO2e in FY2025.

SUSTAINABILITY STATEMENT
cont'd

ENVIRONMENT - *Caring for our Planet (cont'd)*

GHG EMISSIONS *(cont'd)*





The Group's overall Scope 1 and Scope 2 GHG emissions intensity improved to 0.00504 tCO2e/FOU ('000) in FY2026, compared with 0.00557 tCO2e/FOU ('000) in FY2025. The FY2026 intensity was also broadly comparable with the FY2024 level of 0.00503 tCO2e/FOU ('000).

Inari does not produce any Nitrogen Oxides ("NOx") and Sulphur Oxides ("SOx") emissions as none of our business activities involve biomass combustion.

We began measuring and disclosing Scope 3 GHG emissions since FY2025, with coverage focused on business travel and employee commuting. By including these categories, we enhance the transparency of our carbon footprint reporting and strengthen alignment with international best practices. This step reflects our commitment to progressively expand the scope of our emissions monitoring, providing a more comprehensive view of our environmental impact.

Total GHG Emissions (Scope 3)	Unit	FY2025	FY2026
Business Travel			
Malaysia	tCO2e	28.0	11.9
Philippines	tCO2e	3.0	1.5
China	tCO2e	4.0	0.2
Total	**tCO2e**	**35.0**	**13.6**
Employee Commuting			
Malaysia	tCO2e	2,101.0	3,521.3
Philippines	tCO2e	1,185.0	1,032.2
China	tCO2e	48.0	32.2
Total	**tCO2e**	**3,334.0**	**4,585.7**

Notes:

(a) Scope 3 emission for business travel include all modes of transportation, such as air, train, car, and bus. Scope 3 emissions for employee commuting cover a range of transportation modes, including bus, train, motorcycle, and car.

(b) Emissions from business travel by air are calculated using multiple sources, including the carbon emissions data provided by airlines and recognised online tools such as the Travel Impact Model, MyClimate Flight Calculator and the ICAO Carbon Emissions Calculator.

(c) Emissions from train, bus, car and motorcycle are calculated using the emission factors published in the United States Environmental Protection Agency GHG Emission Factors Hub.

(d) Emissions from employee commuting are calculated on a sampling basis, with 20% of the workforce surveyed. The results are then extrapolated to represent 100% of employees across the Company.

SUSTAINABILITY STATEMENT
cont'd

WORKPLACE – *Caring for our People*

EMPLOYEE GENDER, DIVERSITY AND INCLUSION





We recognise the strength in having a diverse workforce and inclusive environment. As a part of our strategic priorities and corporate DNA, we build a fair culture of inclusiveness where employees are treated and valued equally regardless of age, race, gender, disability, nationality, religion and sexual orientation. We ensure that all our employees are treated with respect and dignity and are provided with a safe working environment.

Below are the examples of actions that we have implemented across our operations to improve workforce diversity, equal opportunities and reduce or prevent discrimination:

✓ **Anti-Discrimination Policy and Code of Business Conduct and Ethics**

We are committed to advancing workforce diversity and fostering equal opportunities while combating discrimination. Our dedication to combating discrimination is embedded in both our Anti-Discrimination Policy and our Code of Business Conduct and Ethics. Our Anti-Discrimination Policy ensures that all practices and interactions within our organisation adhere to principles of fairness, inclusion, diversity, equal opportunities, free of discrimination or harassment. This is complemented by our Code of Business Conduct and Ethics, which explicitly prohibit our directors and employees from engaging in any form of sedition, discrimination, and harassment, including those which are made based on age, race, gender, disability, nationality, religion or sexual orientation. Together, these policies guide our commitment to maintaining a workplace that is respectful, inclusive, and free from discrimination and harassment.

✓ **Non-Discriminatory Recruitment Practices**

It is our policy that recruitment decisions are made based on our commitment to provide equal opportunity, we are not allowed to practise any discrimination or discriminatory business in recruitment whereby all job applications, job advertisements, job descriptions do not require, publish or state any information on race, colour, age, gender, sexual orientation, gender identity, ethnicity, disability and/or special needs, religion, political affiliation, union membership, national origin or marital status.

Our policy includes support for under-privileged groups, including those from deprived backgrounds, those with poor social status and those who lack of formal education or qualifications. We are dedicated to offering employment opportunities to these groups, thereby supporting community inclusion and diversity.

✓ **Equal Remuneration**

We are committed to ensuring that all employees receive equal remuneration for performing the same work or work of a similar nature, regardless of gender. Moreover, our payroll policy mandates that no employee shall be paid with less favourable rates compared to employees of the opposite sex for equivalent roles. In line with our commitment to equality, we have never made deductions to the remuneration rates of any employees, ensuring fair and non-discriminatory compensation practices.

SUSTAINABILITY STATEMENT
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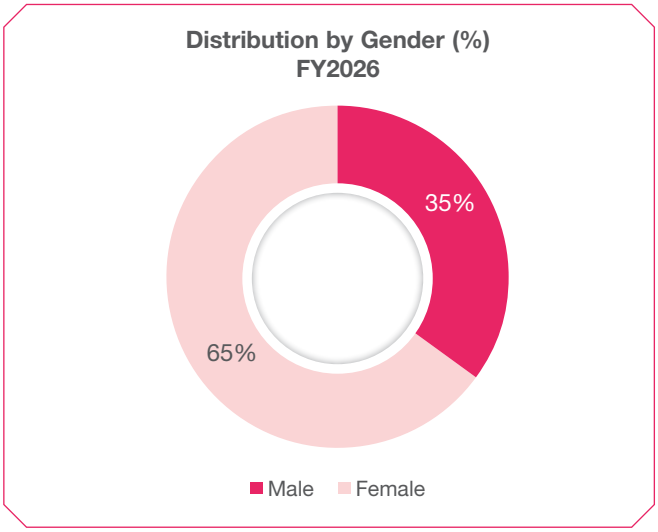
WORKPLACE – Caring for our People (cont'd)

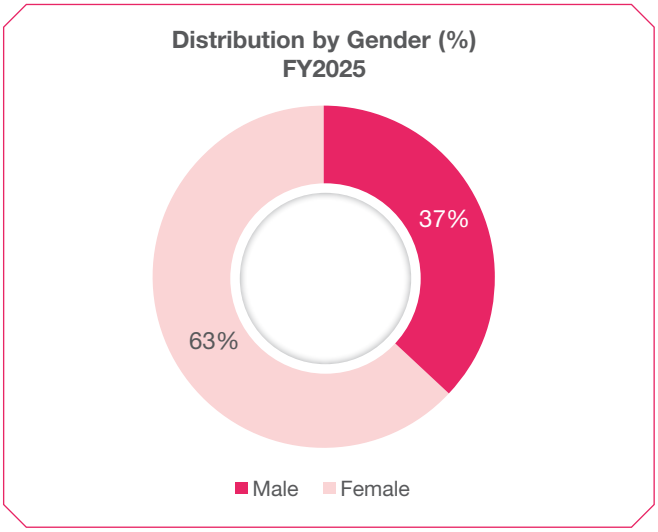
EMPLOYEE GENDER, DIVERSITY AND INCLUSION *(cont'd)*

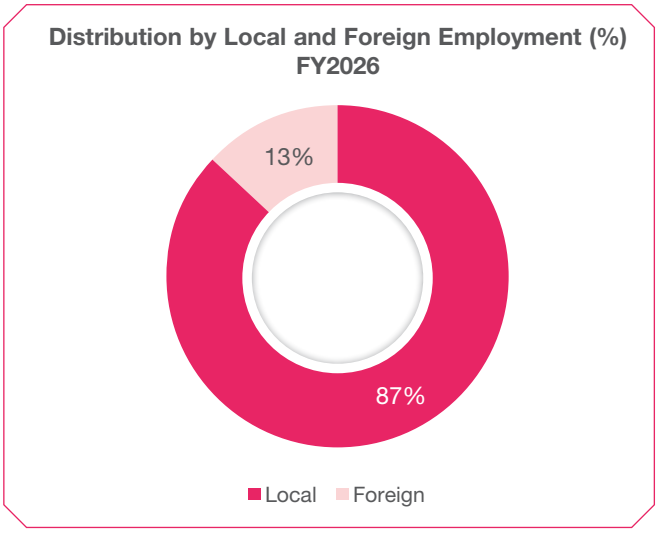
Below are the examples of actions that we have implemented across our operations to improve workforce diversity, equal opportunities and reduce or prevent discrimination: *(cont'd)*

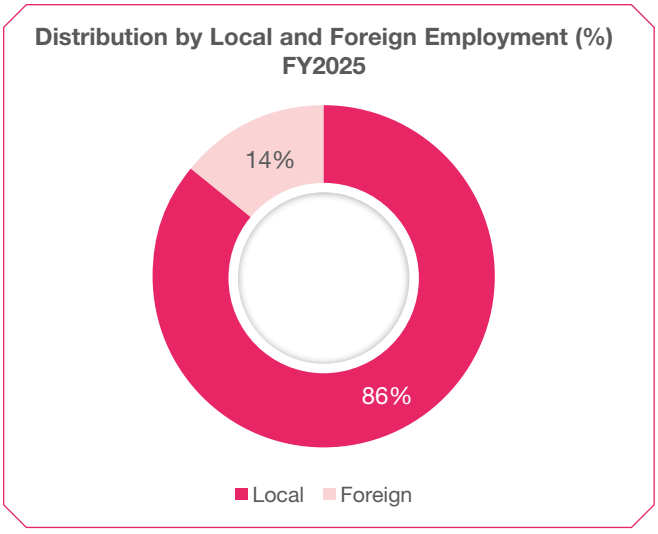
✓ **Accommodation for Employees with Disabilities**

We are dedicated to ensuring employees with disabilities and/or special needs are accommodated with special programs and accessibility mechanisms ensuring their safety and health remains prioritise during their employment terms. To promote inclusion, for example, we have created office space on the ground floor to assist those with health issues and difficulties climbing the stairs, demonstrating our commitment to inclusivity and avoidance, prevention or mitigation of human rights issues.





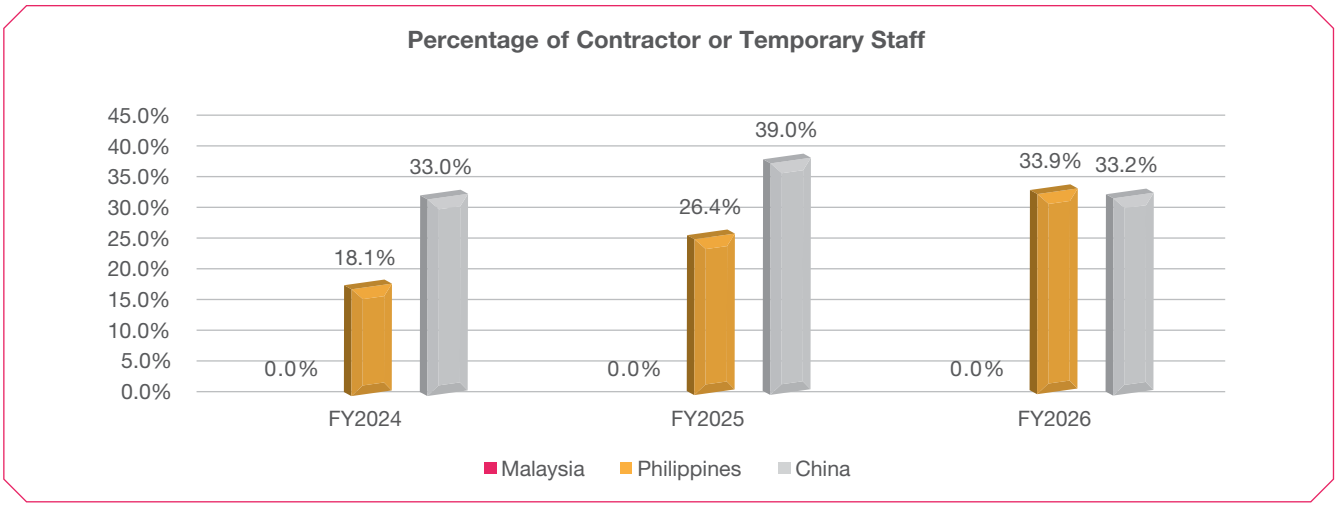


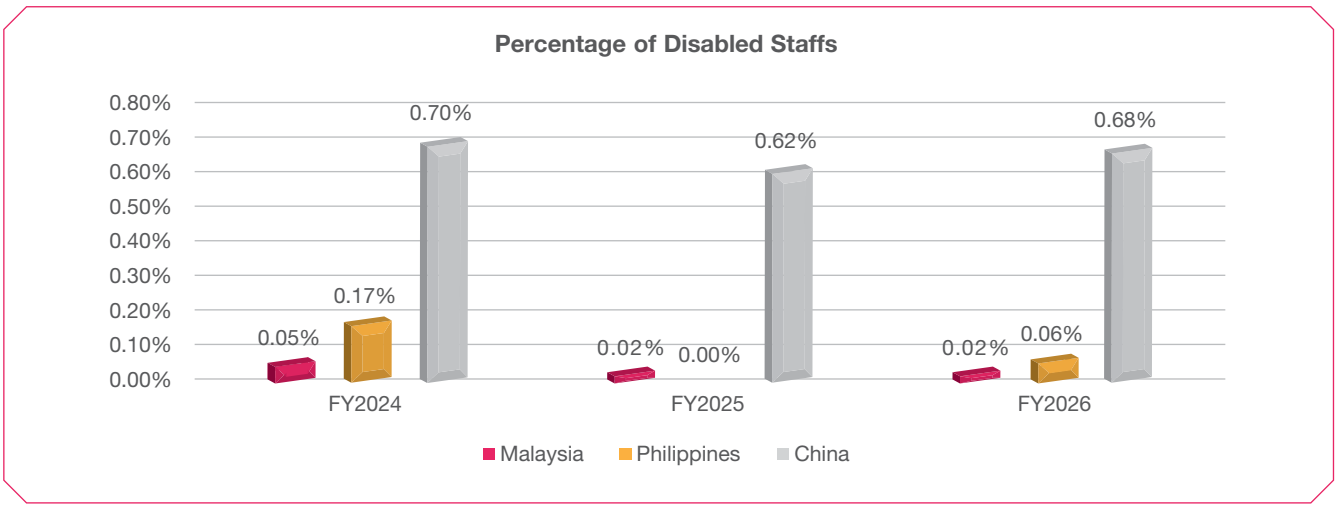


SUSTAINABILITY STATEMENT
cont'd

WORKPLACE – Caring for our People (cont'd)

EMPLOYEE GENDER, DIVERSITY AND INCLUSION *(cont'd)*





SUSTAINABILITY STATEMENT
cont'd

WORKPLACE – Caring for our People (cont'd)

EMPLOYEE GENDER, DIVERSITY AND INCLUSION *(cont'd)*

Employee Distribution	Percentage (%)		
	FY2024	FY2025	FY2026
By Gender			
Male	37.0	37.0	35.0
Female	63.0	63.0	65.0
By Nationality			
Local	83.0	86.0	87.0
Foreign	17.0	14.0	13.0
Contractors or Temporary Staff			
Malaysia	0.0	0.0	0.0
Philippines	18.1	26.4	33.9
China	33.0	39.0	33.2
Group	6.7	9.2	11.6
Disabilities			
Malaysia	0.05	0.02	0.02
Philippines	0.17	0.00	0.06
China	0.70	0.62	0.68
Group	0.11	0.05	0.07
By Age			
Below 30	64.1	59.2	57.8
30 to 50	31.6	35.8	36.7
Above 50	4.3	5.0	5.5
By Employee Category			
Manager and above	2.3	2.2	2.0
Executive	9.5	9.6	9.3
Non-executive IDL	28.5	28.4	26.1
Non-executive DL	53.0	50.6	51.3
Agency DL	6.7	9.2	11.3

Director Distribution	Percentage (%)		
	FY2024	FY2025	FY2026
By Gender			
Male	91.7	84.6	84.6
Female	8.3	15.4	15.4
By Age			
Below 30	0	0	0
30 to 50	0	0	0
Above 50	100	100	100

SUSTAINABILITY STATEMENT
cont'd

WORKPLACE – Caring for our People (cont'd)

EMPLOYEE GENDER, DIVERSITY AND INCLUSION *(cont'd)*

Employee Turnover	Headcount (pax)		
	FY2024	FY2025	FY2026
By Employee Category*			
Manager and above	19	31	23
Executive	80	122	129
Non-executive IDL	290	326	515
Non-executive DL	681	379	468

* *Excluding interns and workers who left at the end of contract.*

Employee Turnover Rate	Percentage (%)		
	FY2024	FY2025	FY2026
Group*	24.9	20.4	29.6

* *Excluding interns and workers who left at the end of contract.*

Among our workforce of dedicated employees, 65% are women, underscoring our commitment to gender diversity. Our reliance on foreign workers has been prudently maintained at a minimum level of 13% this year, reflecting our commitment to local employment. As we commit to embrace inclusivity within a diverse workforce, we translated our policy on labour standards into several languages to facilitate greater understanding and communication. For our operations in China and Philippines, 99% employees are local hires.

In FY2026, employees with disabilities constituted 0.07% of our total workforce while contractors and temporary employees represented 11.6% of our total employee base. We have adopted a categorisation approach which aligned with our internal human resource strategy and manpower management practices. We will continue to review this approach to ensure alignment with regulatory expectations where applicable.

We remain committed to fostering employees' growth and attracting new talents to drive the Group's success. Our strategic approach ensures that we continue to have the right people in place to seize opportunities, overcome challenges and position the organisation for sustained growth and innovation.

EMPLOYEE DEVELOPMENT AND TALENT RETENTION

We value continuous learning for our employees' personal and professional advancement. Through diverse professional development, training, and programs, we elevate Group-wide performance and quality standards. It is imperative we invest in the capabilities of our employees to remain at the forefront of innovation.

Our approach involves a human capital management development framework that encompasses the following:

- Management Talent Development Programmes
- Supervisory Level Development Programmes
- Technical Engineering and I4.0 Upskilling Programmes
- Machine Operation Training, Supplier Responsibility Compliance, Electrostatic Discharge Rules and Environment, Health & Safety Practices

SUSTAINABILITY STATEMENT
cont'd

WORKPLACE – Caring for our People (cont'd)

EMPLOYEE DEVELOPMENT AND TALENT RETENTION *(cont'd)*

Below we summarise the types of training and development programmes conducted at Inari.

Orientation

We ensure that all new employees understand the corporate activities, values and business unit performance-based culture by undergoing the orientation programme, held within the first week of their commencement. Topics including corporate culture, organisational structure, safety and health, overview of career paths, benefit plans, administrative procedures, key corporate policies and procedures will be shared. They are also instructed about the importance of the Code of Business Conduct and Ethics, Anti-Corruption and Bribery Policy, as well as the Whistleblowing Policy and Procedures.

Onboarding Training

The onboarding training is prepared by respective department leaders to focus on departmental goals and in engaging employees with the overall company objectives. The purpose of the training is to address employee needs and provide them with easy access to information and skills needed to deliver their job efficiently.

Mandatory Training

As Inari operates in specific industrial areas, we ensure that employees are prepared and trained on all applicable regulations. Mandatory training that employees are required to undergo are corporate governance, anti-bribery and corruption training, OSH training as well as environmental training.

Technical Skills Development Training

We conduct various training to develop employees' technical skills for the performance delivery including big data analysis, coding & programming, technical writing and database software. The necessary training is conducted regularly based on the latest industry developments to ensure employees knowledge and skill set are up-to-date.

Soft Skills Development Training

Soft skill training is conducted periodically to enable our employees to interact effectively with other people in the workplace. Topics covered in our soft skills training include presentation skill, communication skill, leadership skill, emotional intelligence, teamwork, and others.

In FY2026, across all our operations, we have conducted a total of 73,425 hours of training, with an average of 12 training hours and 1.49 days per employee. Tables below show our training hours (excluding on-the-job training) for FY2026.

Total number of training hours	FY2024	FY2025	FY2026
By Gender			
Female	49,576	38,290	37,662
Male	38,360	40,404	35,763
By Employee Category			
Manager and above	5,544	3,325	3,695
Executive	27,481	21,566	17,745
Non-executive	54,911	53,803	51,985
By Training Types			
Orientation	22,024	19,730	22,733
Mandatory, technical skills & soft skills	65,912	58,964	50,692

SUSTAINABILITY STATEMENT
cont'd

WORKPLACE – *Caring for our People (cont'd)*

EMPLOYEE DEVELOPMENT AND TALENT RETENTION *(cont'd)*

Average number of training hours per employee	FY2024	FY2025	FY2026
By Gender			
Female	10	10	9
Male	21	18	16
By Employee Category			
Manager and above	39	25	30
Executive	46	36	31
Non-executive	10	10	10

Average training hours per employee	No. of hours
FY2024	14
FY2025	13
FY2026	12

Average training days per employee	No. of days
FY2024	1.76
FY2025	1.58
FY2026	1.49

Compensation and Benefits

We recognise that Inari's success is driven by a committed workforce, and therefore we strive to empower employees through a supportive corporate culture that ensures their well-being is taken care of. We comply with the standard minimum wage laws within each country we operate in, with a minimum entry level wage to minimum wage ratio of 1:1. To support living wage, we often go beyond the minimum wage threshold and take pride in valuing our employees by offering wages that exceed the mandated threshold for minimum wage. In addition to providing our employees with fair remuneration packages, we also provide eligible employees to receive remuneration in the form of share options as stipulated in our Employees' Share Option Scheme and performance bonus. Benefits, promotions, recognition, rewards and increments are solely based on the employee's performance and merit, where 100% of our employees received a performance review. We ensure the salary scale is benchmarked on a periodic basis against industry peers to compensate and reward our employees fairly.

We have introduced an Employee Privilege Program, which partners with local hotels, personal care services and restaurants to provide our employees with exclusive discounts and benefits. This initiative not only enhances our employees' experience but also strengthen our local business community.

SUSTAINABILITY STATEMENT
cont'd

WORKPLACE – Caring for our People (cont'd)

EMPLOYEE DEVELOPMENT AND TALENT RETENTION *(cont'd)*

Compensation and Benefits *(cont'd)*

The following are some of the benefits and privileges provided to our employees.

Insurance/Medical Coverage

- Executive health screening
- Free medical attention and treatment by medical practitioner duly appointed by Inari
- Hospitalisation scheme extended to the employees' family or dependents
- Outpatient medical benefits extended to employees' family or dependents
- Personal accident, hospitalisation and term life insurance coverage to permanent employees
- Social insurance

In-house Facilities

- Car parking space
- Hostel for operators
- Personal lockers
- Prayer rooms
- Transport services
- 24-hour canteen

Employees with Special Needs

- Dedicated mother's nursing room
- Dedicated parking spaces for disabled employees
- An office space at ground floor to cater for health issues and disabled employees
- Sickbay for sick employees

HUMAN AND LABOUR RIGHTS

Inari are committed to respect and support the protection of internationally proclaimed human rights by adopting our key customer's Code of Conduct and Human Rights Policy that is based on internationally recognised human rights as set out in the United Nations' International Bill of Human Rights, the International Labour Organisation's Declaration on the Fundamental Principles and Rights at work as well as the UN Guiding Principles for Business and Human Rights ("UNGPs"). In line with this, Inari's employment practices uphold its belief for fair employment, and therefore is committed to protecting the human and labour rights of all our employees.

Our actions implemented to avoid, prevent, and mitigate human rights issues include, but are not limited to, the following:

✓ **Dedicated resources to oversee human rights matters**

The Board of the Group has the oversight responsibility to ensure respect for human rights. In addition, the day-to-day responsibilities and resources to ensure respect for human rights have been assigned to Human Resource ("HR") department. Our HR department oversee all issues regarding human rights, forced and child labour and ensures protection of our employees' rights. They are responsible for implementing and making sure that our operations comply with regulations mandated by the Department of Labour.

SUSTAINABILITY STATEMENT
cont'd

WORKPLACE – Caring for our People (cont'd)

HUMAN AND LABOUR RIGHTS *(cont'd)*

Our actions implemented to avoid, prevent, and mitigate human rights issues include, but are not limited to, the following: **(***cont'd)*

✓ **Established policy**

Our Company policy on labour standards is translated into relevant languages such as Bahasa Malaysia, Bahasa Indonesia and Chinese to promote better understanding. We highlight the following clauses in our Human Resource Policy:

- Humane Treatment and Non-discrimination
- Zero Tolerance to Harassment
- Respect Human Rights
- Freedom of Association and Collective Bargaining
- Availability of Grievance Channel
- Child Labour and Forced Labour Prohibition aligned with International Labor Organization (ILO) - Minimum Convention Age
- Working hours do not exceed the maximum set by local law
- Wages and benefits comply with all applicable wage laws
- Occupational Safety and Health
- Anti-Corruption and Bribery

In alignment with our dedication to ethical practices, we have integrated the Children's Rights and Business Principles into our Supplier Code of Conduct. This Code mandates that our suppliers uphold the protection of human rights, explicitly prohibiting forced labour and child labour. By embedding these principles into our supply chain management, we reinforce our commitment to responsible and ethical practices, ensuring that all partners adhere to the highest standards of human rights protection.

✓ **Training and communication**

Annually, we conduct a minimum of two training sessions focused on social responsibilities, including human rights, in February and August with support from our in-house Training department. For direct labour, these sessions are conducted in person, while indirect labour and above participate in online training. At the conclusion of each session, employees complete an assessment to ensure effective understanding of our human rights policies. Additionally, we include social responsibility requirements in our onboarding training for new hires and conduct refresher training on an annual basis. To further raise awareness, we broadcast information via television in canteens and display posters throughout our facilities. We also provide a toll-free hotline for employees to address grievances and have a Whistle Blowing Policy in place to support transparency and accountability.

Our managers are trained to handle reports and instances of bullying and harassment.





Training and communication to employees

SUSTAINABILITY STATEMENT
cont'd

WORKPLACE – Caring for our People (cont'd)

HUMAN AND LABOUR RIGHTS *(cont'd)*

Our actions implemented to avoid, prevent, and mitigate human rights issues include, but are not limited to, the following: **(***cont'd)*

✓ **Training and communication** *(cont'd)*

Our training and communication extend beyond our employees, we also conduct periodic supplier responsibility training to our suppliers, ensuring they are equally well-versed and aligned with our values and expectations.




Training and communication to suppliers

✓ **Ongoing assessment**

Risk assessment related to potential labour issues is an integral part of our due diligence checklist for evaluating new operations or projects. Additionally, we proactively monitor and assess human rights risks continuously as part of our core business processes, with quarterly reviews conducted by our CSR committee. We also perform an annual Labour Risk Assessment to ensure ongoing compliance and address any emerging issues.

✓ **Grievance management**

In our ongoing pursuit of open communication and continuous improvement, we facilitate various avenues for both internal (e.g. employees) and external stakeholders to express their opinions and ideas.

We have established whistleblowing mechanism, feedback channel and grievances systems to allow both internal (e.g. employees) and external stakeholders to report genuine cases of human and labour rights related issues, child labour, forced labour, discrimination, bullying and harassment. Our whistleblowing mechanism is designed to ensure that individuals can raise concerns without fear of retaliation. We guarantee the confidentiality of the whistleblower's identity, unless otherwise required by law or for the purpose of any proceedings by or against the Group. A violation of the confidentiality of information reported by any party privy to the information would constitute a misconduct by itself.

To further ensure a confidential and impartial channel, an independent third party oversees a dedicated toll-free hotline where employees can confidently raise any concerns or reports. Other avenues also include regular roundtable, small group meeting and town hall sessions held throughout the year which serve as mechanisms that allow our employees to engage with the Management directly on a wide range of topics, including labour issues or concerns they may have. In addition, we have implemented a feedback box to allow for suggestions and concerns, ensuring that every voice can be heard. Our open door policy further support this by encouraging employees to approach management at any time with their ideas, questions or issues.

In cases where any employee is identified for affected by human rights or labour issues, we are committed to provide appropriate remedies which including but not limited to compensating them for any losses and damages in accordance with the legal requirements.

SUSTAINABILITY STATEMENT
cont'd

WORKPLACE – Caring for our People (cont'd)

HUMAN AND LABOUR RIGHTS *(cont'd)*

Our actions implemented to avoid, prevent, and mitigate human rights issues include, but are not limited to, the following: *(cont'd)*

✓ **Stakeholder engagement on human rights issues**

We conduct small group meetings dedicated to addressing human rights issues and implement corrective actions as necessary. These meetings enable direct engagement with stakeholders, ensuring that human rights issues are managed effectively and corrective measures are applied promptly. Key topics addressed include compliance with regulatory and customer requirements, such as implementing system controls to prevent employees from working beyond the hours permissible by the applicable rules and regulations. Additionally, we provide comprehensive training on sustainability requirements to all supervisors, ensuring they are fully informed and equipped to uphold these standards.

✓ **Dormitories management**

We ensure our workers, both local and foreign, are provided with adequate and safe accommodation with more space per individual as stipulated in the Employees' Minimum Standards of Housing, Accommodations and Amenities Act 1990 (Act 446). The building facilities provided include a multi-purpose hall, canteen/cafeteria, management office, reading and television room, security, mini-mart, common surau, among others. The Penang State Labour Office conducted an audit at the dormitory building and has certified our compliance to Section 24D(2) Akta Standard Minimum Perumahan, Penginapan dan Kemudahan Pekerja 1990.




Dormitory building dedicated to employees



Spacious dormitory rooms



Laundry facilities within the dormitory

SUSTAINABILITY STATEMENT
cont'd

WORKPLACE – Caring for our People (cont'd)

HUMAN AND LABOUR RIGHTS *(cont'd)*

Our actions implemented to avoid, prevent, and mitigate human rights issues include, but are not limited to, the following: *(cont'd)*

✓ **Dormitories management** *(cont'd)*



Common area within the dormitory building with various amenities



Computer room



Training room



Clinic



Fresh mart



Food stalls



Spacious and modern design dormitory rooms

SUSTAINABILITY STATEMENT
cont'd

WORKPLACE – *Caring for our People (cont'd)*

HUMAN AND LABOUR RIGHTS *(cont'd)*

Our actions implemented to avoid, prevent, and mitigate human rights issues include, but are not limited to, the following: **(***cont'd)*

✓ **Child Labour and Forced Labour Prevention and Prohibition**

At Inari, we do not tolerate or condone any use of child labour or forced labour. We actively enforce policies that promote fair labour standards and continuously strive to create a safe and supportive work environment. We comply fully with the regulations and local laws of the countries we operate in. We practice free employment market and ensure all hirings are on voluntary basis.

We are deeply committed to ongoing stakeholder engagement and consultation with regulators on critical human rights issues. In line with this commitment, our representative from HR department attended the Malaysian Employment Laws Conference 2023 ("MELC 2023"). MELC 2023 is the foremost platform for HR practitioners across Malaysia to come together and discuss the latest trends and challenges impacting the industry. Bringing together influential leaders and experts from diverse sectors, the conference provided valuable insights that are vital for advancing business practices, particularly in areas of industrial relations and future trends. Key topics addressed at the conference included workplace harassment and discrimination, mental health in the workplace, updates on employment and trade union law, the growing impact of ESG considerations, and practical courtroom insights. By participating, we are better equipped to enhance our internal policies and practices to foster a respectful and inclusive workplace while staying ahead of emerging regulatory trends.

Our Code of Business Conduct and Ethics prohibits the use of forced labour, human trafficking and exploitative child labour and we expect suppliers and/or vendors to respect this principle. As stipulated in the Supplier Code of Conduct, Inari reserves the right to terminate its trading agreement if the supplier is unable to demonstrate his commitment to this policy. Additionally, it is our policy that we will verify the valid and appropriate age verification documentation to avoid hiring of underage labours. All members of HR department were also being briefed on the minimum age for hiring, appropriate age documentation and verification systems. In addition, we also established an anonymous reporting flow for all employees to report the existence of underage workers, if any, at the facility. We have established several mechanisms for employees to report grievances and facilitate open communication between management and employees, regarding their grievances which include child and forced labour issues. There were zero cases reported for child labour or forced labour, discrimination, or grievances on human rights since our incorporation.

✓ **Fair Treatment in Managing Foreign Labour**

We only employ foreign workers with complete legal work permits. At Inari, we strictly prohibit the unlawful withholding of wages, passports, or other personal documents. We do not require them to lodge any form of monetary deposits as a condition of employment and no recruitment fees are charged back to the workers. We abide strictly to the law of minimum wages and that wage deduction will not imposed as disciplinary measure. Our foreign workers are given a contract of employment and are entitled to similar benefits as local employees as stated in our Wages, Benefits and Contracts Policy. Furthermore, we ensure that foreign workers are aware of their entitlements by communicating with them in their local language for better understanding.

✓ **Freedom of Association and Collective Bargaining**

It is our policy that we shall respect workers' lawful rights and freely allow workers to form or participate in organisations of their choosing, including but not limited to unions, worker committees, or other worker associations, and bargain collectively without interference, discrimination, retaliation, or harassment.

SUSTAINABILITY STATEMENT
cont'd

WORKPLACE – *Caring for our People* *(cont'd)*

HUMAN AND LABOUR RIGHTS *(cont'd)*

Our actions implemented to avoid, prevent, and mitigate human rights issues include, but are not limited to, the following: *(cont'd)*

✓ **Working Hours and Rest Period**

Our dedication to upholding employee well-being is reflected in our commitment to provide reasonable work hours and ample rest periods, ensuring full adherence to local regulatory mandates. Our employees are entitled to annual leave, sick leave, marriage leave, bereavement leave and maternity leave. Our working hours strictly adhere to the local rules and regulations, ensuring full compliance with labour laws. Furthermore, we are dedicated to upholding the rights of our employees, ensuring that all our employees are entitled to all public holidays gazetted by the local government.

We have established mechanisms to ensure that our employees receive sufficient rest period and do not work excessively. These measures include implementation of system hard blocks that prevent employees work beyond the allowable hours. For employees with standard working hours, we offer flexible working hours to support work-life balance. These initiatives are designed to promote employee well-being and ensure that work hours remain within healthy and manageable limits.





OCCUPATIONAL SAFETY AND HEALTH ("OSH")

In safeguarding the well-being of our employees, we are committed to stringent health and safety practices and a good work environment. The well-being of our employees is enhanced by the commitment of our management team at all levels and requires their close monitoring of the business units' safety performance. As we strive to achieve zero injuries and casualties at our production plants, safety awareness is essential to avoid accidents and prevent occupational illness.

OSH Policy

Inari provides a safe and healthy workplace for its employees, and therefore, has established an OSH Policy that is committed to:

- Making OSH a core value of everything we do;
- Having a risk-based process in place for the identification, classification and control of hazards and risks;
- Providing all employees, contractors and visitors with relevant information, operational controls and regular training on OSH requirements to enable them to conduct their activities safely;
- Providing a positive culture in which employees, contractors and visitors feel free to share their concerns about non-conformance, undesirable, unsafe situations or any OSH related issues;
- Implementing effective approaches to protect people from safety and health risks;
- Being fully transparent in the periodic reporting on OSH performance;
- Consulting and collaborating with employees and other stakeholders on OSH matters; and
- Complying with all applicable laws and regulations which apply to our business.

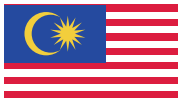
SUSTAINABILITY STATEMENT
cont'd

WORKPLACE – Caring for our People (cont'd)

OCCUPATIONAL SAFETY AND HEALTH ("OSH") *(cont'd)*

OSH Policy *(cont'd)*

In ensuring we provide a healthy and safe working environment, 100% of our operations are in compliance with the relevant OSH regulations or are ISO 45001:2018 certified.



100%
COMPLIANCE
Malaysia Occupational Safety and Health Act 1994



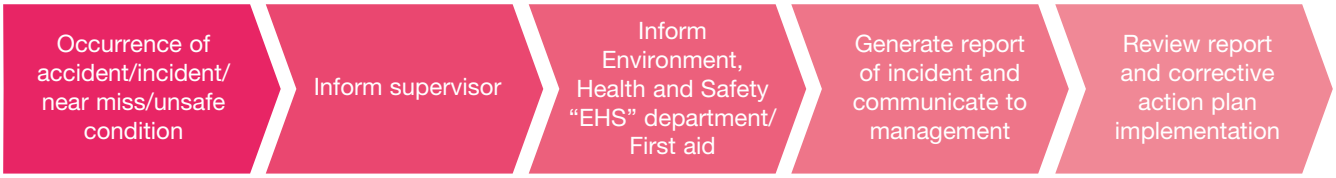
100%
COMPLIANCE
Philippines Occupational Safety and Health Standards



100%
COMPLIANCE
China ISO 45001:2018 certified

Incident Reporting and Investigation

To ensure proper management of safety and health issues at our plants, we implement a standard operating procedure for identification of any workplace hazards or risks and to develop control measures to minimise these risks from occurring. All employees, visitors and contractors are informed of our incident reporting platforms and are encouraged to report any risky or unsafe conditions to the supervisor.



In the event of an incident or unsafe work condition occurring, an initial investigation will be carried out by the supervisor which they will report to the EHS department within 24 hours. Once the report has been reviewed by the EHS department, if necessary further investigation will be conducted and requests for corrective actions will be sent to the respective Area Manager to develop and implement the next steps for preventing recurrence. Where applicable, the Head of Department and HR department may take the appropriate disciplinary action for those involved in unsafe acts or conditions. Management periodically reviews opportunities for continual improvement when necessary.

OSH Awareness Training

Safety is paramount at Inari. We prioritise comprehensive employee training in safety protocols and regularly conduct drills to bolster awareness and skills. Our OSH training aligns with regulations, ensuring employees possess the necessary competencies to work securely. The types of training conducted include incident management, hazard management, as well as emergency preparedness and response. During this reporting period, all employees attended trainings or refresher courses on safety and health.

SUSTAINABILITY STATEMENT
cont'd

WORKPLACE – Caring for our People (cont'd)

OCCUPATIONAL SAFETY AND HEALTH ("OSH") *(cont'd)*

OSH Awareness Training *(cont'd)*

These trainings include:

- Hazard Prevention and Control Awareness
- Basic Occupational First Aid
- Safety of Equipment Handling
- Fire Safety Training and Drills
- Chemical Safety Training
- Lift Truck/Forklift Safety Training
- Electrical Safety Awareness
- Incident Management



Employee Wellness Check (Malaysia)



Fire Prevention Activity (Philippines)



Fire Drill Training (China)

Number of staffs trained on health and safety standards for the past 3 years as shown below:

Number of Staffs trained on Health and Safety Standards	Unit	Malaysia	China	Philippines	Group
FY2024	Number	2,791	325	1,214	4,330
FY2025	Number	4,182	278	1,281	5,741
FY2026	Number	3,372	290	1,061	4,723

SUSTAINABILITY STATEMENT
cont'd

WORKPLACE – *Caring for our People* *(cont'd)*

OCCUPATIONAL SAFETY AND HEALTH ("OSH") *(cont'd)*

Managing OSH Performance

Our OSH committee is responsible for monitoring, recording and reporting the Group's occupational safety, health and environment performance. They also report on measures carried out towards the prevention of accidents. Through our stringent efforts, we have successfully managed to record zero case of occupational fatality or work-related illnesses within the Group. OSH committee is responsible for risk assessment regarding health and safety for existing operations and plants as well as potential new operations or projects as part of the due diligence process.

Our continuous efforts aim to:

- Limit the number of incidents at the workplaces;
- Perform evacuation exercises in facilities with difficult escape paths;
- Improve hazard control, notably in hazardous chemical work areas; and
- Improve the safety of equipment or activities, with a special emphasis on lifelines.

Our target is zero workplace injury incidents and below is our performance over the past 3 years:

Injury Type/Rate	Unit	FY2024	FY2025	FY2026
Malaysia				
Number of injury incidents	number	6	6	3
Number of fatalities	number	- [b]	- [b]	- [b]
Number of work-related illnesses	number	- [b]	- [b]	- [b]
Number of worked days lost	days	29	47	25
Incident rate [a]	rate	1.36	1.42	0.75
Frequency rate [a]	rate	0.49	0.51	0.27
Severity rate [a]	rate	2.39	4.03	2.27
Fatality rate [a]	rate	- [b]	- [b]	- [b]
Lost Time Injury Frequency ("LTIF") [a]	rate	0.49	0.51	0.27
Philippines				
Number of injury incidents	number	1	2	1
Number of fatalities	number	- [b]	- [b]	- [b]
Number of work-related illnesses	number	- [b]	- [b]	- [b]
Number of worked days lost	days	5	7	12
Incident rate [a]	rate	0.56	1.16	0.60
Frequency rate [a]	rate	0.22	0.46	0.24
Severity rate [a]	rate	1.12	1.62	2.90
Fatality rate [a]	rate	- [b]	- [b]	- [b]
Lost Time Injury Frequency ("LTIF") [a]	rate	0.22	0.46	0.24

SUSTAINABILITY STATEMENT
cont'd

WORKPLACE – Caring for our People (cont'd)

OCCUPATIONAL SAFETY AND HEALTH ("OSH") *(cont'd)*

Managing OSH Performance *(cont'd)*

Our target is zero workplace injury incidents and below is our performance over the past 3 years: *(cont'd)*

Injury Type/Rate	Unit	FY2024	FY2025	FY2026
China				
Number of injury incidents	number	- (b)	- (b)	- (b)
Number of fatalities	number	- (b)	- (b)	- (b)
Number of work-related illnesses	number	- (b)	- (b)	- (b)
Number of worked days lost	days	- (b)	- (b)	- (b)
Incident rate (a)	rate	- (b)	- (b)	- (b)
Frequency rate (a)	rate	- (b)	- (b)	- (b)
Severity rate (a)	rate	- (b)	- (b)	- (b)
Fatality rate (a)	rate	- (b)	- (b)	- (b)
Lost Time Injury Frequency ("LTIF") (a)	rate	- (b)	- (b)	- (b)
Overall				
Number of injury incidents	number	7	8	4
Number of fatalities	number	- (b)	- (b)	- (b)
Number of work-related illnesses	number	- (b)	- (b)	- (b)
Number of worked days lost	days	34	54	37
Incident rate (a)	rate	1.07	1.28	0.67
Frequency rate (a)	rate	0.40	0.48	0.25
Severity rate (a)	rate	1.94	3.23	2.31
Fatality rate (a)	rate	- (b)	- (b)	- (b)
Lost Time Injury Frequency ("LTIF") (a)	rate	0.40	0.48	0.25

Notes:

(a) Rates are calculated based on the formulas as follows:

Incident Rate	*No. of accidents/average no. of employees x 1,000*
Frequency Rate	*No. of accidents/total man-hours worked x 1,000,000*
Severity Rate	*No. of worked days lost/total man-hours worked x 1,000,000*
Fatality Rate	*No. of fatalities/ average no. of employees x 1000*
Lost Time Injury Frequency (refers to the loss of productivity associated with accidents or injury arising out of or in the course of work)	*No. lost time injuries/total man-hours x 1,000,000*

(b) No cases reported.

With the transition to Malaysia's OSH Master Plan ("OSHMP30"), the Department of Safety and Health (DOSH) Malaysia has established a key target to reduce the incident rate, shifted the focus to monitoring the occupational injury rate, with a national target of 2.20 per 1,000 employees by 2030. In FY2026, our operations in China continued to maintain a zero incident rate. In Malaysia and the Philippines, incident rates recorded a reduction to 0.75 and 0.60, respectively, but remained well below the DOSH target of 2.20. We remain committed to implementing preventive and corrective actions to improve our safety performance across our operations.

SUSTAINABILITY STATEMENT
cont'd

WORKPLACE – *Caring for our People (cont'd)*

OCCUPATIONAL SAFETY AND HEALTH ("OSH") *(cont'd)*

Managing OSH Performance *(cont'd)*

Below is the summary of 4 minor injuries and corrective measures at our operations:

Type of Injury	Corrective Action	Preventative Action
Right middle and ring finger wounds (Malaysia) *(2 cases)*	• Adjusted machine interlock settings to prevent operation while the cover is open • Replaced the rear ionising fan cover with one featuring smaller openings	• Enhance hazard communication signage • Provide refresher training • Introduce visual guidance on safe cutting methods using hand tools
Right hand injury (Malaysia) *(1 case)*	• Reviewed the machine design and guarding arrangement to address risks associated with tray handling during machine operation	• Restricted the task to trained and authorised personnel • Enhance hazard communication signage
Hand contusion (Philippines) *(1 case)*	• Conducted an immediate safety briefing and refresher training on safe mould-die removal and installation • Reinforced awareness of pinch-point hazards • Enforced LOTO requirements before maintenance activities • Strengthened supervisory oversight and compliance with safe work procedures	• Mandated and standardised the use of stoppers or blocking devices to secure the mould during pull-out operations • Prevent unintended mould movement and minimise exposure to pinch-point hazards

For each incident occurred, we have conducted a root cause analysis investigation. Based on the findings, we then developed the necessary corrective actions and revised our preventative measures to avoid occurrence in the future.

We will continue to be vigilant and commit to safeguard the health and safety of our employees by enforcing tighter controls to mitigate possible safety risk identified.

EMPLOYEE WELFARE

Inari's strength is its workforce and we take great efforts to take care of the wellbeing of our employees. As such, we invest in the health and welfare of employees and are committed to producing a caring and supporting community.

Employee Wellness Activities

To further enrich our commitment to fostering a thriving work-life balance, at Inari, we place a paramount emphasis on maintaining the well-being of our employees. To this end, we have curated an array of diverse programs and engaging activities for employees to participate. The aim is not only to alleviate stress but also to cultivate an environment where positive relationships among co-workers' flourish, nurturing a sense of unity and support. In pursuit of this mission, our employee sports clubs organise events such as weekly indoor fitness classes like yoga, or sports events such as badminton, Zumba, pickleball and fun walk sessions.

SUSTAINABILITY STATEMENT
cont'd

WORKPLACE – Caring for our People (cont'd)

EMPLOYEE WELFARE *(cont'd)*

Employee Wellness Activities *(cont'd)*



Charis Hospice Charity Run (Malaysia)



Badminton Tournament (Malaysia)



Dole Fun Run (Philippines)



Talent Show Competition (Philippines)



Mid-Autumn Festival Lucky Draw (China)



Sports Competition (China)

SUSTAINABILITY STATEMENT
cont'd

WORKPLACE – Caring for our People (cont'd)

EMPLOYEE WELFARE *(cont'd)*

Employee Engagement

At Inari, we conduct employee engagement surveys annually to gather feedback and understand employees' perspectives. The surveys are reviewed by our Human Resource team which then help to identify areas of improvements, key concerns from our employees and recommend strategies to address them accordingly.

This year, the survey covers the following key areas that are essential to fostering a positive and supportive workplace as below:

Human Rights and Labour Practices: Employees are invited to share their views on feeling heard, valued, and supported by their managers, as well as on teamwork within departments, work-life balance, and the effectiveness of communication channels.

Learning and Development: It also explores the opportunities for career growth, the availability of training, and whether feedback received contributed to employees' professional development.

Safety and Health: Employees are asked to provide feedback on the Company's effort to maintain a healthy, safe, and secure work environment, as well as their awareness and understanding of safety regulations.

The insights gathered from this survey enable us to continuously enhance the employee experience by addressing key areas of concern and opportunities for improvement.

Apart from this, we organise various events such as festive celebration and employee appreciation dinner to encourage interaction/engagement between employees and the Senior Management. At Inari, we actively foster employee engagement by organising a variety of events aimed at promoting participation, collaboration and interaction across the organisation.



Employee Wellness Check (Malaysia)



Christmas Party (Philippines)

SUSTAINABILITY STATEMENT
cont'd

LOCAL COMMUNITIES – *Giving Back*

Inari strives to be a responsible corporate citizen by giving back to the surrounding communities in which we operate and to create a positive impact in the long-term. Through our Corporate Social Responsibilities ("CSR") initiatives including our internship programmes, we utilise our knowledge and experience to give back to communities.

STEM Talent Development

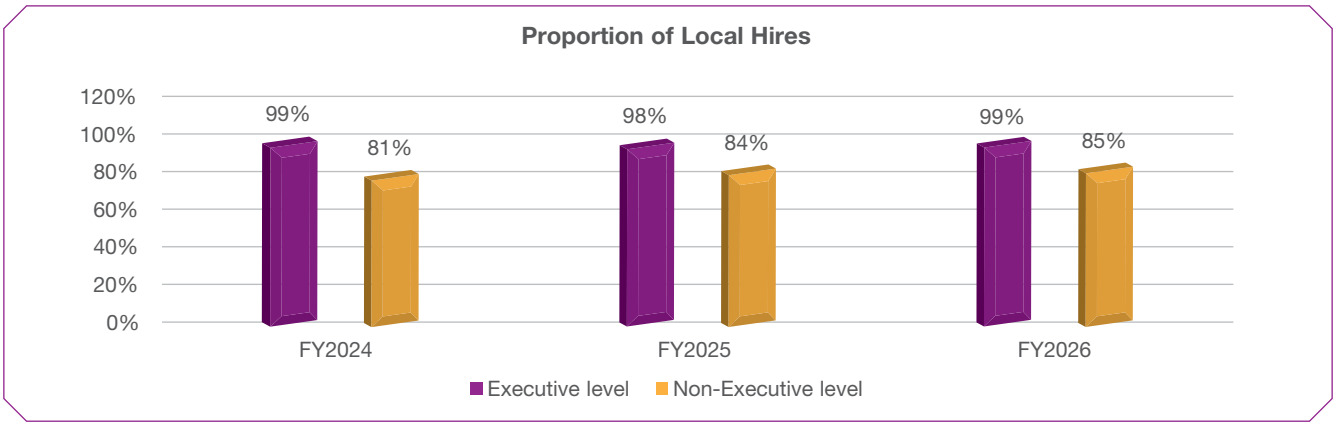
Inari is committed to upholding and promoting children's rights by investing in initiatives that nurture their growth, learning, and future opportunities. Beyond ensuring a workplace free from child labour, we actively contribute to programmes that empower young people through education and skills development.

In particular, we support various initiatives focused on Science, Technology, Engineering, and Mathematics ("STEM") education. These programmes are designed to cultivate interest and talent among primary and secondary school students, equipping them with essential skills for the future. Through workshops, school outreach activities, and partnerships with educational institutions, we aim to inspire creativity, critical thinking, and innovation among children.

By championing STEM learning, we not only contribute to improving the quality of education but also helps prepare the next generation to thrive in a knowledge-based economy. This commitment reflects our broader responsibility to support children's rights and well-being through meaningful and sustainable programmes.

Local Employment

In supporting the communities, we operate in, hiring local is a priority whenever possible to boost local economies and improve social well-being. Providing job opportunities is a valuable resource that we as a business can offer to enable people to reach their potential. Across our operations in Malaysia, Philippines, and China, we work to employ locally, especially at our production facilities. We have increasingly hired locally over the years as we recognise its importance.

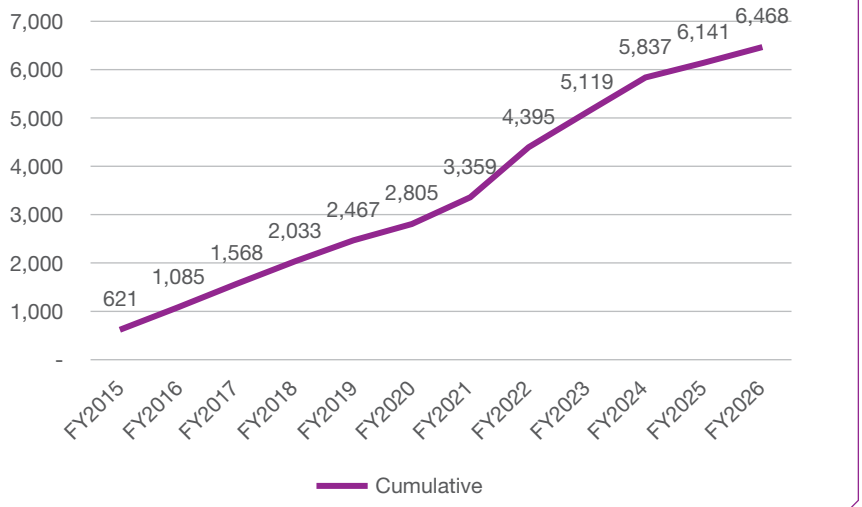


SUSTAINABILITY STATEMENT
cont'd

LOCAL COMMUNITIES – *Giving Back (cont'd)*

Internship Programme

Our internship programme enables us to cultivate future talents by providing interns with the opportunity to gain skills and hands-on experience that will prepare them for future successes in their careers. Our internship programme commenced in FY2015 through the collaboration with various higher institutions and colleges in Malaysia to take in industrial interns to expose them to a working environment where they are able to apply the knowledge from the classroom to real-world experience. Since FY2015, we have offered this opportunity to a total of 6,468 interns.





6,468

Interns hired to date

Local Communities Development

We recognise the importance of contributing to the communities and align our efforts with our business strategy to create a meaningful impact. Our community investment initiatives include various contributions, donations, and CSR programs, all designed to support and uplift underserved local communities. Through our dedicated working committee, we organise CSR programs that focus on aiding indigenous communities and charitable institutions. Our focus is to address immediate needs, through food distribution and donation drives, thereby supporting everyday necessities and fostering stronger, more resilient communities. This approach not only enhances our social responsibility but also strengthens our community relations and aligns with our overall business objectives.

We have contributed over RM4.68 million both cash and in-kind since FY2018. In FY2026, we have contributed a total of RM95,758 cash and in-kind to 33 beneficiaries which consist of charities, non-profit organisations, educational and other institutions across the region.

Total Volunteered Hours	No. of Hours
FY2024	27,805
FY2025	6,208
FY2026	7,796

Total Amount Invested in External Community	Amount (RM)
FY2024	167,005
FY2025	223,079
FY2026	95,758

SUSTAINABILITY STATEMENT
cont'd

LOCAL COMMUNITIES – Giving Back (cont'd)

Local Communities Development *(cont'd)*

To measure the output/outcome, results, achievements and benefits of our community investments, we quantify the total number of beneficiaries impacted by our initiatives as below:

Total Number of Beneficiaries of the Investment in Community	No. of Beneficiaries (in Entities)
FY2024	52
FY2025	80
FY2026	33

Here are some of our key contributions in FY2026 through our CSR activities.



BALE LUGUD HOME FOR THE ELDERLY

In April 2026, Amertron Incorporated visited Bale Lugud Home for the Elderly in Mexico, Pampanga, providing essential supplies and spending meaningful time with its residents. The initiative reflected the Company's commitment to supporting and caring for the local community.



TAPAT KO, KINIS KO

In June 2026, Amertron Incorporated employees participated in the "Tapat Ko, Linis Ko!" clean-up drive around the Company's premises. The initiative promoted environmental responsibility and collective action towards cleaner and healthier surroundings.



CHARITY FUN RUN 2026 BY CHARIS HOSPICE – HAPPY FEET: STRIDING FOR PALLIATIVE CARE 3.0

On 18 April 2026, we participated in the "Happy Feet Striding for Palliative Care" charity run, organised by Charis Hospice. The event aimed to support Charis Hospice's mission of providing free palliative home-care services to patients with advanced cancer and other life-threatening illnesses in Penang, regardless of race and religion.



CHINESE NEW YEAR GATHERING WITH "WARGA EMAS" AT RUMAH INTAN

In February 2026, Inari celebrated Chinese New Year with the senior residents of Rumah Intan, sharing festive joy, companionship and meaningful moments. The gathering reflected the Group's commitment to caring for the elderly and strengthening community connections.

PRESCRIBED TABLE

INARI AMERTRON BERHAD

IFRS S2

Date & Time: 2026-10-22_14:10:52

Main Market | Group 1 | FYE 30/06/2026

Sustainability Matter	Metric	Measurement Unit	2025	2026	Target	Assurance
GHG emissions	Scope 1	tCO2e	281	296	(a) Short term (up to 5 years): -3% in emissions (b) Long term (more than 5 years): -5% in emissions (FY2022 as base year)	Internal
GHG emissions	Scope 2 Location-based	tCO2e	99,798	95,400	(a) Short term (up to 5 years): -2% in emissions (b) Long term (more than 5 years): -3% in emissions (FY2022 as base year)	Internal
GHG emissions	Scope 3 Cat.6: Business travel	tCO2e	35	14	-	Internal
GHG emissions	Scope 3 Cat.7: Employee commuting	tCO2e	3,334	4,586	-	Internal
Water Management	Water consumption	m3	742,812	720,822	(a) Short term (up to 5 years): -3% in water consumption, and -5% in water intensity (b) Long term (more than 5 years): -5% in both water consumption and water intensity (FY2022 as base year)	Internal
Waste Management	Waste generated	Metric tonnes	972	1,097	(a) Short term (up to 5 years): -3% in waste generation (b) Long term (more than 5 years): -5% in waste generation (FY2022 as base year)	Internal
Waste Management	Waste diverted from disposal	Metric tonnes	699	743	(a) Short term (up to 5 years): 90% 3R rate (b) Long term (more than 5 years): 90% 3R rate (FY2022 as base year)	Internal
Waste Management	Waste directed to disposal	Metric tonnes	273	354	-	Internal

SUSTAINABILITY STATEMENT
cont'd

GRI CONTENT Index			
GRI Indicator	**Disclosure**	**Response**	**Page Number**
102-1	Name of the organisation	Company Corporate Structure	4
102-2	Activities, brands, products and services	Management Discussion and Analysis	28-37
102-3	Location of headquarters	Corporate Information	3
102-4	Location of operations	Management Discussion and Analysis	28-37
102-5	Ownership and legal form	Analysis of Shareholdings	266-268
102-6	Markets served	Management Discussion and Analysis	28-37
102-7	Scale of the organisation	Corporate Structure and Audited Financial Statements	4/191-263
102-8	Information on employees and other workers	Sustainability Statement – Employee Gender, Diversity and Inclusion, Employee Statistics	113-117
102-9	Supply chain	Sustainability Statement - Supply Chain Management	70-76
102-10	Significant changes to the organisation and its supply chain	Management Discussion and Analysis Sustainability Statement - Supply Chain Management	28-37 70-76
102-11	Precautionary principles or approach	Statement on Risk Management and Internal Control	177-184
102-12	External initiatives	Sustainability Statement – Our Sustainability Metrics and Targets Sustainability Statement – Local Community	49-50 134-136
102-13	Membership of associations	Sustainability Statement – Corporate Membership	48-49
102-14	Statement from senior decision-maker	Chairperson's Letter to the Shareholders	24-27
102-16	Values, principles, standards and norms of behaviour	Sustainability Statement – Our Sustainability Journey Thus Far Sustainability Statement – Our Sustainability Governance Corporate Governance Overview Statement	43 44-46 153-171
102-18	Governance structure	Profile of the Board of Directors, Profile of the Key Senior Management Corporate Governance Overview Statement Sustainability Statement – Our Sustainability Governance	16-23 153-171 44-46
102-40	List of stakeholder groups	Sustainability Statement - Stakeholder Engagement	51-52
102-41	Collective bargaining agreements	Inari does not have collective bargaining agreements. However, it is stated in our Human Resource Policy that all employees have the rights to form and join organisation of their choice. Sustainability Statement - Human and Labor Rights	121 120-126
102-42	Identifying and selecting stakeholders	Sustainability Statement - Stakeholder Engagement	51-52
102-43	Approach to stakeholder engagement	Sustainability Statement - Stakeholder Engagement	51-52
102-44	Key topics and concerns raised	Sustainability Statement - Stakeholder Engagement, Materiality Assessment, Our Sustainability Strategy	47 51-55
102-45	Entities included in the consolidated financial statements	Audited Financial Statements	191-263

SUSTAINABILITY STATEMENT
cont'd

GRI CONTENT Index			
GRI Indicator	**Disclosure**	**Response**	**Page Number**
102-46	Defining report content and topic boundaries	Sustainability Statement – Reporting Period and Boundary	41
102-47	List of material topics	Sustainability Statement – Materiality Assessment, Our Sustainability Strategy, Our Sustainability Metrics and Targets	47 49-50 53-55
102-48	Restatements of information	In this Sustainability Statement FY2026, no reported key performance has been restated.	-
102-49	Changes in reporting	Sustainability Statement – Reporting Period and Boundary	41
102-50	Reporting period	Sustainability Statement – Reporting Period and Boundary	41
102-51	Date of most recent report	The Company's Annual Report 2025, was published in October 2025. The online version of the Annual Report 2025 can be found online at https://www.inari-amertron.com/annual-reports	-
102-52	Reporting cycle	Sustainability Statement – Reporting Period and Boundary	41
102-53	Contact point for questions regarding the report	Sustainability Statement – Point of Contact	42
102-54	Claims of reporting in accordance with the GRI Standards	Sustainability Statement – Reporting Framework and Standards	41
102-55	GRI content index	GRI Content Index	138-149
102-56	External assurance	To be applied in the future	-
GRI 201: Economic Performance			
103-1	Explanation of the material topic and its boundary	Not applicable as it does not reach our materiality consideration.	-
103-2	The management approach and its components	Not applicable as it does not reach our materiality consideration.	-
103-3	Evaluation of the management approach	Not applicable as it does not reach our materiality consideration.	-
201-1	Direct economic value generated and distributed	Audited Financial Statements	191-263
201-2	Financial implications and other risks and opportunities due to climate change	To be applied in the future	-
201-3	Defined benefit plan obligations and other retirement plans	Audited Financial Statements	191-263
201-4	Financial assistance received from government	Audited Financial Statements	191-263

SUSTAINABILITY STATEMENT
cont'd

GRI CONTENT Index			
GRI Indicator	**Disclosure**	**Response**	**Page Number**
GRI 202: Market Presence			
103-1	Explanation of the material topic and its boundary	Not applicable as it does not reach our materiality consideration.	-
103-2	The management approach and its components	Not applicable as it does not reach our materiality consideration.	-
103-3	Evaluation of the management approach	Not applicable as it does not reach our materiality consideration.	-
202-1	Ratios of standard entry level wage by gender compared to local minimum wage	Inari complies with all applicable minimum wage standards regardless of gender. The entry level for both female and male employees is equivalent to the national minimum wage.	119-120
202-2	Proportion of senior management hired from the local community	Sustainability Statement - Workplace Sustainability Statement - Local Communities	113-133 134-136
GRI 203: Indirect Economic Impacts			
103-1	Explanation of the material topic and its boundary	Sustainability Statement - Innovation, Process Innovation and Industry 4.0, Operational Excellence through Innovation	62-70
103-2	The management approach and its components	Sustainability Statement - Innovation, Process Innovation and Industry 4.0, Operational Excellence through Innovation	62-70
103-3	Evaluation of the management approach	Sustainability Statement - Innovation, Process Innovation and Industry 4.0, Operational Excellence through Innovation	62-70
203-1	Infrastructure investments and services supported	Sustainability Statement - Innovation, Process Innovation and Industry 4.0, Operational Excellence through Innovation	62-70
203-2	Significant indirect economic impacts	Sustainability Statement - Innovation, Process Innovation and Industry 4.0, Operational Excellence through Innovation	62-70
GRI 204: Procurement Practices			
103-1	Explanation of the material topic and its boundary	Sustainability Statement - Supply Chain Management	70-76
103-2	The management approach and its components	Sustainability Statement - Supply Chain Management	70-76
103-3	Evaluation of the management approach	Sustainability Statement - Supply Chain Management	70-76
204-1	Proportion of spending on local supplies	Sustainability Statement - Supply Chain Management	70-76

SUSTAINABILITY STATEMENT
cont'd

GRI CONTENT Index			
GRI Indicator	**Disclosure**	**Response**	**Page Number**
GRI 205: Anti-corruption			
103-1	Explanation of the material topic and its boundary	Sustainability Statement - Corporate Governance and Ethics, Anti-Corruption and Bribery Policy, Whistleblowing Policy and Procedures Statement on Risk Management and Internal Control - Internal Audit Function Corporate Governance Overview Statement	56-59 177-184 153-171
103-2	The management approach and its components	Sustainability Statement - Corporate Governance and Ethics, Anti-Corruption and Bribery Policy, Whistleblowing Policy and Procedures Statement on Risk Management and Internal Control - Internal Audit Function Corporate Governance Overview Statement	56-59 177-184 153-171
103-3	Evaluation of the management approach	Sustainability Statement - Corporate Governance and Ethics, Anti-Corruption and Bribery Policy, Whistleblowing Policy and Procedures Statement on Risk Management and Internal Control - Internal Audit Function Corporate Governance Overview Statement	56-59 177-184 153-171
205-1	Operations assessed for risks related to corruption	Sustainability Statement - Corporate Governance and Ethics, Anti-Corruption and Bribery Policy, Whistleblowing Policy and Procedures Statement on Risk Management and Internal Control - Internal Audit Function Corporate Governance Overview Statement	56-59 177-184 153-171
205-2	Communication and training about anticorruption policies and procedures	Sustainability Statement - Corporate Governance and Ethics, Anti-Corruption and Bribery Policy, Whistleblowing Policy and Procedures Statement on Risk Management and Internal Control - Internal Audit Function	56-59 177-184
205-3	Confirmed incidents of corruption and actions taken	Sustainability Statement - Corporate Governance and Ethics, Anti-Corruption and Bribery Policy, Whistleblowing Policy and Procedures Statement on Risk Management and Internal Control - Internal Audit Function	56-59 177-184
GRI 302: Energy			
103-1	Explanation of the material topic and its boundary	Our Commitment Towards Climate Change and Climate Change Risk Management Sustainability Statement – Environment and Climate Change Management	78-112
103-2	The management approach and its components	Our Commitment Towards Climate Change and Climate Change Risk Management Sustainability Statement – Environment and Climate Change Management	78-112
103-3	Evaluation of the management approach	Our Commitment Towards Climate Change and Climate Change Risk Management Sustainability Statement – Environment and Climate Change Management	78-112

SUSTAINABILITY STATEMENT
cont'd

GRI CONTENT Index			
GRI Indicator	**Disclosure**	**Response**	**Page Number**
302-1	Energy consumption within the organisation	Sustainability Statement - Energy Usage	80-84
302-2	Energy consumption outside the organisation	To be applied in the future	-
302-3	Energy intensity	Sustainability Statement - Energy Usage	80-84
302-4	Reduction of energy consumption	Sustainability Statement - Energy Usage	80-84
302-5	Reductions in energy requirements of products and services	To be applied in the future	-
GRI 303: Water and Effluents			
103-1	Explanation of the material topic and its boundary	Our Commitment Towards Climate Change and Climate Change Risk Management Sustainability Statement – Environment and Climate Change Management	78-112
103-2	The management approach and its components	Our Commitment Towards Climate Change and Climate Change Risk Management Sustainability Statement – Environment and Climate Change Management	78-112
103-3	Evaluation of the management approach	Our Commitment Towards Climate Change and Climate Change Risk Management Sustainability Statement – Environment and Climate Change Management	78-112
303-1	Interactions with water as a shared resource	To be applied in the future	-
303-2	Management of water discharge-related impacts	To be applied in the future	-
303-3	Water withdrawal	Sustainability Statement – Water Management	84-88
303-4	Water discharge	Sustainability Statement – Water Management	84-88
303-5	Water consumption	Sustainability Statement – Water Management	84-88
GRI 305: Emissions			
103-1	Explanation of the material topic and its boundary	Our Commitment Towards Climate Change and Climate Change Risk Management Sustainability Statement – Environment and Climate Change Management	78-112
103-2	The management approach and its components	Our Commitment Towards Climate Change and Climate Change Risk Management Sustainability Statement – Environment and Climate Change Management	78-112
103-3	Evaluation of the management approach	Our Commitment Towards Climate Change and Climate Change Risk Management Sustainability Statement – Environment and Climate Change Management	78-112
305-1	Direct (Scope 1) GHG emissions	Sustainability Statement - GHG Emissions and Climate Change	109-112

SUSTAINABILITY STATEMENT
cont'd

GRI CONTENT Index			
GRI Indicator	**Disclosure**	**Response**	**Page Number**
305-2	Energy indirect (Scope 2) GHG emissions	Sustainability Statement - GHG Emissions and Climate Change	109-112
305-3	Other indirect (Scope 3) GHG emissions	Sustainability Statement - GHG Emissions and Climate Change	109-112
305-4	GHG emissions intensity	Sustainability Statement - GHG Emissions and Climate Change	109-112
305-5	Reduction of GHG emissions	Sustainability Statement - GHG Emissions and Climate Change	109-112
305-7	Nitrogen oxides (NOx), sulphur oxides (SOx) and other significant air emissions	Sustainability Statement - GHG Emissions and Climate Change	109-112
GRI 306: Effluents and Waste			
103-1	Explanation of the material topic and its boundary	Our Commitment Towards Climate Change and Climate Change Risk Management Sustainability Statement – Environment and Climate Change Management	78-112
103-2	The management approach and its components	Our Commitment Towards Climate Change and Climate Change Risk Management Sustainability Statement – Environment and Climate Change Management	78-112
103-3	Evaluation of the management approach	Our Commitment Towards Climate Change and Climate Change Risk Management Sustainability Statement – Environment and Climate Change Management	78-112
306-1	Water discharge by quality and destination	Sustainability Statement – Water Management	84-88
306-2	Waste by type and disposal method	Sustainability Statement – Waste Management	89-92
306-3	Significant spills	No significant spills as of FY2026	-
306-4	Transport of hazardous waste	To be applied in the future	-
306-5	Water bodies affected by water discharges and/or runoff	To be applied in the future	-
GRI 307: Environmental Compliance			
103-1	Explanation of the material topic and its boundary	Our Commitment Towards Climate Change and Climate Change Risk Management Sustainability Statement – Environment and Climate Change Management	78-112
103-2	The management approach and its components	Our Commitment Towards Climate Change and Climate Change Risk Management Sustainability Statement – Environment and Climate Change Management	78-112

SUSTAINABILITY STATEMENT
cont'd

GRI CONTENT Index			
GRI Indicator	**Disclosure**	**Response**	**Page Number**
103-3	Evaluation of the management approach	Our Commitment Towards Climate Change and Climate Change Risk Management Sustainability Statement – Environment and Climate Change Management	78-112
307-1	Non-compliance with environmental laws and regulations	We have not identified any non-compliance with environmental laws and regulations as of FY2026	80
GRI 308: Supplier Environmental Assessment			
103-1	Explanation of the material topic and its boundary	Sustainability Statement - Supply Chain Management	70-76
103-2	The management approach and its components	Sustainability Statement - Supply Chain Management	70-76
103-3	Evaluation of the management approach	Sustainability Statement - Supply Chain Management	70-76
308-1	New suppliers that were screened using environmental criteria	Sustainability Statement - Supply Chain Management	70-76
308-2	Negative environmental impacts in the supply chain and actions taken	Sustainability Statement - Supply Chain Management	70-76
GRI 401: Employment			
103-1	Explanation of the material topic and its boundary	Sustainability Statement – Employee Gender, Diversity and Inclusion, Employee Statistics, Employee Development and Talent Retention, Human and Labour Rights	113-126
103-2	The management approach and its components	Sustainability Statement - Employee Gender, Diversity and Inclusion, Employee Statistics, Employee Development and Talent Retention, Human and Labour Rights	113-126
103-3	Evaluation of the management approach	Sustainability Statement - Employee Gender, Diversity and Inclusion, Employee Statistics, Employee Development and Talent Retention, Human and Labour Rights	113-126
401-1	New employee hires and employee turnover	Sustainability Statement - Employee Gender, Diversity and Inclusion, Employee Statistics, Employee Development and Talent Retention, Human and Labour Rights	113-126
401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	Sustainability Statement - Employee Gender, Diversity and Inclusion, Employee Statistics, Employee Development and Talent Retention, Human and Labour Rights	113-126
GRI 402: Labour/Management Relations			
103-1	Explanation of the material topic and its boundary	Not applicable as it does not reach our materiality consideration.	-
103-2	The management approach and its components	Not applicable as it does not reach our materiality consideration.	-

SUSTAINABILITY STATEMENT
cont'd

GRI CONTENT Index			
GRI Indicator	**Disclosure**	**Response**	**Page Number**
103-3	Evaluation of the management approach	Not applicable as it does not reach our materiality consideration.	-
402-1	Minimum notice periods regarding operational changes	We will ensure the employees are informed with appropriate notice periods regarding operational changes in Inari.	-
GRI 403: Occupational Health and Safety			
103-1	Explanation of the material topic and its boundary	Sustainability Statement - Occupational Safety and Health	126-131
103-2	The management approach and its components	Sustainability Statement - Occupational Safety and Health	126-131
103-3	Evaluation of the management approach	Sustainability Statement - Occupational Safety and Health	126-131
403-1	Occupational health and safety management system	Sustainability Statement - Occupational Safety and Health	126-131
403-2	Hazard identification, risk assessment and incident investigation	Sustainability Statement - Occupational Safety and Health	126-131
403-3	Occupational health services	Sustainability Statement - Occupational Safety and Health	126-131
403-4	Worker participation, consultation and communication on occupational health and safety	Sustainability Statement - Occupational Safety and Health	126-131
403-5	Worker training on occupational health and safety	Sustainability Statement - Occupational Safety and Health	126-131
403-6	Promotion of worker health	Sustainability Statement - Occupational Safety and Health	126-131
403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	Sustainability Statement - Occupational Safety and Health	126-131
403-8	Workers covered by an occupational health and safety management system	Sustainability Statement - Occupational Safety and Health	126-131
403-9	Work-related injuries	Sustainability Statement - Occupational Safety and Health	126-131
403-10	Work-related injuries	Sustainability Statement - Occupational Safety and Health	126-131

SUSTAINABILITY STATEMENT
cont'd

GRI CONTENT Index			
GRI Indicator	**Disclosure**	**Response**	**Page Number**
GRI 404: Training and Education			
103-1	Explanation of the material topic and its boundary	Sustainability Statement - Employee Development and Talent Retention	117-120
103-2	The management approach and its components	Sustainability Statement - Employee Development and Talent Retention	117-120
103-3	Evaluation of the management approach	Sustainability Statement - Employee Development and Talent Retention	117-120
404-1	Average hours of training per year per employee	Sustainability Statement - Employee Development and Talent Retention	117-120
404-2	Programmes for upgrading employee skills and transition assistance programmes	Sustainability Statement - Employee Development and Talent Retention	117-120
404-3	Percentage of employees receiving regular performance and career development reviews	Sustainability Statement - Employee Development and Talent Retention	117-120
GRI 405: Diversity and Equal Opportunity			
103-1	Explanation of the material topic and its boundary	Sustainability Statement - Employee Gender, Diversity and Inclusion	113-117
103-2	The management approach and its components	Sustainability Statement - Employee Gender, Diversity and Inclusion	113-117
103-3	Evaluation of the management approach	Sustainability Statement - Employee Gender, Diversity and Inclusion	113-117
405-1	Diversity of governance bodies and employees	Profile of the Board of Directors, Profile of the Key Senior Management Sustainability Statement - Employee Gender, Diversity and Inclusion, Employees Statistics	16-23 113-117
405-2	Ratio of basic salary and remuneration of women to men	To be applied in the future	-
GRI 406: Non-discrimination			
103-1	Explanation of the material topic and its boundary	Sustainability Statement – Human and Labour Rights	120-126
103-2	The management approach and its components	Sustainability Statement – Human and Labour Rights	120-126
103-3	Evaluation of the management approach	Sustainability Statement – Human and Labour Rights	120-126
406-1	Incidents of discrimination and corrective actions taken	No incidents of discrimination in FY2026 Sustainability Statement - Human and Labour Rights	120-126

SUSTAINABILITY STATEMENT
cont'd

GRI CONTENT Index			
GRI Indicator	**Disclosure**	**Response**	**Page Number**
GRI 408: Child Labour			
103-1	Explanation of the material topic and its boundary	Sustainability Statement - Supply Chain Management, Human and Labour Rights	70-76 120-126
103-2	The management approach and its components	Sustainability Statement - Supply Chain Management, Human and Labour Rights	70-76 120-126
103-3	Evaluation of the management approach	Sustainability Statement - Supply Chain Management, Human and Labour Rights	70-76 120-126
408-1	Operations and suppliers at significant risk for incidents of child labour	Sustainability Statement - Supply Chain Management, Human and Labour Rights	70-76 120-126
GRI 409: Forced or Compulsory Labour			
103-1	Explanation of the material topic and its boundary	Sustainability Statement - Supply Chain Management, Human and Labour Rights	70-76 120-126
103-2	The management approach and its components	Sustainability Statement - Supply Chain Management, Human and Labour Rights	70-76 120-126
103-3	Evaluation of the management approach	Sustainability Statement - Supply Chain Management, Human and Labour Rights	70-76 120-126
409-1	Operations and suppliers at significant risk for incidents of forced or compulsory labour	Sustainability Statement - Supply Chain Management, Human and Labour Rights	70-76 120-126
GRI 412: Human Rights Assessment			
103-1	Explanation of the material topic and its boundary	Sustainability Statement - Supply Chain Management, Human and Labour Rights	70-76 120-126
103-2	The management approach and its components	Sustainability Statement - Supply Chain Management, Human and Labour Rights	70-76 120-126
103-3	Evaluation of the management approach	Sustainability Statement - Supply Chain Management, Human and Labour Rights	70-76 120-126
412-1	Operations that have been subject to human rights reviews or impact assessments	Sustainability Statement - Supply Chain Management, Human and Labour Rights	70-76 120-126
412-3	Significant investment agreements and contracts that include human rights clauses or that underwent human rights screening	Sustainability Statement - Supply Chain Management, Human and Labour Rights	70-76 120-126

SUSTAINABILITY STATEMENT
cont'd

GRI CONTENT Index			
GRI Indicator	**Disclosure**	**Response**	**Page Number**
GRI 413: Local Communities			
103-1	Explanation of the material topic and its boundary	Sustainability Statement – Local Communities	134-136
103-2	The management approach and its components	Sustainability Statement – Local Communities	134-136
103-3	Evaluation of the management approach	Sustainability Statement – Local Communities	134-136
GRI 414: Supplier Social Assessment			
103-1	Explanation of the material topic and its boundary	Sustainability Statement - Supply Chain Management	70-76
103-2	The management approach and its components	Sustainability Statement - Supply Chain Management	70-76
103-3	Evaluation of the management approach	Sustainability Statement - Supply Chain Management	70-76
414-1	New suppliers that were screened using social criteria	Sustainability Statement - Supply Chain Management	70-76
414-2	Negative social impacts in the supply chain and actions taken	Sustainability Statement - Supply Chain Management	70-76
GRI 415: Public Policy			
103-1	Explanation of the material topic and its boundary	Sustainability Statement - Corporate Governance and Ethics, Anti-Corruption and Bribery Policy, Whistleblowing Policy and Procedures and Supply Chain Management	56-59 70-76
103-2	The management approach and its components	Sustainability Statement - Corporate Governance and Ethics, Anti-Corruption and Bribery Policy, Whistleblowing Policy and Procedures and Supply Chain Management	56-59 70-76
103-3	Evaluation of the management approach	Sustainability Statement - Corporate Governance and Ethics, Anti-Corruption and Bribery Policy, Whistleblowing Policy and Procedures and Supply Chain Management	56-59 70-76
415-1	Political contributions	Sustainability Statement - Corporate Governance and Ethics, Anti-Corruption and Bribery Policy	56-59
GRI 418: Customer Privacy			
103-1	Explanation of the material topic and its boundary	Sustainability Statement - Privacy and Data Protection	76-77
103-2	The management approach and its components	Sustainability Statement - Privacy and Data Protection	76-77
103-3	Evaluation of the management approach	Sustainability Statement - Privacy and Data Protection	76-77
418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	Sustainability Statement - Privacy and Data Protection	76-77

SUSTAINABILITY STATEMENT
cont'd

GRI CONTENT Index			
GRI Indicator	**Disclosure**	**Response**	**Page Number**
GRI 419: Socioeconomic Compliance			
103-1	Explanation of the material topic and its boundary	Sustainability Statement - Corporate Governance and Ethics	56-59
103-2	The management approach and its components	Sustainability Statement - Corporate Governance and Ethics	56-59
103-3	Evaluation of the management approach	Sustainability Statement - Corporate Governance and Ethics	56-59
419-1	Non-compliance with laws and regulations in the social and economic area	We have not identified any non-compliance with laws and regulations in the social and economic area as of FY2026	56-59

EVENTS HIGHLIGHTS

Achievements, Awards and Appreciation







Corporate Events and Conferences









EVENTS HIGHLIGHTS
cont'd

Stakeholders and Educational Engagement













EVENTS HIGHLIGHTS
cont'd

Social Events and Employee Engagement











CORPORATE GOVERNANCE OVERVIEW STATEMENT

The Board of Directors (the "Board") of Inari Amertron Berhad ("Inari" or the "Company") is pleased to present the Corporate Governance Overview Statement for the financial year ended 30 June 2026.

The Board of Inari remains committed to implementing and maintaining high standards of corporate governance practices that are premised on the notions of transparency, accountability and integrity with a view to enhancing long-term stakeholder value. As such, the Board strives to adopt the substance behind corporate governance prescriptions and not merely the form.

This Corporate Governance Overview Statement is made pursuant to Paragraph 15.25(1) of the Main Market Listing Requirements ("MMLR") of Bursa Malaysia Securities Berhad ("Bursa Securities"). In producing this Corporate Governance Overview Statement, guidance was drawn from Practice Note 9 of MMLR and the Corporate Governance Guide (4th Edition) issued by Bursa Securities.

This Corporate Governance Overview Statement is supplemented with a Corporate Governance ("CG") Report which provides detailed articulation on the application of each Practice as prescribed in the Malaysian Code on Corporate Governance ("MCCG"). The CG Report is made available on the Company's website at www.inari-amertron.com as well as via an announcement made on the website of Bursa Securities.

In order to achieve a granular understanding of the Group's governance framework and practices, this CG Overview Statement should also be read in tandem with other statements in this Annual Report, namely, the Statement on Risk Management and Internal Control, Audit Committee Report, Sustainability Statement and Management Discussion and Analysis as the depth or relevance of applying certain corporate governance promulgations may be better explained in the context of the respective statements.

CORPORATE GOVERNANCE APPROACH

In the years since its inception, the Company has grown by leaps and bounds to become the market leader in the Malaysian technology sector. Throughout this journey, Inari has not failed nor faltered in its promise to consistently deliver and create value for its diverse stakeholder groups. The Group has remained resilient in driving sustainable business growth amidst an uncertain geopolitical and economic environment. Towards this end, the Board has renewed its focus in building and maintaining a dynamic and robust governance framework that can support the business and propel the Group to greater heights.

The Group's overall corporate governance approach is to:

- have the right people, processes and structures to direct and manage the Group's business and affairs;
- encourage the application of good governance practices through the harmonisation of the diverse interests of stakeholders; and
- meet stakeholder expectations of sound corporate governance as part of Inari's commitment to its shareholders, customers and the local community.

As the Company continues its corporate governance journey, the Board remains committed to ensuring that the Group's corporate governance framework reflects the evolving best practices, market developments and stakeholder expectations.

CORPORATE GOVERNANCE OVERVIEW STATEMENT
cont'd

SUMMARY OF CORPORATE GOVERNANCE PRACTICES

The Group recognises the importance of providing instructive corporate governance disclosures to secure the confidence of stakeholders in the vision, mission and the overall strategic direction of the Group. As a testament to the Group's commitment towards promoting a sound corporate governance culture, the Company has benchmarked its practices against the relevant promulgations as well as other better practices.

Inari has provided comprehensive and transparent disclosure in the CG Report on the extent of its applications of the Practices encapsulated in the MCCG. For any departures from Practices prescribed by the MCCG, Inari has provided explanations in the CG Report. The Board nevertheless appreciates the sound reasoning or intended outcome envisioned by the MCCG and thus, has implemented alternative measures that would to a large extent deliver congruent outcomes. The Company has additionally disclosed measures that it has taken or intends to take to ultimately apply the said Practices. This is further accompanied by an indicative timeframe for the adoption of the departed Practices. A detailed narrative on the application of individual Practices of MCCG is available in the CG Report.

In accordance with Practice Note 9 of MMLR, Inari's corporate governance practices are made with reference to the three (3) Principles of MCCG as outlined below:

Principle A

Board Leadership and Effectiveness



Principle B

Effective Audit and Risk Management



Principle C

Integrity in Corporate Reporting and Meaningful Relationship with Stakeholders



CORPORATE GOVERNANCE OVERVIEW STATEMENT
cont'd

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS

1. Roles and Responsibilities of the Board

a. Board Charter and Board Committees

Inari is helmed at the leadership level by an esteemed and dedicated Board. The Board assumes an active role in providing leadership for the overall strategic and operational direction of the Group. In fulfilling its fiduciary duties, the Board monitors the strategic, financial and sustainability performance of the Group whilst ensuring that a sound risk management and internal control framework is in place to effectively identify, monitor and mitigate the principal business risks surrounding the Group.

The Board is mindful of the importance of the establishment of clear roles and responsibilities in discharging its fiduciary duties and leadership functions. The Board has defined its Board Charter by setting out the roles, duties and responsibilities of the Board, the principles and practices of corporate governance to be followed as well as key matters reserved for the Board's approval. The Board Charter is made available on the Company's website at www.inari-amertron.com.

In order to assist the Board in its oversight function on specific responsibility areas, the Board has established four (4) key Board Committees, namely Audit Committee ("AC"), Nomination Committee ("NC"), Remuneration Committee ("RC"), and Sustainability and Risk Management Committee ("SRMC"). Governed by their respective Terms of Reference, the Board Committees report to the Board on their meeting proceedings and deliberations as well as make recommendations to the Board on the matters under their purview.

During the financial year, the Board Committees have carried out their duties and activities as set out in their respective Terms of Reference.

As we periodically assess the adequacy of Inari's Corporate Governance policies and procedures, various enhancements were made to our Board Charter, Terms of Reference of Board Committees, Policy on External Auditor, Code of Business Conduct and Ethics, Whistleblowing Policy, Anti-Corruption and Bribery Policy and its accompanying declaration form.

The Board Charter and Terms of Reference of the respective Board Committees are available on the Company's website at www.inari-amertron.com. Reference can be made to the CG Report for their compliance with the principles and practices encapsulated in the MCCG.

CORPORATE GOVERNANCE OVERVIEW STATEMENT
cont'd

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS *(cont'd)*

1. Roles and Responsibilities of the Board *(cont'd)*

a. Board Charter and Board Committees *(cont'd)*



Board of Directors

Ensures sustainable value-creation for stakeholders by providing leadership to the strategic and operational direction of the Group and monitoring Management performance.

Audit Committee

Oversees the Group's financial reporting and audit processes, integrity risk, including providing oversight on internal and external auditors.

Nomination Committee

Oversees the nomination, appointment or employment and evaluation processes for Directors and Senior Management.

Remuneration Committee

Oversees the remuneration policies, processes and procedures for Directors and Senior Management.

Sustainability and Risk Management Committee

Oversees the Group's risk management and sustainability matters.



Group Chief Executive Officer

Communicates and oversees the implementation of the Board's decisions, operational policies and procedures and manages the day-to-day affairs of the Group.



Group Chief Financial Officer

Manages and oversees the Group's financial management and reporting, and supports the ongoing development and monitoring of the Group's risk management and internal control systems.

Management Team

CORPORATE GOVERNANCE OVERVIEW STATEMENT
cont'd

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS *(cont'd)*

1. Roles and Responsibilities of the Board *(cont'd)*

a. Board Charter and Board Committees *(cont'd)*

The Board recognises the importance of separation of authority between the Chairman and CEO to promote accountability and facilitate division of responsibilities. This approach not only safeguards the interest of our stakeholders but also facilitates effective governance within the organisation. Since listing on Bursa Securities, the roles of the Chairman and Group Chief Executive Officer ("Group CEO") of Inari have been clearly separated and the positions are held by different individuals. This segregation of duties between the Chairman and Group CEO ensures an appropriate balance of role, responsibility and accountability at the Board level. The Chairman is responsible for providing leadership to the Board in overseeing Management and the Group's overall strategic functions, whereas the day-to-day management of the Group's business affairs is delegated to the Group CEO of the Company, who is further supported by the Group Chief Financial Officer ("Group CFO"). The Board nevertheless reserves the decision-making authority on significant matters of the Group as encapsulated in the Board Charter. The Board Charter serves as an authoritative document that governs the conduct of the Board, Board Committees and individual Directors. The Board Charter incorporates provisions that promote clear demarcation for the roles of the Chairman of the Board and Group CEO.

b. Meetings Convened and Company Secretaries

The Board and Board Committees convene meetings with sufficient regularity to deliberate on matters under their purview. During the financial year under review, the Directors of Inari had dedicated adequate time and effort to prepare and actively participate during Board and Board Committee meetings. The Board had deliberated on pertinent matters including the Company's annual business plan as well as key performance indicators.

There were seven (7) Board meetings, five (5) AC meetings, two (2) NC meetings, one (1) RC meeting and five (5) SRMC meetings held during the financial year ended 30 June 2026. Throughout FY2026, all Directors complied with Paragraph 15.05(3)(c) of the MMLR and the provisions of the Company's Constitution.

Details of the individual Directors' meeting attendance for the financial year ended 30 June 2026 are as below:

Directors	Board	AC	NC	RC	SRMC
Datuk Phang Ah Tong *(Redesignated as the Independent Non-Executive Chairman on 9 June 2026, subsequently as Non-Independent Non-Executive Chairman on 28 September 2026)*	7/7	5/5	2/2	1/1	5/5
Lau Kean Cheong	7/7	-	-	-	-
Dato' Wong Gian Kui	6/7	-	-	-	-
Ho Phon Guan	6/7	-	-	-	-
Chong Poh Leng *(Appointed and redesignated as an Executive Director cum Group Chief Financial Officer on 9 June 2026)*	#	-	-	-	-
Ahmad Ridzuan Bin Wan Idrus	7/7	-	-	-	-
Dato' Mohamad Azmi Bin Ali	7/7	5/5	-	1/1	-
Dato' Ong Eng Bin	7/7	-	-	-	5/5

CORPORATE GOVERNANCE OVERVIEW STATEMENT
cont'd

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS *(cont'd)*

1. Roles and Responsibilities of the Board *(cont'd)*

b. Meetings Convened and Company Secretaries *(cont'd)*

Directors	Board	AC	NC	RC	SRMC
The late Y.A.M. Tengku Puteri Seri Kemala Tengku Dato' Sri Setia Hajjah Aishah Binti Almarhum Sultan Haji Ahmad Shah Al-Musta'in Billah, DK., SAAS., SSAP., SIMP. *(Redesignated as a Non-Independent Non-Executive Director on 9 June 2026)* *(Demised on 26 August 2026)*	4/7	-	-	-	-
Dato' Dr. Tan Seng Chuan *(Retired on 28 September 2026)*	7/7	-	-	-	5/5
Mai Mang Lee *(Retired on 28 September 2026)*	6/7	-	-	-	-
Dato' Sri Thong Kok Khee *(Retired on 28 September 2026)*	7/7	-	2/2	-	-
Datuk Mohamed Arsad Bin Sehan *(Retired on 28 September 2026)*	7/7	5/5	2/2	1/1	-
Dr. Tunku Alina Binti Raja Muhd Alias *(Resigned on 8 June 2026)*	6/7	-	-	-	-

Notes 1: # No Board meeting was held between the date of Ms. Chong Poh Leng's appointment on 9 June 2026 and the end of FY2026.

2: Dr. Kamarulzaman Bin Mohamed Zin and Dr. Sharbanom Binti Abu Bakar who were appointed as Independent Non-Executive Directors on 28 September 2026 have not been included.

Chairman Member

In undertaking its duties, the Board is supported by two (2) competent and qualified Company Secretaries, both with more than two (2) decades of cumulative company secretarial experience. The Company Secretaries serve as counsels to the Board on matters relating to corporate governance. The Company Secretaries seek to ensure the Board's adherence to regulatory promulgations as well as the observance of internal policies and procedures. In addition to facilitating the flow of information between the Board and Management, the Company Secretaries also attend Board and Board Committee meetings whereby they are tasked to accurately record meeting proceedings and decisions taken by the Board and Board Committees.

The Board ensures the Directors have unrestricted access to the advice and services of Senior Management and the Company Secretaries and may obtain independent professional advice at the Company's expense to discharge their duties effectively.

c. Uphold Integrity in Financial Reporting

The Board is responsible for ensuring that the financial statements give a true and fair view of the state of affairs of the Group at the end of each financial year. In preparing the financial statements, the Directors ensure that the Group has:

1) selected appropriate accounting policies and applied them consistently;
2) made judgements and estimates that are reasonable and prudent;
3) prepared the financial statements on a going concern basis unless it is inappropriate to presume that the Group will continue in business; and
4) ensured applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements.

CORPORATE GOVERNANCE OVERVIEW STATEMENT
cont'd

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS *(cont'd)*

1. Roles and Responsibilities of the Board *(cont'd)*

c. Uphold Integrity in Financial Reporting *(cont'd)*

The Directors are responsible for ensuring that the Group keeps proper accounting records which disclose with reasonable accuracy at any time the financial position of the Group and which enable them to ensure that the financial statements comply with applicable Malaysian Financial Reporting Standards ("MFRSs"), IFRS Accounting Standards and the requirements of the Companies Act 2016 in Malaysia. The Directors have overall responsibilities for taking reasonable steps to safeguard the assets of the Group so as to prevent and detect fraud and other irregularities.

The Directors confirm that they have complied with these requirements and have a reasonable expectation that the Group has adequate resources to continue in operational existence for the foreseeable future and, accordingly, continue to adopt the going concern basis in preparing the financial statements.

The Board has also entrusted the AC which consists of members who possess the required and relevant financial expertise to review the Group's financial reports to ensure conformity with applicable MFRSs, IFRS Accounting Standards and the requirements of the Companies Act 2016 before the financial statements are recommended to the Board for consideration and approval for release to the public.

d. Code of Business Conduct and Ethics

The Board acknowledges its role in propagating ethical standards and values across different levels of the Group and thus, has taken the initiative to formalise a Group-wide Code of Business Conduct and Ethics. The aforementioned document serves as a policy to provide direction and guidance governing both Directors and employees in their day-to-day professional conduct and decision-making process. The Code of Business Conduct and Ethics is an extensive document that provides guidance on matters ranging from conflict of interest situations to corruption and money laundering. This Code has been communicated and institutionalised to all Directors and employees to ensure they uphold and are aligned with our ethical standards. Each employee will receive a copy of the Code of Business Conduct and Ethics which is an integral part of their terms and conditions of employment.

Directors and employees are required to make a voluntary declaration (in addition to the annual declaration for Directors and Key Senior Management and onboarding declaration for other employees), in relation to any related party transaction and/or actual, potential or perceived conflict of interest arises, persists or may arise within the Group, together with the measures taken to resolve, eliminate or mitigate such conflict. During the financial year ended 30 June 2026, there were no reported cases of non-compliance with the code, breaches of ethical standards or conflicts of interest within the Group.

The Code of Business Conduct and Ethics is available on the Company's website at www.inari-amertron.com.

e. Anti-Corruption and Bribery Policy

The Board has put in place an Anti-Corruption and Bribery Policy that outlines the Group's commitment to conduct business ethically as well as complying with all applicable laws, including compliance with the Malaysian Anti-Corruption Commission Act 2009 (Amendment 2018) and any of its amendments made by the relevant authority from time to time. In this respect, the Anti-Corruption and Bribery Policy provides principles, guidance and requirements to Directors, employees and associated third parties on how to recognise and deal with bribery and corrupt practices that may arise in the course of daily business and operation activities within Inari Group. The Group emphasises its position in taking a zero-tolerance approach to corruption and bribery, and the Group is committed to conducting all of its businesses in an honest and ethical manner. Inari Technology Sdn Bhd, led by our Group CEO and witnessed by the Deputy Director (Operation) of MACC Pulau Pinang, signed the Corruption-Free Pledge on a voluntary basis to affirm our commitment against corruption practices.

CORPORATE GOVERNANCE OVERVIEW STATEMENT
cont'd

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS *(cont'd)*

1. Roles and Responsibilities of the Board *(cont'd)*

e. Anti-Corruption and Bribery Policy *(cont'd)*

The Anti-Corruption and Bribery Policy covers salient areas pertaining to corruption and bribery such as gifts, entertainment, donations and sponsorships. The Policy necessitates strict adherence by all parties across the supply chain. The Company strictly prohibits Directors, employees and associated third parties from taking part in any form of corruption, bribery, extortion, embezzlement or any kind of money laundering activities. All persons who intend to receive or provide any sponsorships, donations and contributions to charity or social projects on behalf of Inari, are required to complete a Corporate Social Responsibility, Donation and Sponsorship Form and Due Diligence Checklist and obtain approval from the relevant approving authority after the due verification process by the compliance team.

The Company does not make charitable donations or contributions to political parties. Whilst employees and associated third parties acting in their personal capacity are not restricted from making personal donations, Inari will not reimburse such personal political contributions to its employees or associated third parties.

The Anti-Corruption and Bribery Policy has been adequately communicated to all Directors, employees and associated third parties through various communication channels and is published on our corporate website. The adoption of anti-corruption and bribery culture in business operations and familiarisation with the Anti-Corruption and Bribery Policy procedures as well as Whistleblowing Policy and Procedures was facilitated through various training sessions attended by Directors, Senior Management and employees. During the financial year, our employees attended various trainings on anti-corruption and bribery organised by the human resource and training department. All stakeholders including Directors, employees and third parties associated with Inari Group are expected to promptly report any suspicious transactions, via the established whistleblowing channels provided for in the Whistleblowing Policy and Procedures, that may indicate corruption, bribery or money laundering.

The Board, through the AC, maintains oversight of the ethical framework, adequacy and integrity of the system of internal control in ensuring overall ethical health and compliance level with professional and ethical standards in managing risks of corruption, bribery and money laundering. In addition to the annual risk assessment on integrity risk including corruption and bribery risk, intermittent assessments will also be conducted as and when necessary to assess the corruption and bribery risk across the Group and ensure there are adequate procedures in place to address and mitigate these risks.

The Anti-Corruption and Bribery Policy is available on the Company's website at www.inari-amertron.com.

f. Whistleblowing Policy and Procedures

As an additional measure to safeguard the integrity of the Group, the Board has adopted a Whistleblowing Policy and Procedures to allow employees and other stakeholders to report legitimate ethical concerns. The Group's Whistleblowing Policy and Procedures outline the reporting channels for Directors, employees and external stakeholders who have a business relationship with the Group to report suspected wrongdoings that may adversely impact the Group. The whistleblowing reporting channels include making a report directly to the employees' immediate superior or to the designated officers up to the AC Chairman.

A report can be made verbally or in writing via email or by the whistleblowing disclosure form as set out in the Whistleblowing Policy and Procedures. Alternatively, employees may report via a whistleblowing hotline managed by an independent third party. The Group treats all reports in a confidential manner and at the same time the whistleblower shall be accorded with the protection of confidentiality of identity to the extent reasonably practicable and protection against any adverse and detrimental actions and retaliations of all forms. Any whistleblowing cases, findings and appropriate course of action will be reported to the AC. For FY2026, there were no whistleblowing cases reported via the established reporting channels.

The Whistleblowing Policy and Procedures is available on the Company's website at www.inari-amertron.com.

CORPORATE GOVERNANCE OVERVIEW STATEMENT
cont'd

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS *(cont'd)*

1. Roles and Responsibilities of the Board *(cont'd)*

g. Sustainability

The Board, together with Management, takes responsibility for the governance of sustainability within the Group and for aligning the Group's environmental, social and governance ("ESG") initiatives with the Group's strategic direction and long-term value creation objectives. The SRMC, assisted by the Group CEO and Group CFO, is entrusted with the responsibility of overseeing risk management and sustainability matters within the Group. Our sustainability strategies are currently led and driven by the Group CEO with the support of the Sustainability and Integrity Working Group in executing and implementing sustainability initiatives and monitoring their progress and achievement of targets.

A comprehensive account of the Group's sustainability initiatives and practices is set out in the Sustainability Statement on pages 38 to 149 of this Annual Report.

2. Board Composition

In an economic landscape that is constantly evolving, the Board is expected to be more vigilant and proactive to respond to shifting opportunities and the varying risk manifestations. In this respect, it is imperative for the Board to have an optimum mix of skills, qualifications and experience that can support the Group's quest to deliver value for its stakeholders. The NC is delegated with the responsibility of ensuring the Board's size and composition continues to be effective and relevant to the needs of the Group. The selection of candidates for directorships and recommendation for the re-election of Directors are premised on the individuals' character, skills, knowledge, expertise, experience, professionalism, competencies and integrity. Candidates for directorships and Directors are also assessed based on their willingness to devote adequate time and commitment to attend to their duties. Directors are required to notify the Chairman before accepting any new directorships and to indicate the time commitment that they are expected to expend on such appointments.

In June 2026, Datuk Phang Ah Tong was redesignated as the Independent Non-Executive Chairman on 9 June 2026, succeeding the late Y.A.M. Tengku Puteri Seri Kemala Tengku Dato' Sri Setia Hajjah Aishah Binti Almarhum Sultan Haji Ahmad Shah Al-Musta'in Billah DK., SAAS., SSAP., SIMP., who was redesignated as a Non-Independent Non-Executive Director. The redesignation supports continuity in Board leadership while drawing on Datuk Phang's extensive experience and institutional knowledge. As part of the Board changes effected on the same date, Ms. Chong Poh Leng was appointed as an Executive Director and concurrently redesignated as Executive Director cum Group Chief Financial Officer, further strengthening the Board with her financial expertise and in-depth understanding of the Group's operations. Separately, Dr. Tunku Alina Binti Raja Muhd Alias resigned as an Independent Non-Executive Director on 8 June 2026.

Further renewal of the Board and Board Committees took effect on 28 September 2026, following recommendations made by the Nomination Committee. Dato' Dr. Tan Seng Chuan, Mr. Mai Mang Lee, Dato' Sri Thong Kok Khee and Datuk Mohamed Arsad Bin Sehan retired from the Board, while Ms. Thong Mei Chuen ceased to serve as Alternate Director to Dato' Sri Thong Kok Khee following his retirement. The Board expresses its sincerest appreciation to these outgoing Directors for their valued contributions and services. On the same day, Datuk Phang Ah Tong was redesignated as Non-Independent Non-Executive Chairman, and the Board welcomed Dr. Kamarulzaman Bin Mohamed Zin and Dr. Sharbanom Binti Abu Bakar as Independent Non-Executive Directors, bringing extensive experience, complementary expertise and fresh perspectives to the Board. Board Committee leadership was also realigned, with Dato' Ong Eng Bin's appointment as Chairman of the Nomination and Remuneration Committees, and as a member of the Audit Committee, and Dr. Kamarulzaman's appointment as Chairman of the Sustainability and Risk Management Committee, and as a member of the Remuneration Committee. Dr. Sharbanom Binti Abu Bakar was appointed as a member of both the Audit and Nomination Committees. To ensure continued application of Practice 1.4 of MCCG, Datuk Phang relinquished his roles on the Audit, Nomination and Remuneration Committees, which now comprise entirely Independent Non-Executive Directors. Together, these changes mark a new chapter in the Board's evolution, combining leadership continuity with fresh perspectives and independent committee oversight.

CORPORATE GOVERNANCE OVERVIEW STATEMENT
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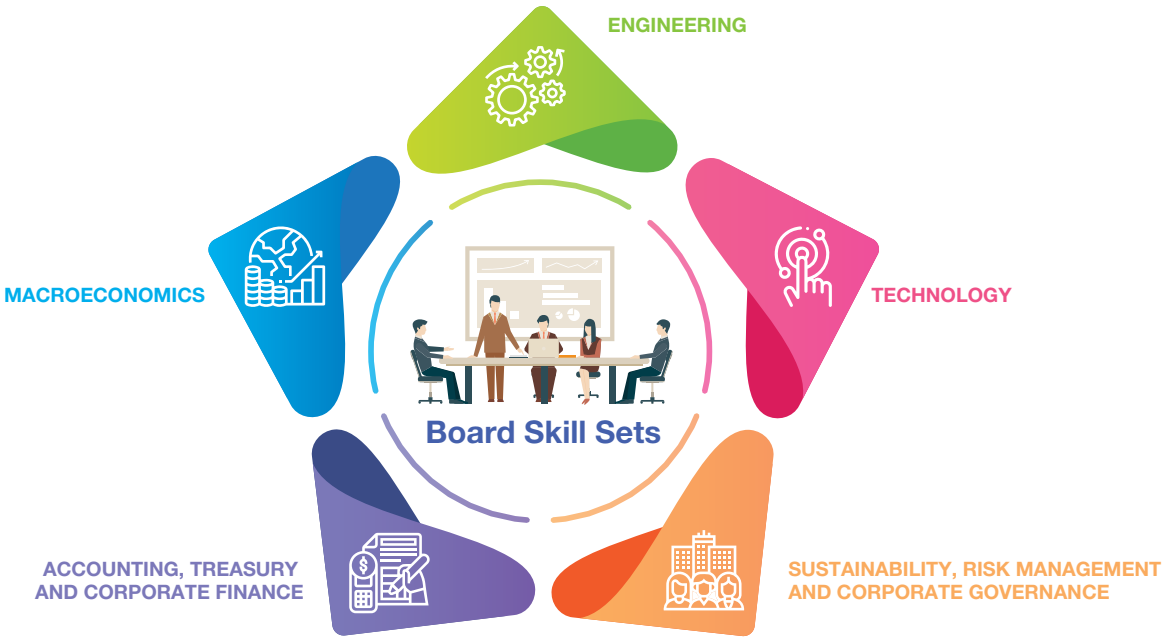
PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS *(cont'd)*

2. Board Composition *(cont'd)*

Following the changes on 28 September 2026, the Board, led by the Non-Independent Non-Executive Chairman, currently comprises four (4) Executive Directors, four (4) Independent Non-Executive Directors and two (2) Non-Independent Non-Executive Directors. The current Board composition complies with Paragraph 15.02 of MMLR, which requires at least two (2) Directors or one-third (1/3) of the Board, whichever is higher, to be independent, and at least one (1) woman director. The renewed composition combines the institutional knowledge of continuing Directors with the expertise and perspectives of newly appointed members, bringing together a broad range of business, commercial, financial and semiconductor industry experience. Together with the reconstituted Board Committees, this mix supports informed decision-making, effective oversight and appropriate checks and balances in guiding the Group towards sustainable long-term value creation for shareholders. The profile of each Director is presented on pages 16 to 21 of this Annual Report.

Independent Non-Executive Directors currently represent 40% of the Board. Although they do not yet form a majority, their extensive experience, integrity and independent perspectives continue to provide effective checks and balances in the Board's deliberations and decision-making. The recent appointments have broadened the Board's collective expertise and perspectives, while the reconstituted Audit, Nomination and Remuneration Committees now comprise entirely Independent Non-Executive Directors. Recognising the value of greater independent representation in promoting objectivity and impartiality, the Board, assisted by the NC, will continue to pursue a measured renewal approach, taking into account the Group's required skills, experience and succession needs and applicable MCCG expectations.

The collective skill sets of the Board are aptly illustrated below:



CORPORATE GOVERNANCE OVERVIEW STATEMENT
cont'd

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS *(cont'd)*

3. Nomination

Following its reconstitution on 28 September 2026, the NC now comprises three (3) members, all of whom are Independent Non-Executive Directors, and is chaired by Dato' Ong Eng Bin. This composition complies with Paragraph 15.08A(1) of the MMLR. The composition of the NC is set out in the Corporate Information on page 3 of this Annual Report. The primary function of the NC is to assist the Board in identifying and recommending candidates for directorships of the Company along with the membership of the Board's various committees. The NC also undertakes an annual assessment of the effectiveness of the Board as a whole, the committees of the Board, the contribution of each individual Director as well as the independence of the Independent Directors.

During the year, the NC carried out its duties as set out in its Terms of Reference, which is published on the Company's website and undertook the following activities:

a. Appointment and Re-Election of Directors

The NC reviewed and assessed the mix of skills, expertise, composition, size and experience of the Board, Board Committees and Directors who are retiring and eligible for re-election.

The Board recognises the importance of emphasising the element of diversity on the Board from the facets of gender, cultural background and professional experience, whilst still maintaining the importance of meritocracy and overall cultural fit within the Board. Given that Inari operates within a niche sector, the process of identifying talented and high-calibre individuals who can understand the business and industry whilst contributing to the diversity on the Board continues to be challenging. Nevertheless, the Board has taken steps to actively incorporate a wide range of perspectives during boardroom discussions and deliberations. These measures include harnessing opinions and recommendations from third-party experts and Management personnel of varying levels.

The Board has established a Directors' Fit and Proper Policy to ensure that any individuals to be appointed as Directors and the existing Board members of Inari possess the quality and character as well as integrity, competency and commitment to be able to discharge their duties and responsibilities required of the position. The Directors' Fit and Proper Policy is available on the Company's website at www.inari-amertron.com. The Policy serves as a guide for the Board and NC in their review and assessment of candidates that are to be appointed to the Board as well as Directors seeking re-election.

The NC is also entrusted by the Board to review succession planning measures in place for the pipeline of Board members and key management positions. The NC seeks to guide the refinement of the human development approach to create a robust pool of qualified successors. In the event no suitable internal candidates are found within the designated timeframe, external candidates are identified.

During the financial year, the NC reviewed and recommended to the Board the redesignation of Datuk Phang Ah Tong as Independent Non-Executive Chairman and the appointment and redesignation of Ms. Chong Poh Leng as Executive Director cum Group Chief Financial Officer. Subsequent to the financial year end, the NC further reviewed and recommended the redesignation of Datuk Phang Ah Tong as Non-Independent Non-Executive Chairman, and the appointments of Dr. Kamarulzaman Bin Mohamed Zin and Dr. Sharbanom Binti Abu Bakar as Independent Non-Executive Directors. These changes took effect on 28 September 2026.

In accordance with Clause 95 of the Company's Constitution, Mr. Lau Kean Cheong and Encik Ahmad Ridzuan Bin Wan Idrus are due to retire by rotation at the 16th AGM of the Company whilst Ms. Chong Poh Leng, Dr. Kamarulzaman Bin Mohamed Zin and Dr. Sharbanom Binti Abu Bakar, who were newly appointed to the Board, will retire in accordance with Clause 102 of the Constitution. These retiring Directors, being eligible, have offered themselves for re-election as Directors of the Company at the 16th AGM.

CORPORATE GOVERNANCE OVERVIEW STATEMENT
cont'd

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS *(cont'd)*

3. Nomination *(cont'd)*

a. Appointment and Re-Election of Directors *(cont'd)*

Having assessed the performance, contribution and fit and proper criteria of the retiring Directors, the Board and NC concluded that each Director possesses the character, experience, integrity, competence and time commitment required to discharge his or her duties effectively. The Board is satisfied with their performance, contribution and qualifications, and concluded that their continued service would benefit the Company and its stakeholders. Hence, the Board has recommended their re-election for shareholders' approval at the 16th AGM. The ordinary resolutions to approve their re-elections will be voted individually. The details of the Directors seeking re-election are disclosed in the Profile of the Board of Directors.

b. Annual Assessment and Tenure of Independent Directors

The NC assessed the Independent Directors to ascertain if they display a strong element of detached impartiality and objective judgement. In conducting this assessment, the NC and Board adopted the independence criteria in Paragraph 1.01 of the MMLR for the annual independence assessment of its Independent Directors. Also, the assessment was made based on a qualitative approach if the Independent Directors possess the intellectual honesty and moral courage to advocate professional views without fear or favour.

It is stated in the Board Charter that the tenure of Independent Directors should not exceed a cumulative term of nine (9) years. Upon completion of a cumulative tenure of nine (9) years, an Independent Director may continue to serve on the Board as a Non-Independent Director. If the Board intends to retain an Independent Director beyond nine (9) years, the Board shall provide justifications and seek shareholders' approval, and the tenure of an Independent Director shall not be more than a cumulative period of twelve (12) years. To date, the Board comprises four (4) Independent Directors and none has served beyond the nine (9) year tenure threshold.

The NC assessed the independence of each Independent Director in office for the financial year and concluded that they meet all the criteria of an Independent Director set out in Paragraph 1.01 of the MMLR. The Board is generally satisfied that each Independent Director has remained independent in character and judgement and continues to bring unbiased as well as impartial opinions and objective judgement to Board deliberations.

c. Annual Board Effectiveness Evaluation

In line with Practice 6.1 of MCCG, the Board, via the NC, conducted a Board Effectiveness Evaluation ("BEE") of its own performance, comprising the Board as a whole, the Board Committees, each individual Director as well as the independence of Independent Directors for FY2026. Once every three (3) years, the Company will engage an independent expert to conduct the BEE to gain insights on the Board's performance against peer boards and best practices. An external consultant was last engaged to facilitate the conduct of BEE in FY2025.

For FY2026, the Board evaluation was conducted internally using questionnaires comprising quantitative ratings and open-ended questions. The assessment incorporated self-assessment, peer review by the respective Board and Board Committee Chairmen. The Board Committee evaluation comprises the AC, NC, RC and SRMC to review and assess their performance and determine whether the aforesaid Board Committees carry out their duties effectively in accordance with their respective Terms of Reference. The outcome of the BEE was compiled, documented and reported to the Board and NC accordingly with a view to identifying areas for improvement and reinforcement.

CORPORATE GOVERNANCE OVERVIEW STATEMENT
cont'd

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS *(cont'd)*

3. Nomination *(cont'd)*

c. Annual Board Effectiveness Evaluation *(cont'd)*

Based on the outcome of the evaluation undertaken, the Board is generally satisfied with the performance and effectiveness of each Director, the Board as a whole and the respective Board Committees for the financial year under review. The peer review indicated that all the Directors are efficient in their respective roles and functions and discharge their duties and responsibilities satisfactorily in accordance with the Board Charter, the respective Board Committees' Terms of Reference, and Directors' Fit and Proper Policy. In addition, the Board Chairman and Board Committee Chairmen possess sound leadership qualities in facilitating robust discussions and deliberations. Through this BEE, the key strengths identified included the Board's oversight on financial discipline, institutional knowledge and boardroom collegiality, whereas the Board's key development priorities centred on enhancing its composition, succession planning and supporting Directors' ongoing development.

d. Professional Development of Directors

Directors are encouraged and afforded the opportunity to upskill and keep themselves abreast with the market and regulatory changes. During the financial year, the Directors attended continuous professional development programmes covering various topics ranging from financial, changes in statutory and regulatory requirements, governance, sustainability and industry knowledge.

The professional development programmes attended by the Directors are as follows:

- 2025 MFRS Update
- A Boardroom Simulation: Experience it Live
- AMLA Segmented Annual Training 2025
- Anti-Bribery and Anti-Corruption - Mind the Gap: Board Oversight Before MACC Knocks
- AOB Conversation with Audit Committees
- Audit Committee Conference
- Audit Oversight Board's Conversation with Audit Committee
- Board Effectiveness & Governance Mastery Programme
- Briefing on IFRS S1 & S2 by Joshua Rayan Integrated & Sustainability Reporting Specialists
- Capital Market Director Programme (CMDP) Module 1: Corporate Governance for Capital Market Institutions
- Capital Market Director Programme (CMDP) Module 2: Board Leadership in Sustainability
- Capital Market Director Programme (CMDP) Module 3: Risk Oversight and Compliance
- Capital Market Director Programme (CMDP) Module 4: Emerging Issues in a Digitalised Capital
- ESG & Brands Forum 2025
- Exclusive Hi-Tea with Shep Hyken on Customer Experience
- International Accountants Conference
- International Sustainability Standards Board (ISSB) Standards – IFRS S1 General Requirements for Disclosure of Sustainability-related Financial Information and IFRS S2 Climate-related Disclosures Training
- ISO 37001 for Financial Professionals: Enhancing Anti-Bribery & Corruption (ABC) and AMLA Controls Across Malaysia's Capital Market Ecosystem
- Leading for Impact Alumni Sharing Networking Session
- Mandatory Accreditation Programme
- Post-Budget 2026 Debate
- Review of Goods for Sales Tax and Expansion of Scope for Service Tax
- Special Forum on Geopolitical & Financial Resilience
- Stamp Duty
- Strategic Intelligence Briefing by Prof Henrik Avon Sheel
- Strategic Oversight in Strategy Implementation – Getting Execution Right at the Board Level
- Sustainability Showcase
- World Social Security Forum 2025

CORPORATE GOVERNANCE OVERVIEW STATEMENT
cont'd

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS *(cont'd)*

4. Remuneration

Following its reconstitution on 28 September 2026, the RC comprises three (3) Independent Non-Executive Directors, consistent with Guidance 7.2 of the MCCG. Dato' Ong Eng Bin was appointed as Chairman, succeeding Datuk Phang Ah Tong, while Dr. Kamarulzaman Bin Mohamed Zin was appointed as a new committee member to serve alongside Dato' Mohamad Azmi Bin Ali. An attractive and competitive remuneration package is a key component in attracting, retaining and motivating talented individuals who can successfully run the business. To this end, the Board instituted the RC to oversee the remuneration matters of Directors and Senior Management and has adopted a formal Remuneration Policy and Procedures that forms the framework for remunerating Directors and Senior Management personnel.

During the year, the RC carried out its duties and activities as set out in its Terms of Reference which is made available on the Company's website in line with Practice 7.2 of MCCG. The RC reviewed and recommended to the Board the fees for the Non-Executive Directors as well as remuneration and benefits of the Executive Directors for FY2026.

The remuneration framework for Executive Directors and Senior Management is designed to reward performance, attract and retain talent, and support the long-term sustainability of the Group. In light of increasing concerns about climate change and its potential impacts on businesses, the remuneration structure also incorporates climate change risk management as a critical factor.

The determination of the Executive Directors' remuneration package is a matter reserved for the Board as a whole, with the Executive Directors involved abstaining from discussing their own remuneration to promote a high standard of corporate governance. In this process, the RC will play a significant role by recommending to the Board an appropriate remuneration and performance framework. This framework will be designed to align the remuneration of Executive Directors and Senior Management with the Company's efforts to address climate change risk and ensure the long-term sustainability of the business.

To achieve this, the RC, together with the SRMC, will endorse the application of climate-related performance targets in setting remuneration for the Executive Directors and Senior Management. These targets will be carefully crafted to take into consideration not only their overall performance and adherence to corporate governance practices, including anti-corruption policies and procedures, but also their contributions towards sustainability-related matters, especially those related to mitigating and adapting to climate change challenges.

As for the Non-Executive Directors, their remuneration is structured such that their objectivity in fulfilling their fiduciary duties is not impaired. Accordingly, the remuneration levels for Non-Executive Directors reflect their credentials, responsibilities and position on the Board and Board Committees as well as their time commitment to the Company's affairs. The aggregate annual remuneration of Non-Executive Directors comprises directors' fees and meeting allowances, as recommended by the RC and endorsed by the Board, and is subject to shareholders' approval at the general meeting.

CORPORATE GOVERNANCE OVERVIEW STATEMENT
cont'd

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS *(cont'd)*

4. Remuneration *(cont'd)*

Details of the remuneration of Directors comprising remuneration received/receivable from the Company and the Group for the financial year ended 30 June 2026 are as follows:

	Company (RM'000)							Group (RM'000)						
	Fee	Allowance #	Salary	Bonus	Benefits-in-kind	Other emoluments *	Total	Fee	Allowance #	Salary	Bonus	Benefits-in-kind	Other emoluments *	Total
Executive Directors														
Lau Kean Cheong	-	-	-	-	-	-	-	-	-	994	1,416	-	585	2,995
Dato' Wong Gian Kui	-	-	180	189	-	45	414	-	-	180	189	-	45	414
Ho Phon Guan	-	-	-	-	-	-	-	-	-	276	295	-	68	639
Chong Poh Leng[1]	-	-	32	15	-	18	65	-	-	32	15	-	18	65
Dato' Dr. Tan Seng Chuan[2]	-	-	-	-	-	-	-	-	-	360	359	-	184	903
Mai Mang Lee[2]	-	-	-	-	-	-	-	-	-	276	183	-	55	514
Non-Executive Directors														
Datuk Phang Ah Tong[3]	182	10	-	-	-	-	192	182	10	-	-	-	-	192
Y.A.M. Tengku Puteri Seri Kemala Tengku Dato' Sri Setia Hajjah Aishah Binti Almarhum Sultan Haji Ahmad Shah Al-Musta'in Billah, DK., SAAS., SSAP., SIMP.[4]	120	2	-	-	-	-	122	120	2	-	-	-	-	122
Ahmad Ridzuan Bin Wan Idrus	96	4	-	-	-	-	100	96	4	-	-	-	-	100
Dato' Mohamad Azmi Bin Ali	146	7	-	-	-	-	153	146	7	-	-	-	-	153
Dato' Ong Eng Bin	114	7	-	-	-	-	121	114	7	-	-	-	-	121
Dato' Sri Thong Kok Khee[2]	104	5	-	-	-	-	109	104	5	-	-	-	-	109
Datuk Mohamed Arsad Bin Sehan[2]	152	8	-	-	-	-	160	152	8	-	-	-	-	160
Dr. Tunku Alina Binti Raja Muhd Alias[5]	88	4	-	-	-	-	92	88	4	-	-	-	-	92
Thong Mei Chuen *(Alternate Director to Dato' Sri Thong Kok Khee)*[6]	-	-	-	-	-	-	-	-	-	-	-	-	-	-

Dr. Kamarulzaman Bin Mohamed Zin and Dr. Sharbanom Binti Abu Bakar who were appointed as Independent Non-Executive Directors on 28 September 2026 have not been included.

CORPORATE GOVERNANCE OVERVIEW STATEMENT
cont'd

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS *(cont'd)*

4. Remuneration *(cont'd)*

Details of the remuneration of Directors comprising remuneration received/receivable from the Company and the Group for the financial year ended 30 June 2026 are as follows: *(cont'd)*

Notes:
(1) *Appointed and redesignated as an Executive Director cum Group Chief Financial Officer on 9 June 2026.*
(2) *Retired on 28 September 2026.*
(3) *Redesignated as the Independent Non-Executive Chairman on 9 June 2026, and subsequently as the Non-Independent Non-Executive Chairman on 28 September 2026.*
(4) *Redesignated as a Non-Independent Non-Executive Director on 9 June 2026. Demised on 26 August 2026.*
(5) *Resigned on 8 June 2026.*
(6) *Ceased on 28 September 2026.*

	Fees (RM'000)		Salary, Bonus, EPF and Other Emoluments* (RM'000)		Meeting Allowance (RM'000)		Total Remuneration (RM'000)	
	Company	Group	Company	Group	Company	Group	Company	Group
Executive Directors	-	-	479	5,530	-	-	479	5,530
Non-Executive Directors	1,002	1,002	-	-	47	47	1,049	1,049
Total	**1,002**	**1,002**	**479**	**5,530**	**47**	**47**	**1,528**	**6,579**

\# *Meeting allowance*
* *Include Defined Contribution Plan and other allowances*

Remuneration Band	Executive Directors	Non-Executive Directors
RM50,001 to RM100,000	1	2
RM100,001 to RM150,000	-	3
RM150,001 to RM200,000	-	3
RM400,001 to RM450,000	1	-
RM500,001 to RM550,000	1	-
RM600,001 to RM650,000	1	-
RM900,001 to RM950,000	1	-
RM2,950,001 to RM3,000,000	1	-
	6	**8**

Note: The above remuneration band table excludes Dr. Kamarulzaman Bin Mohamed Zin and Dr. Sharbanom Binti Abu Bakar, who were appointed with effect from 28 September 2026.

The share options under the Company's Employees' Share Option Scheme granted to Directors of the Company and the equity-settled share-based payment transactions are disclosed in the Additional Compliance Information on pages 172 to 176 of this Annual Report and Notes 23 and 33 to the Financial Statements.

CORPORATE GOVERNANCE OVERVIEW STATEMENT
cont'd

PRINCIPLE B: EFFECTIVE AUDIT AND RISK MANAGEMENT

1. Audit Committee and External Auditors

In relation to the Step Up Practice 9.4 of the MCCG, the Board has a long-standing practice of having the AC comprising exclusively of Independent Directors. The independence of the AC enables it to exercise robust and impartial oversight combined with a healthy degree of professional scepticism over the Group's financial reporting, audit and risk management processes. The Chairman of the AC is distinct from the Chairman of the Board so as to promote unfettered objectivity during the Board's review of the AC's findings and recommendations. The present composition of the AC allows it to possess the requisite level of financial literacy and business acumen to have a sound understanding of the financial matters of the Group as well as an understanding of the latest developments in financial reporting, accounting and auditing standards.

The Board has put in place a Policy on External Auditors to facilitate a formal and transparent relationship with the external auditors. The Policy on External Auditors governs the selection, appointment and assessment of the external auditors as well as the provision of non-audit services by the external audit firm, amongst others. The AC has unrestricted access to both the internal auditors and external auditors, who in turn report directly to the AC on their activities, findings and recommendations. For the financial year ended 30 June 2026, the external auditors have provided written assurance to the Company that its personnel are and have been independent throughout the conduct of their audit, in accordance with the terms of relevant professional and regulatory requirements. In compliance with the requirement of the Malaysian Institute of Accountants, the external auditors rotate their audit partner assigned to the Group every seven (7) years.

Full details of the AC's duties and responsibilities are stated in its Terms of Reference which is made available on the Company's website at www.inari-amertron.com and detailed disclosure on the role and activities undertaken by the AC during the financial year is provided in the Audit Committee Report on pages 185 to 190 of this Annual Report.

2. Risk Management and Internal Control Framework

In an ever-evolving and disruptive market landscape, it is imperative for the Group to be well-equipped to face any existing and emerging risks that could threaten business continuity. An Enterprise Risk Management ("ERM") Framework has been established to support the timely identification, reporting and management of principal business risks. The ERM Framework includes formalised processes, policies and procedures surrounding the implementation, monitoring and review of the Group's internal control system.

The Group's internal audit function is outsourced to an independent professional firm, namely Crowe Governance Sdn Bhd ("Crowe Governance"). All the personnel deployed by Crowe Governance do not have any family relationship or conflicts of interest with Inari that could impair their objectivity and independence during the course of their audit engagement.

The AC reviews and approves the annual Internal Audit Plan to ensure there is risk alignment as well as adequate scope and coverage of the business activities being audited. The internal audit team reviews and makes subsequent recommendations to the AC and the Board on the effectiveness and adequacy of the Group's risk management and internal control system. In fulfilling this duty, the internal audit team adopts a risk-based approach and adheres to a methodology that is closely aligned to the International Professional Practices Framework ("IPPF") of The Institute of Internal Auditors.

Additionally, in line with the recommendation of Step Up Practice 10.3 of the MCCG, the Board has constituted SRMC, comprising a majority of Independent Directors, whose function is to oversee the Group's risk management and sustainability matters. Full details of the SRMC's duties and responsibilities are stated in its Terms of Reference which is made available on the Company's website at www.inari-amertron.com.

A detailed narrative of the Group's risk management and internal control framework, including the internal audit function, is presented in the Statement on Risk Management and Internal Control on pages 177 to 184 of this Annual Report.

CORPORATE GOVERNANCE OVERVIEW STATEMENT
cont'd

PRINCIPLE B: EFFECTIVE AUDIT AND RISK MANAGEMENT *(cont'd)*

3. Unrestricted Access to Information and Advice

The Board ensures the Directors have unrestricted access to the advice and services of Senior Management and the Company Secretaries and may obtain independent professional advice at the Company's expense to discharge their duties effectively.

PRINCIPLE C: INTEGRITY IN CORPORATE REPORTING AND MEANINGFUL RELATIONSHIP WITH STAKEHOLDERS

1. Communication with Stakeholders

The Board values a candid and iterative relationship with the stakeholders of the Company as it provides the Board with valuable feedback that would contribute to the overall betterment of the Company. The Board always ensures there is effective, transparent and timely communication with the stakeholders. Shareholders and other stakeholders are kept informed of the latest developments of the Group via announcements to Bursa Malaysia, annual reports, circulars to shareholders and press releases. The Company maintains a corporate website at www.inari-amertron.com to promote accessibility of information to the Group's diverse stakeholder groups. The Board ensures that the website is regularly updated with recent announcements, past and current reports to shareholders as well as news and press releases pertaining to the Group. Any comments, queries and suggestions can be directed to a designated e-mail address, namely i-enquiry@inari-amertron.com.my.

In order to supplement these efforts further, the Company additionally carries out investor relations activities such as organising dialogues and briefing sessions with market analysts and fund managers. Such analyst briefings are typically attended by a sizeable group of participants. Representatives from the Company also participate in a range of investor relations conferences and engagements in Malaysia and overseas.

2. Annual General Meeting

The Annual General Meeting ("AGM") serves as the primary platform for shareholders to engage the Board and Senior Management in a productive two-way dialogue. Shareholders are provided with the opportunity to put forward questions and seek clarifications on the broad areas of the Group's performance, business activities and future outlook during a question and answer session held during the AGM. As is customarily practised, all Directors, including the Chairmen of the respective Board Committees, are present at the AGM whereby they avail themselves to provide meaningful responses, clarity and context to shareholders' inquiries. The minutes of the AGM, together with a summary of key matters discussed, are made available to shareholders on the Company's website.

The notice of 15th AGM was provided to shareholders more than 28 days prior to the date of the AGM which is in line with Practice 13.1 of MCCG to provide shareholders with adequate time to prepare and make the necessary arrangements to participate in the AGM.

The Company had leveraged technology by conducting electronic poll voting at the 15th AGM, which was held physically at Bukit Kiara Equestrian and Country Resort, Kuala Lumpur. Shareholders and proxies were able to cast their votes electronically by scanning the QR code provided during the meeting or by proceeding to the designated voting area.

Pursuant to Paragraph 8.29A of the MMLR, all the resolutions set out in the notice of 15th AGM were voted by poll and an independent scrutineer was appointed to validate the votes cast at the AGM. The outcome of the meeting was announced to Bursa Malaysia on the same meeting day.

The forthcoming 16th AGM will be held on 30 November 2026 at Dewan Berjaya, Bukit Kiara Equestrian and Country Resort, Kuala Lumpur. Further details are provided in the Notice of the 16th AGM.

CORPORATE GOVERNANCE OVERVIEW STATEMENT
cont'd

CORPORATE GOVERNANCE FOCUS AREAS AND FUTURE PRIORITIES

During the financial year under review, the following corporate governance areas gained prominence in the boardroom agenda. Moving forward, the Board will continue to identify and introduce improvement measures in the area of corporate governance:

Boardroom Diversity

Diversity in corporate leadership is a topic that has gained notable traction in the global and domestic marketplace, not least in the technology sector. The element of diversity can strengthen strategy formulation and risk management of the Group by adding varying perspectives into boardroom discussions and decision-making process whilst mitigating the perils of "groupthink" or "blind spots".

The Board's renewal during and after the financial year has contributed to boardroom diversity. On 8 June 2026, Dr. Tunku Alina Binti Raja Muhd Alias resigned as an Independent Non-Executive Director, while Ms. Chong Poh Leng was appointed and concurrently redesignated as Executive Director cum Group CFO on 9 June 2026, bringing extensive financial and management experience to the Board. Following the financial year end, Dr. Sharbanom Binti Abu Bakar was appointed as an Independent Non-Executive Director on 28 September 2026, adding further expertise and perspectives. Women Directors now represent 20% of the Board, comprising two (2) of its ten (10) members.

In line with the MCCG aspiration of at least 30% women directors, the Group remains committed to progressively enhancing female representation. To support this objective, the NC will access a wider pool of candidates through independent recruitment firms, directors' registries and the continued development of an internal pipeline of high-calibre female talent. Candidates will be assessed through appropriate nomination and evaluation processes, with due consideration given to the skills, experience, independence and competencies required to contribute effectively to the Board and support the Group's strategic direction.

Integrated Reporting

The current Annual Report of the Company provides stakeholders with a fairly granular view of the Company's financial and non-financial information that would allow them to make informed decisions. This Annual Report contains components such as Management Discussion and Analysis, Corporate Governance Overview Statement, Sustainability Statement and Statement on Risk Management and Internal Control that form an integral part of the non-financial information. Whilst there are certain characteristics of integrated reporting in the current Annual Report, it is on the whole, not an integrated report based on the parameters set out by the International Integrated Reporting Council's ("IIRC") Integrated Reporting Framework. The Company continues to progressively strengthen the systems, controls and quality of financial and non-financial information required to support more integrated corporate reporting.

This CG Overview Statement was approved by the Board on 28 September 2026.

ADDITIONAL COMPLIANCE INFORMATION

1. Audit and Non-Audit Fees

During the financial year ended 30 June 2026, the amount of audit and non-audit fees (exclusive of expenses and applicable taxes) incurred by the Company and the Group for the services rendered by the external auditors and its member firm were as follows:

	Company		Group	
	2026 RM'000	2025 RM'000	2026 RM'000	2025 RM'000
Audit fees	85	85	487	478
Non-audit fees	26	26	95	112

The non-audit services rendered included statutory tax compliance services and review of the Statement on Risk Management and Internal Control.

2. Information in Relation to Employees' Share Option Scheme ("ESOS")

i. During the financial year ended 30 June 2026, 84,411,800 share options were granted to eligible Directors and employees of the Company and the Group pursuant to the Company's ESOS which has been implemented since 23 November 2022.

ii. Movements of share options during the financial year based on category of participants are as follows:

	Number of Share Options (Unit'000)		
	Directors	Management and Executive	Total
At 1 July 2025	27,338	82,991	110,329
Granted	16,589	67,823	84,412
Exercised	(9,370)	(26,657)	(36,027)
Lapsed*	-	(11,315)	(11,315)
Transferred to/(from)^	1,386	(1,386)	-
At 30 June 2026	35,943	111,456	147,399

* *Lapsed due to resignation.*

^ *Represents 1,386,000 share options reclassified following the appointment and redesignation of Ms. Chong Poh Leng as an Executive Director cum Group Chief Financial Officer of the Company on 9 June 2026.*

Category of Participants	Number of Share Options Granted Unit'000	%	Number of Participant	Number of Share Options Exercised Unit'000	%	Number of Participant	Number of Share Options Lapsed Unit'000	%	Number of Participant
(i) Directors									
ESOS I	-	-	-	-	-	-	-	-	-
ESOS II	-	-	-	-	-	-	-	-	-
ESOS III	-	-	-	-	-	-	-	-	-
ESOS VI	-	-	-	3,073	9%	2	-	-	-
ESOS VII	16,589	20%	5	6,297	17%	4	-	-	-
	16,589	**20%**		**9,370**	**26%**		**-**	**-**	

ADDITIONAL COMPLIANCE INFORMATION
cont'd

2. Information in Relation to Employees' Share Option Scheme ("ESOS") *(cont'd)*

ii. Movements of share options during the financial year based on category of participants are as follows: *(cont'd)*

Category of Participants	Number of Share Options Granted Unit'000	%	Number of Participant	Number of Share Options Exercised Unit'000	%	Number of Participant	Number of Share Options Lapsed Unit'000	%	Number of Participant
(ii) Management and Executive									
ESOS I	-	-	-	-	-	-	571	5%	20
ESOS II	-	-	-	-	-	-	201	2%	26
ESOS III	-	-	-	-	-	-	1,608	14%	144
ESOS VI	-	-	-	13,581	38%	456	6,163	55%	235
ESOS VII	67,823	80%	1,478	13,076	36%	392	2,772	24%	108
	67,823	**80%**		**26,657**	**74%**		**11,315**	**100%**	
	84,412	**100%**		**36,027**	**100%**		**11,315**	**100%**	

Note:
- *The salient features and details of the ESOS including the dates of grant and exercise prices are disclosed in Note 33 to the Financial Statements.*

iii. Percentage of share options applicable to the Directors and Senior Management are as follows:

Directors and Senior Management	FY2026	Since the Commencement of ESOS up to 30.06.2026
Aggregate maximum allocation	60%	60%
Actual granted and accepted	20%	21%

iv. Movements of share options granted to the Executive Directors of the Company and the equity-settled share-based payment transactions during the financial year are as follows:

	Number of Share Options (units)					Equity-settled Share-based Payment Transactions[3] (RM)
	Balance as at 01.07.2025	Granted	Transferred to	Exercised	Balance as at 30.06.2026	
Dato' Dr. Tan Seng Chuan[1]	2,937,600	2,488,320	-	(3,488,300)	1,937,620	102,021
Lau Kean Cheong	14,745,600	6,635,520	-	-	21,381,120	272,056
Dato' Wong Gian Kui	4,315,600	2,488,320	-	(1,000,000)	5,803,920	102,021
Ho Phon Guan	2,073,600	2,488,320	-	(4,561,900)	20	102,021
Mai Mang Lee [1]	3,265,600	2,488,320	-	-	5,753,920	102,021
Chong Poh Leng [2]	-	-	1,386,000	(320,000)	1,066,000	-
Total	**27,338,000**	**16,588,800**	**1,386,000**	**(9,370,200)**	**35,942,600**	**680,140**

Notes:
(1) Retired as Executive Director on 28 September 2026.
(2) Appointed and redesignated as Executive Director cum Group Chief Financial Officer on 9 June 2026.
(3) Equity-settled share-based payment transactions amount is derived from the fair value of the share options granted based on Black Scholes model. The salient features of the ESOS and Black Scholes model are disclosed in Note 33 to the Financial Statements. The total amount arising from equity-settled share-based payment transactions is disclosed in Note 23 to the Financial Statements.

ADDITIONAL COMPLIANCE INFORMATION
cont'd

2. Information in Relation to Employees' Share Option Scheme ("ESOS") *(cont'd)*

v. During the financial year, the Company did not grant any share options under the ESOS to the Non-Executive Directors of the Company.

3. Status of Utilisation of Proceeds Raised from Corporate Proposal

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

On 22 November 2023, the timeframe for utilisation of the remaining unutilised proceeds earmarked for capital expenditure, acquisitions and investments was extended by 24 months to 29 January 2026.

Subsequently, the Board resolved a further extension of 18 months to 29 July 2027 for the utilisation of the remaining unutilised proceeds.

As at 30 June 2026, the status of utilisation of proceeds from the private placement is as follows:

	Details	Proposed Utilisation RM'000	Actual Utilisation RM'000	Reallocation RM'000	Unutilised Proceeds RM'000	Revised Timeframe for Utilisation
1	Capital expenditure, acquisitions and investments	1,015,500	(681,953) *	4,639	338,186	29 July 2027
2	Expenses in relation to the Private Placement	16,800	(12,161)	(4,639) ^	-	-
	Total	**1,032,300**	**(694,114)**	**-**	**338,186**	

Notes:

* *Consist of:*
- *i. Capital expenditure: RM463.0 million*
- *ii. Acquisitions and investments: RM218.9 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.*

The remaining unutilised proceeds of RM338.2 million have been placed in interest bearing deposit accounts with licensed financial institutions and/or money market instruments, pending utilisation within the approved timeframe.

4. Material Contracts involving Directors or Major Shareholders

There were no material contracts entered into by the Company and its subsidiaries involving Directors' and major shareholders' interest during the financial year ended 30 June 2026.

ADDITIONAL COMPLIANCE INFORMATION
cont'd

5. Recurrent Related Party Transactions of a Revenue or Trading Nature

At the Annual General Meeting held on 27 November 2025, the Company had obtained a general mandate from its shareholders ("Shareholders' Mandate") for the Group to enter into recurrent related party transactions of a revenue or trading nature.

The details of the recurrent related party transactions of the Group conducted during the financial year ended 30 June 2026 pursuant to the Shareholders' Mandate are as follows:

Transacting Parties	Companies within the Group	Type of Transaction	Interested Related Parties	Shareholders' Mandate RM'000	Actual Value Transacted RM'000
MIT Semiconductor Pte Ltd and its subsidiaries ("MSPL Group")	Inari MIT Sdn Bhd	(i) Purchase of semiconductor process tools, parts and material including packing and delivery related cost from MSPL Group; and	MSPL is a major shareholder of Inari MIT Sdn Bhd. Tang, Liang and Tan Ban Hee who are directors of Inari MIT Sdn Bhd, are also directors of MSPL.	45,000	13,441
		(ii) Provision of the following services by MSPL Group to Inari MIT Sdn Bhd: - Engineering and technical services; and - Support services such as manpower and information technology services.		5,000	360

6. Disclosure of Financial Data for Shariah Screening

Pursuant to Paragraph 9.25A of the Main Market Listing Requirements, below are the financial data that are relevant for purpose of Shariah screening by the Shariah Advisory Council of the Securities Commission Malaysia. These include financial data on Shariah non-permissible income arising from the Group's business activities and interest-based financial position.

(a) Group Total Income and Total Assets

		Group	
Total Income	Remarks	2026 (RM'000)	2025 (RM'000)
Revenue		1,187,254	1,351,937
Other income		7,882	7,790
Finance income		58,807	67,736
Total		**1,253,943**	**1,427,463**
Total Assets		**3,442,051**	**3,401,108**

ADDITIONAL COMPLIANCE INFORMATION
cont'd

6. Disclosure of Financial Data for Shariah Screening *(cont'd)*

(b) Business Activities

Shariah Non-Compliant Activities	Remarks	Group 2026 (RM'000)	Group 2025 (RM'000)
Interest income	Conventional	16,327	22,263
Total		**16,327**	**22,263**

(c) Component of Financial Position

(i) Cash Component

Islamic Account/Instruments	Remarks	Group 2026 (RM'000)	Group 2025 (RM'000)
Cash at bank		182,047	339,632
Deposits with licensed bank	Includes licensed investment banks	1,134,163	905,812
Cash in hand		55	74
Total Islamic Account/Instruments		**1,316,265**	**1,245,518**
Conventional Account/Instruments			
Cash at bank		46,769	49,500
Deposits with licensed bank	Includes licensed investment banks	851,110	846,395
Total Conventional Account/ Instruments		**897,879**	**895,895**
Total Cash & Bank balances		**2,214,144**	**2,141,413**

(ii) Debt Component

Islamic Financing	Remarks	Group 2026 (RM'000)	Group 2025 (RM'000)
Current		N/A	N/A
Non-Current		N/A	N/A
Total Financing		**N/A**	**N/A**

Conventional Borrowing	Remarks	Group 2026 (RM'000)	Group 2025 (RM'000)
Current		N/A	N/A
Non-Current		N/A	N/A
Total Debt		**N/A**	**N/A**

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

The Board of Directors (the "Board") of Inari Amertron Berhad is pleased to present the following Statement on Risk Management and Internal Control (the "Statement"), which outlines the nature and scope of risk management and internal control of the Group for the financial year ended 30 June 2026.

The Statement is prepared pursuant to Paragraph 15.26(b) of the Main Market Listing Requirements ("MMLR") of Bursa Malaysia Securities Berhad ("Bursa Securities") and Practice 10.2 of the Malaysian Code on Corporate Governance ("MCCG"). In preparing this Statement, guidance has been drawn from the Statement on Risk Management and Internal Control 2025: Guidelines for Directors of Listed Companies ("SORMIC Guide 2025"), a publication endorsed by Bursa Securities.

The primary purpose of this Statement is to provide stakeholders with an understanding of how the Board discharges its responsibilities in respect of governance, risk management, and internal control, and how these systems support the achievement of the Group's strategies, objectives and sustainable long-term value creation.

Certain disclosures in this Statement are presented at an appropriate level of generality to safeguard the Group's legitimate commercial interests, without compromising stakeholders' understanding of the adequacy and effectiveness of the Group's risk management and internal control systems.

BOARD RESPONSIBILITY

The Board affirms its overall responsibility in maintaining a sound risk management and internal control system for the Group that covers not only financial but also operational, compliance and integrity risks and the relevant controls designed to manage these risks on a continuous and systematic basis.

The Board retains overall responsibility for the Group's risk management and internal control framework. In fulfilling this responsibility, the Board:

- establishes the Group's risk management policies and procedures, including overall risk governance framework;
- approves the Group's risk appetite and risk tolerance levels;
- ensures that appropriate systems and processes are in place to identify and manage the Group's principal risks;
- reviews the Group's risk profile and significant risk exposures; and
- provides assurance to stakeholders that the Group maintains a sound and effective risk management and internal control system.

Through the integration of climate-related risks and opportunities assessment into the Enterprise Risk Management, the Board incorporates climate-related considerations when exercising its duties, including, among others, the development and implementation of the Group's risk profile and strategic decision-making.

Given the inherent limitations in any risk management and internal control system, the system in place is designed to manage risks within acceptable and tolerable levels, rather than eliminate entirely the risk of failure to achieve the Group's business objectives. The system therefore provides reasonable, but not absolute, assurance against material misstatement, financial loss, defalcation or fraud. The Board affirms that this process has been in place for the financial year under review and up to the date of approval of this Statement for inclusion in the Annual Report of the Group.

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL
cont'd

BOARD RESPONSIBILITY *(cont'd)*

The Audit Committee and Sustainability and Risk Management Committee have been entrusted with the responsibility of assisting the Board in discharging its fiduciary duties in relation to the management of principal risks and internal controls.

- **Audit Committee ("AC")**

  The AC, which comprises entirely Independent Non-Executive Directors, assists the Board in assessing and reviewing the adequacy, effectiveness and integrity of the Group's internal control system and in overseeing key risks pertaining primarily to financial reporting, operations and integrity. The AC's responsibilities also include reviewing actual, potential or perceived conflict of interest situations and the measures taken to resolve, eliminate or mitigate such conflicts.

- **Sustainability and Risk Management Committee ("SRMC")**

  The SRMC, which presently comprises two (2) Independent Non-Executive Directors and one (1) Non-Independent Non-Executive Director, oversees the Group's risk management and sustainability matters. Its primary responsibilities include assisting the Board in identifying principal risks and business sustainability strategies, together with Senior Management, and overseeing the implementation of appropriate risk mitigation and sustainability measures. The SRMC is assisted by the Group Chief Executive Officer ("Group CEO") and Group Chief Financial Officer ("Group CFO") in providing overall direction, leading strategic decision-making and reviewing sustainability implementation, performance and risk management in an integrated manner.

Notwithstanding the delegated responsibilities, the Board acknowledges its ultimate overall responsibility for the establishment and oversight of the Group's risk management and internal control system to safeguard the Group's assets, shareholders' investment and stakeholders' interest.

RISK MANAGEMENT FRAMEWORK

The Group's Enterprise Risk Management ("ERM") framework serves as a structured approach for the timely identification, assessment, management, reporting and monitoring of principal risks. The ERM framework is aligned with ISO 31000:2018 International Risk Management Standards and sets out the Group's risk governance, policies, processes, controls and responsibilities to support a sound control environment.

The Group has adopted the Three Lines Model, whereby operational functions are responsible for identifying and managing risks within their respective areas; governance functions provide oversight and monitoring; and the internal audit function provides independent assurance on the effectiveness of the Group's internal control and risk management framework.

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL
cont'd

RISK MANAGEMENT FRAMEWORK *(cont'd)*



The respective functions under the Three Lines Model are described below:

1st Line	Operational function – refers to respective Heads of Business Unit and management teams who are accountable for all risks assigned under their respective areas of responsibility. They are responsible for transforming the risk-based strategy into actions to manage risk through various internal control measures and day-to-day risk management.
2nd Line	Governance function – comprises the Group CEO, Group CFO and Risk Officer, who monitor the Group's enterprise risk management processes and support the Board, SRMC and AC in discharging their respective risk oversight responsibilities. This function is also responsible for reviewing any standard operating procedure, internal policy and observing the development of internal and external context which may affect the relevant measures required in tackling risks.
3rd Line	Independent assurance function – comprises the internal audit function, which provides independent assurance on the adequacy and effectiveness of the Group's internal control system and risk management framework.

Within the Three Lines Model, the Group's risk management strategy forms an integral component of its overall strategy. It aligns ERM resources and activities with the Group's strategic priorities and provides the basis for establishing its risk appetite and appropriate control measures.

The Group's risk appetite defines the nature and level of risk it is prepared to accept in pursuing its objectives. Risk parameters, including impact and likelihood ratings, are established to assess the severity and probability of identified risks. These risks are monitored through the ERM process, established reporting arrangements, appropriate referral mechanisms, and periodic reviews by Management and the relevant Board Committees.

Risk management is integrated into the Group's strategic, business and operational planning and encompasses sustainability and climate-related risks and opportunities. Sustainability and climate-related risks are expressly included within the Board's risk oversight responsibilities. Processes for identifying, assessing and managing climate-related risks and opportunities ("CRRO") have also been incorporated into the overall ERM framework. These processes include scenario analysis to assess the potential implications of physical and transition risks on the Group's strategy, operations and financial performance.

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL
cont'd

RISK MANAGEMENT FRAMEWORK *(cont'd)*

The Group maintains effective two-way communication on risk management matters. Risk management information is communicated from the operational level through Management to the Board, supporting effective oversight and informed decision-making. In turn, the Board and Management communicate relevant risk management policies and guidance to promote consistent implementation across the Group.

The Group promotes a proactive approach to risk management and seeks to cultivate a risk-aware organisational culture. Appropriate resources, structures, systems and training are provided to support the understanding, implementation and maintenance of risk management practices at all levels. All employees are responsible for managing risks within their respective areas of responsibility.

SUMMARY OF RISK MANAGEMENT ACTIVITIES DURING THE FINANCIAL YEAR

During the financial year under review, risk assessments were undertaken across all major subsidiaries, led by the Group CEO, Group CFO and the heads of respective business units. The risk assessments were also reviewed by the Group's outsourced internal audit function, Crowe Governance Sdn Bhd ("Crowe Governance"), an independent professional firm, to assess the adequacy, effectiveness and integrity of the Group's risk management and internal control system.

Key risk management activities undertaken during FY2026 included:

- Conducted structured briefing on the importance and key principles of risk management, with reference to ISO 31000:2018 Risk Management Guidelines, ISO 37001 Anti-Bribery Management System, MACC Act 2018 (Section 17A – Corporate Liability) and relevant Group policies to strengthen awareness and promote consistent risk management practices across the Group;

- Performed one-to-one, on-site interviews with management personnel of the respective business units to validate the risks. The risk assessment process covered both business strategic and operational aspects and considered the potential impact and likelihood of occurrence, effectiveness of controls in place, action plans taken to manage the risks to the desired level and optimising potential opportunities. The risk assessments also incorporated input from the Group CEO, Group CFO and heads of respective business units to ensure that key risks, implications and corresponding mitigation measures were appropriately evaluated before being reported to the AC, as appropriate, with significant matters escalated to the Board. The risks assessed with the corresponding mitigating actions reported during FY2026 include:

    - Sustainability risks
    - Strategic investment risks
    - Financial and treasury risks
    - Integrity, fraud and corruption risks
    - Cybersecurity risks
    - Supply chain, procurement and inventory management risks
    - Talent management and business ethics risks

- Following the assessments, ongoing efforts are undertaken by the relevant risk owners to address the identified risks through appropriate mitigation actions and controls. The progress of these efforts is monitored and reviewed to support the continued management of the Group's risk exposures.

Beyond the identification of sustainability risks, the Group has also undertaken CRRO assessment with the support of an independent consultant. The assessment applied climate scenario analysis to evaluate how different plausible climate pathways could affect the Group's operations and strategic resilience over the short, medium and long term. From this assessment, the Group identified transition risks arising from policy and legal developments, reputational considerations, and technological changes; as well as acute and chronic physical risks. In parallel, opportunities were noted in resource efficiency, energy sources, and market development. The identified climate-related risks and opportunities will be subject to annual review to ensure their continued relevance and alignment with evolving climate scenarios.

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL
cont'd

INTERNAL CONTROL FRAMEWORK

The Board acknowledges that a sound internal control system reduces the risks that will impede the Group from achieving its goals and strategic objectives. The salient elements of the Group's internal control framework are described below:

1. Organisation structure with defined roles and responsibilities

Board and Executive Committees

The delegation of responsibilities to the various committees of the Board is clearly defined in the respective committee's terms of reference. The Board is supported by four (4) key Board Committees, namely the AC, Nomination Committee, Remuneration Committee and SRMC. In addition, the Board has established an Executive Committee and ESOS Committee to discharge specific responsibilities within their respective mandates. The Executive Committee, including the Group CEO and Group CFO, reviews the performance of the Group's business units and deliberates on strategic, operational, financial and key management matters on a regular basis.

Limits of authority and responsibility

The Group has in place a clear operational structure and organisational chart with defined limits of authority, key lines of responsibility and accountability, and appropriately segregated reporting lines up to the Board and its committees. In designing and implementing these policies, structures and systems, the Group is guided by the principle that no single individual should be accorded unfettered powers. The Group's authority structures and systems are subject to periodic review and enhancement to ensure that they remain aligned with changes in accountability and the Group's risk appetite.

The Group CEO communicates and oversees the implementation of the Board's decisions, operational policies and procedures as well as manages the day-to-day affairs of the Group. The Group CFO manages and oversees the Group's financial management and reporting, and supports the ongoing development and monitoring of the Group's risk management and internal control systems.

2. Strategic business planning processes

Appropriate business plans are established in which the Group's business objectives, strategies, and targets are articulated. Business planning and budgeting are undertaken annually to establish plans and targets against which performance is monitored on an ongoing basis.

3. Performance monitoring and reporting

The Management team led by the Group CEO, Group CFO and heads of respective business units (the "Management") monitors and reviews financial and operational results of the Group regularly, including reporting of performance against the operating plans and targets. The Management formulates and implements action plans to address the identified areas of concern.

4. Documented policies and procedures

The Group maintains a comprehensive framework of documented policies and procedures to support sound governance, consistent decision-making, effective risk management and internal control across its operations. These documents establish key principles, responsibilities and control requirements while promoting compliance with applicable laws and regulations. They are reviewed and enhanced periodically to remain relevant to changes in the Group's business, risk and regulatory environment. These include, but are not limited to, the Group Risk Management Policy, which is a key component of the Group's system of risk management and internal control. It establishes structured processes for identifying and assessing risks, implementing appropriate controls, assigning clear control ownership, monitoring control effectiveness and reporting material risk exposures to the Management and the Board. The policy supports the timely remediation of control weaknesses and provides reasonable assurance over operational effectiveness, reliable reporting, regulatory compliance and the safeguarding of the Group's assets and long-term value.

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL
cont'd

INTERNAL CONTROL FRAMEWORK *(cont'd)*

5. Quality control and assurance

The Group is committed to providing products and services that meet or exceed applicable business objectives and customer requirements. The Group continuously monitors and assesses the effectiveness of its quality management systems and identifies opportunities for continual improvement. Applicable statutory and regulatory requirements, including health and safety regulations, environmental controls and other relevant legislation, are identified and complied with.

6. Integrity and ethical values

The Board acknowledges that tone from the top is a key driver of a healthy corporate culture and long-term value creation. Accordingly, the Board has adopted the Code of Business Conduct and Ethics and Anti-Corruption and Bribery Policy for the Directors, Management and employees of the Group. The Board, through the AC, oversees the implementation of these policies across the Group, which set out acceptable practices and guide the conduct of the Directors, Management and employees.

The Group has put in place a Group Corruption Risk Management Framework which comprises policies, strategies and procedures aimed at addressing and mitigating the Group's corruption risks. This risk-based approach to corruption prevention helps Inari Group to focus on key processes or activities that have high exposure to potential corruption risks. This corruption risk management approach incorporates international risk management methodology, namely ISO 31000:2018 – Risk management: Principles and guidelines, and UN's Global Compact: "A Guide for Anti-Corruption Risk Assessment".

The Board, together with the Management, has implemented the Whistleblowing Policy and Procedures, which provide channels for the Group's stakeholders to raise bona fide concerns relating to potential breaches of laws, regulations and internal policies, as well as other misconduct, without fear of retaliation.

7. Continuous employee education and training

Employees are encouraged to keep abreast of relevant professional developments through appropriate training and continuous education. Continuous training and development programmes such as leadership, corporate governance compliance, anti-corruption and bribery, technical training, health and safety have been put in place to motivate and improve the knowledge and competency of employees as well as to promote a good working relationship within the Group and with the external stakeholders. Ongoing educational and awareness briefings pertaining to the Anti-Corruption and Bribery Policy, Code of Business Conduct and Ethics and Gift and Donation Policies have been conducted to inculcate ethical culture and integrity across the Group.

8. Coverage and safeguarding of major assets

Sufficient insurance coverage is in place to enable major assets to be adequately covered against mishaps, calamities and theft that may result in material losses to the Group. The insurance coverage is reviewed at regular intervals to ensure its adequacy vis-à-vis the Group's risk appetite. At the same time, physical security measures are taken to safeguard these major assets.

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL
cont'd

INTERNAL AUDIT FUNCTION

The Group has outsourced its internal audit function to an independent professional firm, Crowe Governance, to independently assess the adequacy, effectiveness and integrity of the risk management and internal control system. The internal audit function reports directly and provides assurance to the AC through the execution of internal audit work based on a risk-based internal audit plan approved by the AC before the commencement of work. In fulfilling their duty, the internal audit team adopts a risk-based approach and adheres to a methodology that is closely aligned to the International Professional Practices Framework ("IPPF") of The Institute of Internal Auditors. In carrying out its activities, the internal audit function has unrestricted access to the relevant records, personnel and physical properties of the Group.

The internal audit function conducts periodic testing and reviews of the Group's risk management and internal control system. Where findings or concerns are raised in the internal audit reports, the Management is responsible for implementing the agreed action plans.

For the financial year ended 30 June 2026, the internal audit function assessed the adequacy and operating effectiveness of internal controls deployed by the Management for the Group's key processes, namely:

- Machinery and equipment maintenance control and management;
- Logistics and shipping cost planning and management;
- Manpower planning and management;
- Production management;
- Raw materials and scrap management;
- Information technology general controls;
- Software licensing management;
- Recurrent related party transactions review and conflict of interest;
- Corruption risk management;
- Corporate fund management;
- Inventory management;
- Scrap management; and
- Enterprise risk management.

The internal audit engagement by Crowe Governance is led by an Executive Director, namely Amos Law. He is a Certified Internal Auditor ("CIA"), an IIA Accredited Internal Quality Assessor/Validator, a Chartered Member of the Malaysian Institute of Internal Auditors ("CMIIA") and a holder of the Certification in Risk Management Assurance ("CRMA"). He has extensive experience in internal audit, risk management and corporate governance advisory services. He provides overall direction for the internal audit engagement and is responsible for all stages of the internal audit work. He also maintains contact with the Management to ensure open communication is practised and all internal audit works are carried out effectively and in a timely manner. None of the personnel deployed by Crowe Governance has any family relationship or conflict of interest with Inari that could impair their objectivity and independence during the course of their work.

For the financial year ended 30 June 2026, the total cost incurred for the internal audit function is RM261,875 (2025: RM416,250), which is exclusive of out-of-pocket expenses.

REVIEW BY THE EXTERNAL AUDITORS

The external auditors, Grant Thornton Malaysia PLT, have reviewed this Statement on Risk Management and Internal Control as required under Paragraph 15.23 of the MMLR, for inclusion in this Annual Report for the financial year ended 30 June 2026.

The review of this Statement by the external auditors was performed in accordance with the scope set out in the Audit and Assurance Practice Guide 3 ("AAPG 3"), Guidance for Auditors on Engagements to Report on the Statement on Risk Management and Internal Control included in the Annual Report, issued by the Malaysian Institute of Accountants.

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL
cont'd

REVIEW BY THE EXTERNAL AUDITORS *(cont'd)*

The external auditors have reported that nothing has come to their attention that caused them to believe that this Statement is not prepared, in all material aspects, in accordance with the disclosures required by the SORMIC Guide 2025, nor is the Statement factually inaccurate.

AAPG 3 does not require the external auditors to consider whether this Statement covers all risks and controls, or to form an opinion on the adequacy and effectiveness of the Group's risk and control procedures. The auditors are also not required to consider whether the processes described to deal with material internal control aspects of any significant problems disclosed in the Annual Report will, in fact, remedy the problems.

REVIEW BY THE BOARD

For the financial year under review and up to the date of this Statement, the Board is of the view that the Group's overall risk management and internal control system is adequate and effective, providing reasonable assurance to safeguard the interests of stakeholders and the Group's assets. There were no material weaknesses or deficiencies in the system of risk management and internal control that have directly resulted in any material loss to the Group.

The Group CEO and Group CFO have, to the best of their knowledge and based on a review undertaken on the state of risk management and internal control, provided documented assurance to the Board that the Group's risk management and internal control system, in all material aspects, is operating adequately and effectively based on the ERM and internal control framework of the Group.

The Board recognises that the identification, assessment and management of risks, together with the strengthening of internal controls, are continuous and evolving processes. Accordingly, the Board remains committed to implementing appropriate measures to further enhance the adequacy and effectiveness of the Group's system of risk management and internal control.

This Statement was approved by the Board of Directors on 28 September 2026.

AUDIT COMMITTEE REPORT

The Board of Directors (the "Board") of Inari Amertron Berhad and its subsidiaries ("Inari" or the "Group") is pleased to present the Audit Committee Report for the financial year ended 30 June 2026 in compliance with Paragraph 15.15 of the Main Market Listing Requirements ("MMLR") of Bursa Malaysia Securities Berhad ("Bursa Securities").

AUDIT COMMITTEE MEMBERS

The composition of the Audit Committee comprises only Independent Non-Executive Directors. The composition, including the name, designation and directorship of the members are as follows:

Dato' Mohamad Azmi Bin Ali
Chairman, Independent Non-Executive Director

Dato' Ong Eng Bin
Independent Non-Executive Director
(Appointed as member of the Audit Committee with effect from 28 September 2026)

Dr. Sharbanom Binti Abu Bakar
Independent Non-Executive Director
(Appointed to Board and as member of the Audit Committee with effect from 28 September 2026)

Datuk Phang Ah Tong
Non-Independent Non-Executive Director
(Ceased as member of the Audit Committee with effect from 28 September 2026)

Datuk Mohamed Arsad Bin Sehan
Independent Non-Executive Director
(Retired from Board and ceased as member of the Audit Committee with effect from 28 September 2026)

COMPOSITION COMPLIANCE

The Audit Committee composition complies with MMLR and the Malaysian Code on Corporate Governance ("MCCG"):

MMLR	
Paragraph 15.09(1)(a) & (b)	Audit Committee consists of three (3) members, all of whom are Independent Non-Executive Directors
Paragraph 15.09(1)(c)	The Chairman, Dato' Mohamad Azmi, is a member of the Malaysian Institute of Accountants
Paragraph 15.09(2)	None of the Committee members is an alternate director
Paragraph 15.10	The Chairman is an Independent Director

MCCG Practice	
Practice 9.1	Dato' Mohamad Azmi is not the Chairman of the Board
Practice 9.2	None of the Committee members is a former partner of the external audit firm of Inari
Practice 9.4 (Step-up)	All members are Independent Non-Executive Directors
Practice 9.5	All members are financially literate, competent and are able to understand matters under the purview of Audit Committee including the financial reporting process

AUDIT COMMITTEE REPORT
cont'd

COMPOSITION COMPLIANCE *(cont'd)*

Following the redesignation of Datuk Phang Ah Tong as Independent Non-Executive Chairman on 9 June 2026, and subsequently as Non-Independent Non-Executive Chairman on 28 September 2026, the Board remained cognisant of the recommendation under Practice 1.4 of the MCCG which advocates for a clear separation of board leadership and committee roles. To ensure alignment with this governance standard, Datuk Phang relinquished his membership on the Audit Committee, Nomination Committee and Remuneration Committee on 28 September 2026. Datuk Mohamed Arsad Bin Sehan also ceased to be a member of the Audit Committee on the same day following his retirement from the Board. To fill the vacancies, two (2) Independent Directors, namely Dato' Ong Eng Bin and Dr. Sharbanom Binti Abu Bakar were appointed as members of the Audit Committee, bringing extensive experience, complementary expertise and fresh perspectives to the Committee's deliberations. Their appointments will support the Audit Committee's independent and objective oversight of financial reporting and internal controls.

MEETINGS AND ATTENDANCE

The Audit Committee held five (5) meetings during the financial year ended 30 June 2026 and the attendance of each committee member is as follows:

	Audit Committee Members	Attendance
1	Dato' Mohamad Azmi Bin Ali	5/5
2	Datuk Phang Ah Tong *(Ceased as member of the Audit Committee with effect from 28 September 2026)*	5/5
3	Datuk Mohamed Arsad Bin Sehan *(Retired from Board and ceased as member of the Audit Committee with effect from 28 September 2026)*	5/5
4	Dato' Ong Eng Bin *(Appointed as member of the Audit Committee with effect from 28 September 2026)*	-
5	Dr. Sharbanom Binti Abu Bakar *(Appointed as member of the Audit Committee with effect from 28 September 2026)*	-

The Group Chief Executive Officer and Group Chief Financial Officer were invited to attend the meetings to facilitate direct communication and provide clarification on audit issues, financial reports and operations of the Group. Representatives of the internal auditors and external auditors were also invited to attend the meetings when necessary. During the financial year, the Audit Committee members held a private discussion with the external auditors without the presence of the Management to review and discuss material issues and concerns. No material or pertinent issues were raised during the session and there were no concerns which ought to be brought to the attention of the Board.

The minutes of each Audit Committee meeting are accurately recorded reflecting the deliberations and decisions of the Committee and are tabled for confirmation at the next Audit Committee meeting, followed by presentation to the Board for notation. During the Board meeting, the Audit Committee Chairman reports to the Board the Committee's activities and issues raised by the internal auditors and external auditors.

The performance and effectiveness of the Audit Committee is assessed annually. For FY2026, the Board Effectiveness Evaluation ("BEE"), including the assessment of the Audit Committee and its members, was conducted internally in accordance with MCCG Practice 6.1 using questionnaires comprising quantitative ratings and open-ended questions. The assessment incorporated self-assessment and peer review by the Audit Committee Chairman. The assessment criteria covered, among others, composition and governance, meeting administration and conduct, group synergy and reporting lines, oversight of financial reporting, internal controls and audit processes, contribution and performance, and calibre and personality.

Based on the outcome of the FY2026 assessment, the Board is satisfied that the Audit Committee and its members had discharged their functions, duties and responsibilities in accordance with its Terms of Reference during the financial year under review.

AUDIT COMMITTEE REPORT
cont'd

TERMS OF REFERENCE

The Terms of Reference of the Audit Committee, which outline composition, authority, duties and responsibilities, meetings, reporting and disclosure are published on the Company's website at www.inari-amertron.com.

SUMMARY OF ACTIVITIES AND WORK OF AUDIT COMMITTEE

The primary activities and work undertaken by the Audit Committee in the discharge of its functions and duties for the financial year under review included the following:

1. Financial Reporting

- Reviewed the Group's quarterly financial reports including the announcements in relation thereof, prior to recommending them to the Board for approval and release to Bursa Securities.

  The reviews were undertaken to ensure that the Group's quarterly financial reporting and disclosures present a true and fair view of the Group's financial position and performance and are in compliance with the Malaysian Financial Reporting Standards, IFRS Accounting Standards as well as applicable disclosure enumerations of the MMLR and any other legal and regulatory requirements.

- Reviewed the audited financial statements of the Group prior to recommending the said statements for consideration and approval by the Board, to ensure that they presented a true and fair view of the Group's financial position and performance for the year and complied with regulatory requirements.

- Discussed and reviewed the integrity of information, regulatory and accounting standards compliance in the audited financial statements and quarterly financial reports, considered and focused particularly on the following areas:

  - Changes in or implementation of major accounting policy or accounting standards;
  - Significant matters or unusual events or transactions highlighted by the Management or the external auditors including financial reporting issues and how these matters were addressed; and
  - Management judgements and estimations made on the recognition, measurement and presentation of the financial statements.

2. Internal Audit

- Reviewed and approved the annual Internal Audit and Enterprise Risk Management ("ERM") Plan, covering the assessment and identification of principal risk areas, including integrity risk, sustainability risk, climate change risk, supply chain risk, cybersecurity risk, foreign exchange fluctuation risk, as well as key risk management and internal control processes to ensure there are adequate scope and comprehensive coverage over the activities within the Group and that the risk areas are audited annually.

- Reviewed the internal audit reports presented by the internal auditors which encompass the results of the internal audit assessments, recommendations and proposed enhancements suggested by the internal auditors, the respective Management personnel's responses and corrective actions taken by Management in addressing and resolving issues in a timely manner.

- Reviewed the progress of implementing the recommended actions for outstanding audit findings to ensure all key risks and controls issues were addressed.

- Reviewed the adequacy and effectiveness of the Group's internal control system and obtained reasonable assurance that the system was operating effectively to mitigate the risk of fraud, material misstatement and error.

AUDIT COMMITTEE REPORT
cont'd

SUMMARY OF ACTIVITIES AND WORK OF AUDIT COMMITTEE *(cont'd)*

2. Internal Audit *(cont'd)*

- Reviewed whistleblowing cases, if any, and Management's responses and resolutions thereon. For FY2026, there were no unethical or corrupt practices reported to the designated officers via the established reporting channels.

- Reviewed the methods and procedures by which the prices and other terms of recurrent related party transactions ("RRPTs") were determined to ensure that they were undertaken on an arm's length basis and on normal commercial terms that were consistent with the Group's usual business practices and policies, and were not more favourable to the related parties than those generally available to the public.

- Reviewed and approved the fees of the outsourced internal auditors.

3. External Audit

- Discussed and reviewed with the external auditors the Audit Planning Memorandum which covered, amongst others, the following:

  - Audit objective, scope and approach
  - Policies and procedures in maintaining audit independence
  - Areas of significant risks that could have a material impact on financial reporting
  - Important enquiries to the members of the Audit Committee in accordance with ISA 260, Malaysian Anti-Corruption Commission Act 2009 (Amendment 2018) and MIA By-Laws Para R600.22 on non-audit services
  - Review of IT general controls relevant to the audit
  - Involvement of other experts, i.e., valuation specialist, internal auditors and tax agents
  - Key audit matters such as revenue recognition, recoverability of trade receivables and inventories' valuation and existence
  - Latest pronouncements of Malaysian Financial Reporting Standards which are effective for the Group on and after financial year 2026
  - International Standard of Quality Management which addresses the firm's system of quality management to manage the quality of engagements performed by the firm
  - Annual transparency report 2025 issued by the external auditors
  - Audit timeline and reporting schedule

- Discussed and reviewed with the external auditors the audit status and significant changes (if any) to audit plans upon completion of statutory audit:

  - Comparison of results between announced unaudited and audited results
  - Compliance with laws and regulations and fraud related matters
  - Audit independence
  - Expected opinion for financial statements audit, key audit matters, review of other information and the statement on risk management and internal control
  - Statement of communication in compliance with ISA 260 Communication of Audit Matters with Those Charged with Governance
  - Reviewed Annual Report to identify any material inconsistencies with the audited financial statements in accordance with ISA 720 Other Information in Documents Containing Audited Financial Statements

- Discussed and reviewed the audit and non-audit fees of the external auditors.

AUDIT COMMITTEE REPORT
cont'd

SUMMARY OF ACTIVITIES AND WORK OF AUDIT COMMITTEE *(cont'd)*

3. External Audit *(cont'd)*

- Held private discussion with the external auditors without the presence of the Management to provide the external auditors and the Audit Committee members an opportunity to discuss areas of concern or additional matters. No material or pertinent issues were raised during the session and there were no significant matters which ought to be brought to the attention of the Board. The external auditors confirmed that they received full co-operation and support from the Management and employees of the Group in the course of their audit and were granted unrestricted access to the Group's records.

- Reviewed and assessed the performance, suitability and independence of the external auditors in carrying out statutory audit for the Group pursuant to the Policy on External Auditor. The evaluation criteria include, amongst others, the quality of service, communication, and adequacy of resources as well as the exercise of independence and objectivity. The Audit Committee members received confirmation from the external auditors that they have complied with the independence requirements set out in the By-Laws (on Professional Ethics, Conduct and Practice) of the Malaysian Institute of Accountants ("By-Laws") and the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards) ("IESBA Code") and that they have fulfilled their ethical responsibilities in accordance with the By-Laws and the IESBA Code throughout their audit engagement.

  The Audit Committee was satisfied with the outcome of the performance assessment and independence of the external auditors and therefore, recommended to the Board the re-appointment of Grant Thornton Malaysia PLT as the external auditors of the Company. The re-appointment of Grant Thornton Malaysia PLT was approved by shareholders at the last Annual General Meeting.

4. Recurrent Related Party Transactions

- Reviewed the ongoing RRPT entered into by the Group to ensure they were conducted at arm's length and in the best interest of the Group; and the actual value transacted did not exceed the value approved under the shareholders' mandate.

- Reviewed the Circular to Shareholders pertaining to the RRPT of the Group and the methods and procedures by which prices and other terms of RRPT were determined to ensure that they were undertaken on an arm's length basis and on normal commercial terms that were consistent with the Group's usual business practices and policies, and were not more favourable to the related parties than those generally available to the public. The Audit Committee ascertained that the prices and terms of RRPT were not more favourable to the related parties than those extended to the public and were not detrimental to our minority shareholders.

5. Conflict of Interest

- Reviewed actual, potential or perceived conflicts of interest and related party transactions based on declarations by Directors, together with the measures taken to resolve, eliminate or mitigate such conflicts. There were no reported conflict of interest situations during FY2026.

- Reviewed Directors' undertaking to adhere to the Code of Business Conduct and Ethics.

6. Other Activities

- Reviewed and recommended the Audit Committee Report and Statement on Risk Management and Internal Control for inclusion in the Annual Report to the Board for approval.

- Reviewed and verified the allocation of the options under the Employees' Share Option Scheme ("ESOS") pursuant to the ESOS By-Laws.

AUDIT COMMITTEE REPORT
cont'd

SUMMARY OF THE WORK OF INTERNAL AUDITORS

The Audit Committee obtains reasonable assurance on the effectiveness of the Group's system of internal controls via the internal audit function which is responsible for the regular review and assessment of the effectiveness of the risk management, internal control and governance processes of the Group.

The Group's internal audit function is outsourced to Crowe Governance Sdn Bhd ("Crowe Governance"), an independent professional firm which assists the Audit Committee and the Board in evaluating the adequacy and effectiveness of the Group's risk management, internal control and governance processes.

The activities undertaken by the internal auditors for the financial year ended 30 June 2026 included the following:

- Presented internal audit plan and ERM plan to the Audit Committee for review and endorsement;
- Presented ERM reports covering significant risks such as integrity, sustainability, climate change, utilities supply, supply chain, cybersecurity, exposure to foreign exchange fluctuations, adherence to health and environmental requirements, adherence to corporate regulatory requirements and other risks to the Audit Committee for review and endorsement;
- Conducted audit fieldwork through process walkthroughs and interviews with the relevant process owners, observation and examination of supporting documentation to obtain an understanding of the business processes and gather appropriate audit evidence;
- Assessed the adequacy and effectiveness of the Group's systems, procedures, internal controls and governance processes, particularly in higher-risk business areas. The assessments covered the reliability and integrity of financial and operational information, safeguarding of assets, operational efficiency, compliance with established policies and procedures, and adherence to applicable laws and regulations;
- Issued internal audit reports setting out the audit findings, recommendations and management's responses, and presented the reports to the Audit Committee for review and deliberation; and
- Performed follow-up audits and reviews to assess whether the agreed corrective actions and recommendations had been implemented effectively and within the agreed timelines.

The internal auditors performed audit assignments based on the annual audit plan approved by the Audit Committee. The internal audit reports presented by the internal auditors during the financial year ended 30 June 2026 covered the following areas:

- Machinery and equipment maintenance control and management;
- Logistics and shipping cost planning and management;
- Manpower planning and management;
- Production management;
- Raw materials and scrap management;
- Information technology general controls;
- Software licensing management;
- Recurrent related party transactions review and conflict of interest;
- Corruption risk management;
- Corporate fund management;
- Inventory management;
- Scrap management; and
- Enterprise risk management.

The total fee paid/payable for the outsourcing of the internal audit function for the financial year ended 30 June 2026 was RM261,875 (2025: RM416,250), which is exclusive of out-of-pocket expenses.

Further details on the internal audit function are reported in the Statement on Risk Management and Internal Control on pages 177 to 184 of the Annual Report.

FINANCIAL STATEMENTS

192 Directors' Report

200 Statement by Directors

200 Statutory Declaration

201 Independent Auditors' Report

206 Statements of Financial Position

208 Statements of Profit or Loss and Other Comprehensive Income

209 Statements of Changes in Equity

212 Statements of Cash Flows

215 Notes to the Financial Statements

DIRECTORS' REPORT

The Directors have pleasure in submitting their report together with the audited financial statements of the Group and of the Company for the financial year ended 30 June 2026.

PRINCIPAL ACTIVITIES

The principal activities of the Company consist of investment holding and the provision of management services. The principal activities of the subsidiaries are disclosed in Note 4 to the Financial Statements.

There have been no significant changes in the nature of these activities of the Company and of its subsidiaries during the financial year.

FINANCIAL RESULTS

	Group RM'000	Company RM'000
Profit for the financial year	122,591	185,061
Profit/(Loss) for the financial year attributable to:-		
- Owners of the Company	127,497	
- Non-controlling interests	(4,906)	
Profit for the financial year	122,591	

DIVIDENDS

Since the end of the previous financial year, the Company had declared and paid the following dividends:-

	RM'000
In respect of the financial year ended 30 June 2025:-	
Fourth interim exempt dividend of 1.20 sen per share, paid on 10 October 2025	45,468
In respect of the financial year ended 30 June 2026:-	
First interim exempt dividend of 1.33 sen per share, paid on 8 January 2026	50,608
Second interim exempt dividend of 1.00 sen per share, paid on 8 April 2026	38,051
Third interim dividend of 1.00 sen per share comprising exempt dividend of 0.35 sen per share and single tier dividend of 0.65 sen per share, paid on 10 July 2026	38,205
	172,332

The Company had on 27 August 2026 declared a fourth interim exempt dividend of 0.65 sen per ordinary share and a single tier dividend of 0.72 sen per ordinary share in respect of the financial year ended 30 June 2026 amounting to RM52,842,010 payable on 8 October 2026. This dividend is not reflected in the financial statements for the current financial year and will be accounted for as an appropriation of retained earnings for the financial year ending 30 June 2027.

The Directors do not recommend any final dividend for the current financial year.

DIRECTORS' REPORT
cont'd

RESERVES AND PROVISIONS

All material transfers to or from reserves and provisions during the financial year are disclosed in the financial statements.

DIRECTORS

The Directors who held office during the financial year and period up to the date of this report are as follows:-

Datuk Phang Ah Tong	(Redesignated on 9 June 2026 and 28 September 2026)
Lau Kean Cheong*	
Dato' Wong Gian Kui*	
Ho Phon Guan*	
Chong Poh Leng*	(Appointed on 9 June 2026)
Ahmad Ridzuan Bin Wan Idrus	
Dato' Mohamad Azmi Bin Ali	
Dato' Ong Eng Bin	
Dr. Kamarulzaman Bin Mohamed Zin	(Appointed on 28 September 2026)
Dr. Sharbanom Binti Abu Bakar	(Appointed on 28 September 2026)
Dr. Tunku Alina Binti Raja Muhd Alias	(Resigned on 8 June 2026)
Y.A.M. Tengku Puteri Seri Kemala Tengku Dato' Sri Setia Hajjah Aishah Binti Almarhum Sultan Haji Ahmad Shah Al-Musta'in Billah, DK., SAAS., SSAP., SIMP.	(Redesignated on 9 June 2026 and demised on 26 August 2026)
Dato' Dr. Tan Seng Chuan*	(Retired on 28 September 2026)
Mai Mang Lee*	(Retired on 28 September 2026)
Dato' Sri Thong Kok Khee*	(Retired on 28 September 2026)
Datuk Mohamed Arsad Bin Sehan	(Retired on 28 September 2026)
Thong Mei Chuen	(Alternate Director to Dato' Sri Thong Kok Khee, ceased on 28 September 2026)

* *also Director of certain subsidiaries of the Company*

The Directors of subsidiaries of the Company who held office during the financial year and period up to the date of this report other than those named above, are:-

Dr. Estrella F. Alabastro	
Lee Salvatore R. Echiverri	
Zhao Sen	
Li Zheng	
Tang, Liang	
Chua Yee Heong	
Tan Ban Hee	(Appointed on 6 March 2026)
Lim Kok Yeow	(Resigned on 6 March 2026)

DIRECTORS' REPORT
cont'd

DIRECTORS' INTERESTS IN SHARES

According to the Register of Directors' Shareholdings, the interests of the Directors in office in the shares and share options of the Company and of its related corporations at the financial year end are as follows:-

	Number of ordinary shares			
	At 1.7.2025	Bought/ Exercised share options	Sold	At 30.6.2026
Directors of the Company				
Direct interest in the Company				
Dato' Dr. Tan Seng Chuan	1,834,053	3,488,300	(3,656,900)	**1,665,453**
Lau Kean Cheong	31,751,725	-	-	**31,751,725**
Dato' Wong Gian Kui	-	1,000,000	-	**1,000,000**
Ho Phon Guan	32,516,628	4,561,900	(2,100,000)	**34,978,528**
Mai Mang Lee	9,881,116	-	(1,300,000)	**8,581,116**
Dato' Sri Thong Kok Khee	1,998,700	-	(1,998,700)	**-**
Thong Mei Chuen	708,451	-	(708,451)	**-**
Chong Poh Leng (Appointed on 9 June 2026)	230,000	370,000	-	**600,000**
Deemed interest in the Company				
Lau Kean Cheong [(i)]	13,482,997	1,180,000	-	**14,662,997**
Mai Mang Lee [(ii)]	4,000,000	-	-	**4,000,000**
Dato' Sri Thong Kok Khee [(iii)]	509,583,276	3,320,000	(144,851,801)	**368,051,475**

Notes:

(i) Deemed interest by virtue of Section 59(11) of the Companies Act 2016 held through spouse.
(ii) Deemed interest by virtue of Section 59(11) of the Companies Act 2016 held through children.
(iii) Deemed interest by virtue of Section 8(4) and Section 59(11) of the Companies Act 2016 held through Insas Berhad, Immobillaire Holdings Pte. Ltd. and children.

DIRECTORS' REPORT
cont'd

DIRECTORS' INTERESTS IN SHARES *(cont'd)*

According to the Register of Directors' Shareholdings, the interests of the Directors in office in the shares and share options of the Company and of its related corporations at the financial year end are as follows:- *(cont'd)*

	Number of shares options			
	At 1.7.2025	Granted	Exercised	At 30.6.2026
Share options of the Company				
Directors of the Company				
Dato' Dr. Tan Seng Chuan	2,937,600	2,488,320	(3,488,300)	**1,937,620**
Lau Kean Cheong	14,745,600	6,635,520	-	**21,381,120**
Dato' Wong Gian Kui	4,315,600	2,488,320	(1,000,000)	**5,803,920**
Ho Phon Guan	2,073,600	2,488,320	(4,561,900)	**20**
Mai Mang Lee	3,265,600	2,488,320	-	**5,753,920**
Chong Poh Leng (Appointed on 9 June 2026)	630,000	756,000	(320,000)	**1,066,000**

Direct interest in subsidiary of the Company

Direct interest in Amertron Incorporated

	Number of ordinary shares			
	At 1.7.2025	Bought	Sold	At 30.6.2026
Directors of the Company				
Dato' Dr. Tan Seng Chuan	2	-	-	**2**
Lau Kean Cheong	2	-	-	**2**
Mai Mang Lee	1	-	-	**1**
Directors of the subsidiary of the Company				
Dr. Estrella F. Alabastro	1	-	-	**1**
Lee Salvatore R. Echiverri	1	-	-	**1**

Other than disclosed above, according to the Register of Directors' Shareholdings, the other Directors in office at the end of the financial year did not hold any interest in the shares and share options of the Company or its related corporations during the financial year.

DIRECTORS' REPORT
cont'd

DIRECTORS' FEES AND BENEFITS

During the financial year, the fees and other benefits received and receivable by the Directors of the Company are as follows:-

	Incurred by the Group	Incurred by the Company
	RM'000	RM'000
Directors' fees	1,002	1,002
Directors' remuneration and benefits	5,530	479
Non-Executive Directors' allowance	47	47
Premium paid for insurance effected for the Directors	30	30

During the financial year, the fair value of the share-based payments based on Black-Scholes model granted to the Directors of the Company incurred by the Group and by the Company amounting to RM680,000 and RM102,000 respectively.

During and at the end of the financial year, no arrangements subsisted to which the Company is a party, with the objects of enabling Directors of the Company to acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any other body corporate, other than the share options granted pursuant to the Employees' Share Option Scheme ("ESOS").

Since the end of the previous financial year, no Director of the Company has received or become entitled to receive any benefit (other than as disclosed in Note 23 to the Financial Statements) by reason of a contract made by the Company or a related corporation with a Director or with a firm of which the Director is a member or with a company in which the Director has a substantial financial interest.

INDEMNITY AND INSURANCE FOR DIRECTORS AND OFFICERS

The Company maintains a Directors' and Officers' Liability Insurance which provides insurance cover for any legal action taken against the Directors and Officers of the Company in the course of discharging their duties, provided that they have not acted fraudulently or dishonestly or derived a personal profit or advantage. The total amount of insurance premium paid during the financial year was RM30,000.

ISSUE OF SHARES AND DEBENTURES

During the financial year, the issued and paid-up ordinary share capital increased from RM2,186,850,263 to RM2,250,935,384 by way of the issuance of 36,027,300 new ordinary shares pursuant to the exercise of share options under the ESOS. Details of the exercise prices of the ESOS are disclosed in the ESOS section below.

The new ordinary shares issued during the financial year rank pari passu in all respects with the existing ordinary shares of the Company.

There were no issuance of debentures during the financial year.

ESOS

At an Extraordinary General Meeting held on 23 November 2022, the Company's shareholders approved the establishment of ESOS for the eligible Directors and employees of the Group. The ESOS is in force for a period of five (5) years commencing from 23 November 2022 to 22 November 2027.

The movements of share options during the financial year are as follows:-

		Number of share options				
Offer date	Exercise price	At 1.7.2025	Granted	Exercised	Lapsed*	At 30.6.2026
	RM	Unit	Unit	Unit	Unit	Unit
24.11.2022	2.560	15,903,800	-	-	(571,100)	**15,332,700**
29.05.2023	2.340	5,061,300	-	-	(200,800)	**4,860,500**
09.01.2024	3.070	18,290,100	-	-	(1,608,100)	**16,682,000**
13.05.2025	1.918	71,074,000	-	(16,654,200)	(6,162,900)	**48,256,900**
16.02.2026	1.527	-	84,411,800	(19,373,100)	(2,771,900)	**62,266,800**
		110,329,200	84,411,800	(36,027,300)	(11,314,800)	**147,398,900**

* *Lapsed due to resignation*

The salient feature and details of the ESOS are disclosed in Note 33 to the Financial Statements.

OTHER STATUTORY INFORMATION

Before the financial statements of the Group and of the Company were made out, the Directors took reasonable steps:-

(a) to ascertain that proper action had been taken in relation to the writing off of bad debts and the making of provision for doubtful debts and satisfied themselves that there were no bad debts to be written off and no provision for doubtful debts was required; and

(b) to ensure that any current assets which were unlikely to be realised in the ordinary course of business including their values as shown in the accounting records of the Group and of the Company have been written down to an amount which they might be expected so to realise.

At the date of this report, the Directors are not aware of any circumstances:-

(a) which would render it necessary to write off any bad debts or to make any provision for doubtful debts in the financial statements of the Group and of the Company; or

(b) which would render the value attributed to the current assets in the financial statements of the Group and of the Company misleading; or

(c) which have arisen which would render adherence to the existing method of valuation of assets or liabilities of the Group and of the Company misleading or inappropriate; or

(d) not otherwise dealt with in this report or the financial statements which would render any amount stated in the financial statements misleading.

DIRECTORS' REPORT
cont'd

OTHER STATUTORY INFORMATION *(cont'd)*

At the date of this report, there does not exist:-

(a) any charge on the assets of the Group and of the Company that has arisen since the end of the financial year to secure the liability of any other person; and

(b) any contingent liabilities of the Group and of the Company which have arisen since the end of the financial year.

In the opinion of the Directors:-

(a) no contingent liability or other liability of the Group and of the Company have become enforceable or is likely to become enforceable within the period of twelve months after the end of the financial year which, in the opinion of the Directors, will or may affect the ability of the Group and of the Company to meet their obligations as and when they fall due;

(b) the results of the operations of the Group and of the Company for the financial year were not substantially affected by any item, transaction or event of a material and unusual nature; and

(c) there has not arisen in the interval between the end of the financial year and the date of this report any item, transaction or event of a material and unusual nature likely to affect substantially the results of the operations of the Group and of the Company for the financial year in which this report is made.

SIGNIFICANT EVENTS DURING THE FINANCIAL YEAR

(a) Proposed joint acquisition

On 1 August 2025, the Company and Sanan Optoelectronics Co., Ltd ("Sanan") entered into a Share Purchase Agreement ("SPA") with Lumileds Subholding B.V. wherein the Company and Sanan agreed to jointly acquire 100% equity interest in Lumileds Holding B.V. and its 11 Asian and European subsidiary companies for a total enterprise value of USD239.0 million (approximately RM1,027.7 million) to be satisfied wholly in cash ("Proposed Joint Acquisition").

On the same date, the Company entered into a Collaboration Agreement and a Shareholders' Agreement with Sanan to govern the respective rights and obligations of the parties in relation to the Proposed Joint Acquisition.

The Proposed Joint Acquisition was subsequently terminated on 17 April 2026 following the determination by the Committee on Foreign Investment in the United States ("CFIUS") that the transaction presented unresolved national security concerns and requested the parties to withdraw their filing and abandon the Proposed Joint Acquisition.

Accordingly, the Company, Sanan and Lumileds Subholding B.V. entered into two termination agreements on 30 April 2026 to formally conclude the Proposed Joint Acquisition.

(b) Fire incident at Amertron Incorporated in the Philippines

On 10 May 2026, a fire incident occurred at the Company's wholly owned subsidiary, Amertron Incorporated in the Philippines ("AIP"), affecting part of the manufacturing facility within Plant CK1 ("Affected Facility"). There were no casualties or injuries arising from the incident.

The Affected Facility comprises approximately 12,500 square feet, representing approximately 10% of the total manufacturing space of 125,000 square feet at Plant CK1. Operations at the Affected Facility were suspended pending the completion of safety inspections and clean-up works.

SIGNIFICANT EVENTS DURING THE FINANCIAL YEAR *(cont'd)*

(b) Fire incident at Amertron Incorporated in the Philippines *(cont'd)*

Operations in the non-affected areas of Plant CK1 which were temporarily suspended following a power shutdown required by the relevant Fire and Rescue Authority Department have since resumed. AIP's other manufacturing facility, namely Plant CK2, with a manufacturing space of approximately 83,000 square feet, was not affected and continues to operate normally.

AIP implemented alternative production arrangements immediately following the incident to minimise disruption to customer deliveries and restore the affected production capacity within the shortest practicable timeframe.

During the financial year, the Group recognised fire-related losses provision amounting to approximately RM41.9 million, comprising mainly the write-off of affected property, plant and equipment, consigned property, plant and equipment, inventories and consigned inventories, together with other related costs arising from the incident.

The Group has submitted an insurance claim amounting to approximately RM30.5 million. As at the date of this report, the claim remains subject to final assessment and determination by the insurer and loss adjuster.

In accordance with the applicable MFRS 137 Provisions, Contingent Liabilities and Contingent Assets, the insurance recovery is accounted for separately from the losses arising from the incident and will only be recognised when it is virtually certain based on the applicable recognition criteria. Accordingly, no insurance recovery has been recognised in the Group's financial results for the financial year ended 30 June 2026.

The ultimate net financial impact of the incident cannot be conclusively determined until the insurance claim has been finalised and virtually certain. The Group will recognise any insurance recovery in the relevant financial period when the applicable recognition criteria have been satisfied.

AUDITORS

The auditors, Grant Thornton Malaysia PLT, have expressed their willingness to continue in office.

The amount of audit fee paid or payable to the auditors and its member firms by the Group and by the Company for the financial year ended 30 June 2026 amounted to RM486,557 and RM85,000 respectively. Further details are disclosed in Note 20 to the Financial Statements.

The Group and the Company have agreed to indemnify the auditors, Grant Thornton Malaysia PLT, to the extent permissible under the provisions of the Companies Act 2016 in Malaysia. However, no payment has been made in respect of this indemnity for the financial year.

Signed on behalf of the Board of Directors in accordance with a resolution of the Board of Directors.

DATO' DR. TAN SENG CHUAN
Director

LAU KEAN CHEONG
Director

28 September 2026

STATEMENT BY DIRECTORS

In the opinion of the Directors, the financial statements set out on pages 206 to 263 are properly drawn up in accordance with Malaysian Financial Reporting Standards, IFRS Accounting Standards and the requirements of the Companies Act 2016 in Malaysia so as to give a true and fair view of the financial position of the Group and of the Company as at 30 June 2026 and of their financial performance and cash flows for the financial year then ended.

Signed on behalf of the Board of Directors in accordance with a resolution of the Board of Directors.

DATO' DR. TAN SENG CHUAN

LAU KEAN CHEONG

28 September 2026

STATUTORY DECLARATION

I, Chong Poh Leng, being the Director primarily responsible for the financial management of Inari Amertron Berhad, do solemnly and sincerely declare that to the best of my knowledge and belief, the financial statements set out on pages 206 to 263 are correct and I make this solemn declaration conscientiously believing the same to be true and by virtue of the Statutory Declarations Act 1960.

Subscribed and solemnly declared by)
the abovenamed at Kuala Lumpur)
in the Federal Territory on)
28 September 2026)

CHONG POH LENG
(MIA NO: CA 15821)

Before me:

MOHD OMAR NATHAN BIN ABDULLAH
W924
Commissioner for Oaths

INDEPENDENT AUDITORS' REPORT

To the members of Inari Amertron Berhad (Incorporated In Malaysia)

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

Opinion

We have audited the financial statements of Inari Amertron Berhad, which comprise the statements of financial position as at 30 June 2026 of the Group and of the Company, and the statements of profit or loss and other comprehensive income, statements of changes in equity and statements of cash flows of the Group and of the Company for the financial year then ended, and notes to the financial statements, including material accounting policy information, as set out on pages 206 to 263.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Group and of the Company as at 30 June 2026, and of their financial performance and their cash flows for the financial year then ended in accordance with Malaysian Financial Reporting Standards, IFRS Accounting Standards and the requirements of the Companies Act 2016 in Malaysia.

Basis for Opinion

We conducted our audit in accordance with approved standards on auditing in Malaysia and International Standards on Auditing. Our responsibilities under those standards are further described in the *Auditors' Responsibilities for the Audit of the Financial Statements* section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence and Other Ethical Responsibilities

We are independent of the Group and of the Company in accordance with the By-Laws *(on Professional Ethics, Conduct and Practice)* of the Malaysian Institute of Accountants ("By-Laws") and the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards) ("IESBA Code"), as applicable to audits of financial statements of public interest entities and we have fulfilled our other ethical responsibilities in accordance with the By-Laws and the IESBA Code.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significant in our audit of the financial statements of the Group and of the Company for the current financial year. These matters were addressed in the context of our audit of the financial statements of the Group and of the Company as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Revenue recognition

Revenue recognition is under area of audit focus as the magnitude and high volume of transactions may give rise to material misstatements in the timing and recognition of revenue. Specifically, we focused our audit efforts to address the possibility of overstatement of revenue.

Our procedures included, amongst others:-

- Obtained an understanding of the Group's relevant policies and procedures over the timing and amount of revenue recognised;
- Inspected the documents evidencing the delivery of goods to customers to determine the point of which control was transfer for goods sold and services rendered;
- Evaluated and tested the controls relating to revenue recognition;
- Performed substantive tests to verify the revenue recognised;
- Performed analytical procedures on the trend of revenue recognised to identify any abnormalities; and
- Performed cut-off test around the financial year end to check the revenue is recognised in the correct accounting period.

The Group's accounting policy and other related disclosures of revenue recognition are disclosed in Note 18 to the Financial Statements.

INDEPENDENT AUDITORS' REPORT

To the members of Inari Amertron Berhad (Incorporated In Malaysia)
cont'd

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS *(cont'd)*

Key Audit Matters *(cont'd)*

Recoverability of trade receivables

Due to the inherent subjectivity that is involved in making judgements in relation to credit risk exposures to determine the expected credit losses and recoverability of trade receivables, recoverability of trade receivables is considered as having a significant audit risk.

The Group applies a simplified approach in calculating the impairment losses on trade receivables and recognises a loss based on lifetime expected credit losses ("ECL"). The Group considers amongst others, its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment in calculating the provision for expected credit losses.

Our procedures included, amongst others:-

- Evaluated the controls relating to credit control and approval process;
- Considered and evaluated the underlying assumptions used by management to derive at the loss rate based on an ECL model;
- Assessed the recoverability of overdue receivables to historical patterns of receipts, in conjunction with reviewing receipts subsequent to the financial year end for its effect in reducing overdue receivables at the financial year end;
- Held discussions with management personnel to evaluate the management's view on justification on the appropriateness of ECL assessment; and
- Assessed the adequacy of the disclosures in respect of credit risk.

The Group's accounting policy, significant accounting estimate and judgement and other related disclosures of trade receivables are disclosed in Notes 2.6.1, 8 and 29 to the Financial Statements.

Inventories' valuation and existence

Inventories' valuation and existence are under significant audit risks as inventories may be held for long periods of time before sold, making it vulnerable to obsolescence or theft. This could result in an overstatement of the value of the inventories if the cost is higher than the net realisable value. Furthermore, the assessment and application of inventories provisions are subject to significant management judgement.

Our procedures included, amongst others:-

- Attended inventories count at the financial year end and to assess the adequacy of controls over the existence of inventories;
- Tested samples of inventories items to ensure they were held at the lower of cost and net realisable value; and
- Evaluated management judgement with regards to the application of inventories written down.

The Group's accounting policy, significant accounting estimate and judgement and other related disclosures of inventories are disclosed in Notes 2.6.1 and 7 to the Financial Statements.

There is no key audit matter to be communicated in respect of the audit of the financial statements of the Company.

INDEPENDENT AUDITORS' REPORT

To the members of Inari Amertron Berhad (Incorporated In Malaysia)
cont'd

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS *(cont'd)*

Information Other than the Financial Statements and Auditors' Report Thereon

The Directors of the Company are responsible for the other information. The other information comprises the information included in the annual report, but does not include the financial statements of the Group and of the Company and our auditors' report thereon.

Our opinion on the financial statements of the Group and of the Company do not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements of the Group and of the Company, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements of the Group and of the Company or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed on the other information obtained prior to the date of this auditors' report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Directors for the Financial Statements

The Directors of the Company are responsible for the preparation of financial statements of the Group and of the Company that give a true and fair view in accordance with Malaysian Financial Reporting Standards, IFRS Accounting Standards and the requirements of the Companies Act 2016 in Malaysia. The Directors are also responsible for such internal control as the Directors determine is necessary to enable the preparation of financial statements of the Group and of the Company that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements of the Group and of the Company, the Directors are responsible for assessing the Group's and the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Directors either intend to liquidate the Group or the Company or to cease operations, or have no realistic alternative but to do so.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements of the Group and of the Company as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with approved standards on auditing in Malaysia and International Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

INDEPENDENT AUDITORS' REPORT

To the members of Inari Amertron Berhad (Incorporated In Malaysia)
cont'd

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS *(cont'd)*

Auditors' Responsibilities for the Audit of the Financial Statements *(cont'd)*

As part of an audit in accordance with approved standards on auditing in Malaysia and International Standards on Auditing, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:-

- Identify and assess the risks of material misstatement of the financial statements of the Group and of the Company, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's and of the Company's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Directors.

- Conclude on the appropriateness of the Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's or the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements of the Group and of the Company or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Group or the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements of the Group and of the Company, including the disclosures, and whether the financial statements of the Group and of the Company represent the underlying transactions and events in a manner that achieves fair presentation.

- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the financial statements of the Group. We are responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. We remain solely responsible for our audit opinion.

We have communicated with the Directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identified during our audit.

We also provided the Directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with the Directors, we determined those matters that were of most significant in the audit of the financial statements of the Group and of the Company for the current financial year and are therefore the key audit matters. We described these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

INDEPENDENT AUDITORS' REPORT

To the members of Inari Amertron Berhad (Incorporated In Malaysia)
cont'd

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS *(cont'd)*

Report on Other Legal and Regulatory Requirements

In accordance with the requirements of the Companies Act 2016 in Malaysia, we report that the subsidiaries of which we have not acted as auditors, as disclosed in Note 4 to the Financial Statements.

Other Matter

This report is made solely to the members of the Company, as a body, in accordance with Section 266 of the Companies Act 2016 in Malaysia and for no other purpose. We do not assume responsibility to any other person for the content of this report.

GRANT THORNTON MALAYSIA PLT
(201906003682 & LLP0022494-LCA)
CHARTERED ACCOUNTANTS (AF 0737)

TAN VEER LEEN
(NO: 03627/12/2027 J)
CHARTERED ACCOUNTANT

Kuala Lumpur
28 September 2026

STATEMENTS OF FINANCIAL POSITION

As at 30 June 2026

	Note	Group		Company	
		2026	2025	2026	2025
		RM'000	RM'000	RM'000	RM'000
ASSETS					
Non-current assets					
Property, plant and equipment	3	**688,518**	735,726	**31**	59
Investment in subsidiaries	4	**-**	-	**1,317,644**	1,283,330
Intangible assets	5	**9,797**	9,890	**-**	-
Deferred tax assets	6	**29,714**	23,966	**-**	-
Total non-current assets		**728,029**	769,582	**1,317,675**	1,283,389
Current assets					
Inventories	7	**170,090**	179,063	**-**	-
Trade receivables	8	**195,147**	197,338	**-**	-
Other receivables, deposits and prepayments	9	**69,922**	46,801	**387**	185
Amount due from subsidiaries	10	**-**	-	**28,426**	50,000
Tax recoverable		**64,719**	66,911	**60**	70
Deposits, cash and bank balances	11	**2,214,144**	2,141,413	**1,037,872**	976,176
Total current assets		**2,714,022**	2,631,526	**1,066,745**	1,026,431
TOTAL ASSETS		**3,442,051**	3,401,108	**2,384,420**	2,309,820
EQUITY AND LIABILITIES					
EQUITY					
Equity attributable to owners of the Company					
Share capital	12	**2,250,935**	2,186,850	**2,250,935**	2,186,850
Other reserves	13	**(8,651)**	(3,067)	**14,432**	14,098
Retained earnings		**535,585**	579,936	**70,098**	57,369
		2,777,869	2,763,719	**2,335,465**	2,258,317
Non-controlling interests	4	**322,124**	326,663	**-**	-
Total equity		**3,099,993**	3,090,382	**2,335,465**	2,258,317

STATEMENTS OF FINANCIAL POSITION
As at 30 June 2026
cont'd

	Note	Group 2026 RM'000	Group 2025 RM'000	Company 2026 RM'000	Company 2025 RM'000
EQUITY AND LIABILITIES *(cont'd)*					
LIABILITIES					
Non-current liabilities					
Retirement benefits obligations	14	**2,918**	3,107	**-**	-
Deferred tax liabilities	6	**10,942**	10,780	**-**	-
Lease liabilities	15	**13,729**	14,186	**-**	-
Total non-current liabilities		**27,589**	28,073	**-**	-
Current liabilities					
Trade payables	16	**94,292**	84,223	**-**	-
Other payables, accruals and other liabilities	17	**180,928**	147,959	**10,750**	2,247
Tax payable		**936**	719	**-**	-
Dividend payable		**38,205**	49,256	**38,205**	49,256
Lease liabilities	15	**108**	496	**-**	-
Total current liabilities		**314,469**	282,653	**48,955**	51,503
Total liabilities		**342,058**	310,726	**48,955**	51,503
TOTAL EQUITY AND LIABILITIES		**3,442,051**	3,401,108	**2,384,420**	2,309,820

The accompanying notes form an integral part of the financial statements.

STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the Financial Year Ended 30 June 2026

	Note	Group		Company	
		2026	2025	2026	2025
		RM'000	RM'000	RM'000	RM'000
Revenue	18	**1,187,254**	1,351,937	**165,206**	207,680
Cost of sales		**(958,654)**	(1,058,973)	**-**	-
Gross profit		**228,600**	292,964	**165,206**	207,680
Other income		**7,882**	7,790	**-**	-
Administrative expenses		**(155,915)**	(146,246)	**(11,120)**	(13,247)
Operating profit		**80,567**	154,508	**154,086**	194,433
Finance income		**58,807**	67,736	**31,687**	34,110
Finance costs	19	**(1,821)**	(1,921)	**-**	-
Profit before tax	20	**137,553**	220,323	**185,773**	228,543
Tax expense	21	**(14,962)**	(7,176)	**(712)**	(714)
Profit for the financial year		**122,591**	213,147	**185,061**	227,829
Other comprehensive income/(loss), net of tax:-					
Item that will not be subsequently reclassified to profit and loss					
Remeasurement of retirement benefits		**484**	(18)	**-**	-
Item that will be subsequently reclassified to profit and loss					
Foreign currency translation of foreign operations		**(5,551)**	(126,685)	**-**	-
Total other comprehensive loss for the financial year, net of tax		**(5,067)**	(126,703)	**-**	-
Total comprehensive income for the financial year		**117,524**	86,444	**185,061**	227,829
Profit/(Loss) for the financial year attributable to:-					
Owners of the Company		**127,497**	218,745	**185,061**	227,829
Non-controlling interests		**(4,906)**	(5,598)	**-**	-
		122,591	213,147	**185,061**	227,829
Total comprehensive income/(loss) for the financial year attributable to:-					
Owners of the Company		**122,063**	140,147	**185,061**	227,829
Non-controlling interests		**(4,539)**	(53,703)	**-**	-
		117,524	86,444	**185,061**	227,829
Earnings per share attributable to owners of the Company (sen):-	22				
- Basic		**3.35**	5.78		
- Diluted		**3.35**	5.77		

The accompanying notes form an integral part of the financial statements.

STATEMENTS OF CHANGES IN EQUITY

For the Financial Year Ended 30 June 2026

		← Attributable to owners of the Company →							
			← Non-distributable →			Distributable			
Group	Note	Share capital	Capital reserve	Foreign currency translation reserve	ESOS reserve	Retained earnings	Total	Non-controlling interests	Total equity
		RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
2026									
Balance at 1 July 2025		2,186,850	5,387	(22,552)	14,098	579,936	2,763,719	326,663	3,090,382
Profit/(Loss) for the financial year		-	-	-	-	127,497	127,497	(4,906)	122,591
Remeasurement of retirement benefits		-	-	-	-	484	484	-	484
Foreign currency translation		-	-	(5,918)	-	-	(5,918)	367	(5,551)
Total comprehensive (loss)/ income for the financial year		-	-	(5,918)	-	127,981	122,063	(4,539)	117,524
Transactions with owners:-									
Ordinary shares issued pursuant to exercise of ESOS	12,13	64,085	-	-	(2,560)	-	61,525	-	61,525
Share-based compensation pursuant to ESOS granted		-	-	-	2,894	-	2,894	-	2,894
Dividends	24	-	-	-	-	(172,332)	(172,332)	-	(172,332)
		64,085	-	-	334	(172,332)	(107,913)	-	(107,913)
Balance at 30 June 2026		**2,250,935**	**5,387**	**(28,470)**	**14,432**	**535,585**	**2,777,869**	**322,124**	**3,099,993**

STATEMENTS OF CHANGES IN EQUITY

For the Financial Year Ended 30 June 2026
cont'd

		← Attributable to owners of the Company →							
			← Non-distributable →			Distributable			
Group	Note	Share capital	Capital reserve	Foreign currency translation reserve	ESOS reserve	Retained earnings	Total	Non-controlling interests	Total equity
		RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
2025									
Balance at 1 July 2024		2,144,293	5,387	56,028	10,945	577,164	2,793,817	380,366	3,174,183
Profit/(Loss) for the financial year		-	-	-	-	218,745	218,745	(5,598)	213,147
Remeasurement of retirement benefits		-	-	-	-	(18)	(18)	-	(18)
Foreign currency translation		-	-	(78,580)	-	-	(78,580)	(48,105)	(126,685)
Total comprehensive (loss)/ income for the financial year		-	-	(78,580)	-	218,727	140,147	(53,703)	86,444
Transactions with owners:-									
Ordinary shares issued pursuant to exercise of ESOS	12,13	42,557	-	-	(2,888)	-	39,669	-	39,669
Share-based compensation pursuant to ESOS granted		-	-	-	6,041	-	6,041	-	6,041
Dividends	24	-	-	-	-	(215,955)	(215,955)	-	(215,955)
		42,557	-	-	3,153	(215,955)	(170,245)	-	(170,245)
Balance at 30 June 2025		2,186,850	5,387	(22,552)	14,098	579,936	2,763,719	326,663	3,090,382

STATEMENTS OF CHANGES IN EQUITY

For the Financial Year Ended 30 June 2026
cont'd

Company	Note	Share capital	Non-distributable ESOS reserve	Distributable Retained earnings	Total
		RM'000	RM'000	RM'000	RM'000
2026					
Balance at 1 July 2025		**2,186,850**	**14,098**	**57,369**	**2,258,317**
Total comprehensive income for the financial year		**-**	**-**	**185,061**	**185,061**
Transactions with owners:-					
Ordinary shares issued pursuant to exercise of ESOS	12,13	**64,085**	**(2,560)**	**-**	**61,525**
Share-based compensation pursuant to ESOS granted		**-**	**2,894**	**-**	**2,894**
Dividends	24	**-**	**-**	**(172,332)**	**(172,332)**
		64,085	**334**	**(172,332)**	**(107,913)**
Balance at 30 June 2026		**2,250,935**	**14,432**	**70,098**	**2,335,465**
2025					
Balance at 1 July 2024		2,144,293	10,945	45,495	2,200,733
Total comprehensive income for the financial year		-	-	227,829	227,829
Transactions with owners:-					
Ordinary shares issued pursuant to exercise of ESOS	12,13	42,557	(2,888)	-	39,669
Share-based compensation pursuant to ESOS granted		-	6,041	-	6,041
Dividends	24	-	-	(215,955)	(215,955)
		42,557	3,153	(215,955)	(170,245)
Balance at 30 June 2025		2,186,850	14,098	57,369	2,258,317

The accompanying notes form an integral part of the financial statements.

STATEMENTS OF CASH FLOWS

For the Financial Year Ended 30 June 2026

	Note	Group		Company	
		2026	2025	2026	2025
		RM'000	RM'000	RM'000	RM'000
OPERATING ACTIVITIES					
Profit before tax		**137,553**	220,323	**185,773**	228,543
Adjustments for:-					
Depreciation of property, plant and equipment	3	**128,906**	137,903	**34**	50
(Gain)/Loss on disposal of property, plant and equipment	3	**(37)**	147	**-**	-
Property, plant and equipment written off	3	**3**	14	**-**	-
Property, plant and equipment written off due to fire incident	3	**428**	-	**-**	-
Provision for loss on consigned property, plant and equipment due to fire incident	17	**3,601**	-	**-**	-
Amortisation of intangible assets	5(b)	**22**	9	**-**	-
Allowance for slow moving inventories	7	**2,797**	882	**-**	-
Inventories written off due to fire incident	7	**21,056**	-	**-**	-
Provision for loss on consigned inventories due to fire incident	17	**16,776**	-	**-**	-
Provision for retirement benefits obligations	14	**488**	650	**-**	-
Reversal of provision for warranty	17	**(900)**	(100)	**-**	-
Interest expenses	19	**1,821**	1,921	**-**	-
Interest income		**(58,807)**	(67,736)	**(31,687)**	(34,110)
Dividend income		**-**	-	**(163,526)**	(206,000)
Equity-settled share-based payment transactions	23	**2,894**	6,041	**181**	387
Unrealised loss on foreign exchange		**18,083**	35,699	**3,850**	5,360
Operating profit/(loss) before working capital changes		**274,684**	335,753	**(5,375)**	(5,770)
Changes in working capital:-					
Inventories		**(16,844)**	(6,352)	**-**	-
Receivables		**(20,942)**	(13,288)	**(202)**	(19)
Payables		**27,986**	(19,940)	**8,503**	(818)
Cash generated from/(used in) operations		**264,884**	296,173	**2,926**	(6,607)
Income tax paid		**(21,655)**	(33,094)	**(702)**	(861)
Income tax refunded		**3,587**	774	**-**	34
Interest received		**58,807**	67,736	**31,687**	34,110
Interest paid		**(377)**	(368)	**-**	-
Net cash from operating activities		**305,246**	331,221	**33,911**	26,676

STATEMENTS OF CASH FLOWS
For the Financial Year Ended 30 June 2026
cont'd

	Note	Group		Company	
		2026	2025	2026	2025
		RM'000	RM'000	RM'000	RM'000
INVESTING ACTIVITIES					
Acquisition of property, plant and equipment	B	**(82,116)**	(121,966)	**(6)**	(24)
Acquisition of intangible assets	5(b)	**(270)**	(84)	**-**	-
Proceeds from disposal of property, plant and equipment		**39**	73	**-**	-
Subscription of shares in existing subsidiaries		**-**	-	**(31,601)**	(87,200)
Changes in amount due from subsidiaries		**-**	-	**185,100**	226,000
(Placement)/Withdrawal of fixed deposits with licensed banks		**(297,272)**	(117,644)	**231**	1,729
Net cash (used in)/from investing activities		**(379,619)**	(239,621)	**153,724**	140,505
FINANCING ACTIVITIES					
Dividends paid		**(183,383)**	(238,266)	**(183,383)**	(238,266)
Net proceeds from issuance of shares pursuant to ESOS		**61,525**	39,669	**61,525**	39,669
Repayment of lease liabilities	15	**(1,815)**	(1,573)	**-**	-
Net cash used in financing activities		**(123,673)**	(200,170)	**(121,858)**	(198,597)
CASH AND CASH EQUIVALENTS					
Net changes		**(198,046)**	(108,570)	**65,777**	(31,416)
Effects of changes in foreign exchange rates		**(27,762)**	(91,505)	**(3,850)**	(5,360)
Brought forward		**1,733,868**	1,933,943	**953,620**	990,396
Carried forward	A	**1,508,060**	1,733,868	**1,015,547**	953,620

STATEMENTS OF CASH FLOWS

For the Financial Year Ended 30 June 2026
cont'd

NOTES TO THE STATEMENTS OF CASH FLOWS

(A) Cash and cash equivalents

Cash and cash equivalents included in the statements of cash flows comprise the followings:-

	Note	Group		Company	
		2026	2025	2026	2025
		RM'000	RM'000	RM'000	RM'000
Cash and bank balances	11	**228,871**	389,206	**24,300**	73,451
Deposits with licensed banks	11	**1,985,273**	1,752,207	**1,013,572**	902,725
		2,214,144	2,141,413	**1,037,872**	976,176
Less:					
Fixed deposits with maturity more than 3 months	11	**(706,084)**	(407,545)	**(22,325)**	(22,556)
		1,508,060	1,733,868	**1,015,547**	953,620

Included in cash and cash equivalents of the Group and of the Company are amounts of RM1,316,265,000 and RM991,741,000 (2025: RM1,245,518,000 and RM933,249,000) placed in Islamic money market instruments, deposit and current accounts.

(B) Acquisition of property, plant and equipment

	Note	Group		Company	
		2026	2025	2026	2025
		RM'000	RM'000	RM'000	RM'000
Cash purchase	3	**82,116**	122,355	**6**	24
Acquisition via lease arrangements	15	**-**	(389)	**-**	-
Net cash outflows		**82,116**	121,966	**6**	24

The accompanying notes form an integral part of the financial statements.

NOTES TO THE FINANCIAL STATEMENTS

As at 30 June 2026

1. GENERAL INFORMATION

The Company is a public limited liability company, incorporated and domiciled in Malaysia and is listed on the Main Market of Bursa Malaysia Securities Berhad under the "Technology" sector, with a sub-sector of "Semiconductors".

The registered office of the Company is located at Suite 23.03, Level 23, The Gardens South Tower, Mid Valley City, Lingkaran Syed Putra, 59200 Kuala Lumpur, Malaysia.

The corporate office of the Company is located at D-07-03, Plaza Kelana Jaya, Jalan SS 7/13A, Kelana Jaya, 47301 Petaling Jaya, Selangor Darul Ehsan, Malaysia.

The principal place of business of the Company is located at No. 51, Jalan Hilir Sungai Keluang Empat, Phase 4, Bayan Lepas Free Industrial Zone, 11900 Bayan Lepas, Pulau Pinang, Malaysia.

The principal activities of the Company consist of investment holding and the provision of management services. The principal activities of the subsidiaries are disclosed in Note 4 to the Financial Statements.

There have been no significant changes in the nature of these activities of the Company and of its subsidiaries during the financial year.

The financial statements were authorised for issue by the Board of Directors in accordance with a resolution of the Directors on 28 September 2026.

2. BASIS OF PREPARATION

2.1 Statement of compliance

The financial statements of the Group and of the Company have been prepared in accordance with the Malaysian Financial Reporting Standards ("MFRSs"), IFRS Accounting Standards and the requirements of the Companies Act 2016 in Malaysia.

2.2 Basis of measurement

The financial statements of the Group and of the Company are prepared under the historical cost convention except as stated in the respective notes to the financial statements.

The Group and the Company have prepared the financial statements on the basis that it will continue to operate as a going concern.

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either in the principal market for the asset or liability, or in the absence of a principal market, in the most advantageous market for the asset or liability. The principal or the most advantageous market must be accessible by the Group and by the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their best economic interest.

NOTES TO THE FINANCIAL STATEMENTS
As at 30 June 2026
cont'd

2. BASIS OF PREPARATION *(cont'd)*

2.2 Basis of measurement *(cont'd)*

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Group and the Company use valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to their fair value measurement as a whole:-

Level 1 - Quoted (unadjusted) market prices in active markets for identical assets or liabilities.
Level 2 - Valuation techniques for which the lowest level input that is significant to their fair value measurement is directly or indirectly observable.
Level 3 - Valuation techniques for which the lowest level input that is significant to their fair value measurement is unobservable.

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Group and the Company determine whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to their fair value measurement as a whole) at the end of each reporting year.

The Group and the Company have established control framework in respect to the measurement of fair values of financial instruments. Executive Committee has overall responsibility for overseeing all significant fair value measurements. The Executive Committee regularly reviews significant unobservable inputs and valuation adjustments.

For the purpose of fair value disclosures, the Group and the Company have determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of fair value hierarchy as explained above.

2.3 Functional and presentation currency

The financial statements are presented in Ringgit Malaysia ("RM") which is the Company's functional currency and all values are rounded to the nearest thousand ('000) except when otherwise stated.

2.4 Adoption of new standards/amendments/improvements to MFRSs

At the beginning of the current financial year, the Group and the Company adopted new standards/ amendments/improvements to MFRSs which are mandatory for the financial periods of the Group and of the Company starting from 1 July 2025.

Initial application for the above amendments to standards did not have any material impacts to the financial statements of the Group and of the Company.

NOTES TO THE FINANCIAL STATEMENTS
As at 30 June 2026
cont'd

2. BASIS OF PREPARATION *(cont'd)*

2.5 Standards issued but not yet effective

The new and amended standards and interpretations that are issued, but not yet effective are disclosed below. The Group and the Company intend to adopt these new and amended standards and interpretations, if applicable, when they become effective in respective financial year:-

Amendments to MFRSs effective 1 January 2026:-

Amendments to MFRS 9 and MFRS 7	Financial Instruments and Financial Instruments: Disclosures - Classification and Measurement of Financial Instruments and Contracts Referencing Nature-dependent Electricity

Amendments that are part of Annual Improvements – Volume 11:

Amendments to MFRS 1, MFRS 7, MFRS 9, MFRS 10 and MFRS 107	First-time Adoption of Malaysian Financial Reporting Standards, Financial Instruments: Disclosures, Financial Instruments, Consolidated Financial Statements and Statement of Cash Flows

Amendments to MFRSs effective 1 January 2027:-

MFRS 18	Presentation and Disclosure in Financial Statements
MFRS 19 and Amendments to MFRS 19	Subsidiaries without Public Accountability: Disclosures
Amendments to MFRS 121	The Effects of Changes in Foreign Exchange Rates - Translation to a Hyperinflationary Presentation Currency
Amendments to MFRS 128	Investments in Associates and Joint Ventures - Amendments to the Fair Value Option for Investments in Associates and Joint Ventures

MFRS effective 1 January 2029:-

MFRS 20	Regulatory Assets and Regulatory Liabilities

Amendments to MFRSs - effective date deferred indefinitely:-

Amendments to MFRS 10 and MFRS 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

The Group and the Company intend to adopt these new and amended standards, if applicable, when they become effective. The initial application of the above standards/amendments to MFRSs is not expected to have any material impact to the financial statements of the Group and of the Company upon adoption, except for MFRS 18 Presentation and Disclosure in Financial Statements.

MFRS 18 Presentation and Disclosure in Financial Statements

MFRS 18 Presentation and Disclosure in Financial Statements introduces three sets of new requirements to improve companies' reporting of financial performance:

- Improved comparability in the statement of profit or loss (income statement)
- Enhanced transparency of management defined performance measures
- More useful grouping of information in the financial statements

NOTES TO THE FINANCIAL STATEMENTS
As at 30 June 2026
cont'd

2. BASIS OF PREPARATION *(cont'd)*

2.5 Standards issued but not yet effective *(cont'd)*

MFRS 18 Presentation and Disclosure in Financial Statements *(cont'd)*

MFRS 18 replaces MFRS 101 Presentation of Financial Statements. It carries forward many requirements from MFRS 101 unchanged. MFRS 18 is effective for annual reporting periods beginning on or after 1 January 2027, but companies can apply it earlier. The Group is currently working to identified all impacts the amendments will have on the financial statements and notes to the financial statements.

2.6 Significant accounting estimates and judgements

Estimates, assumptions concerning the future and judgements are made in the preparation of the financial statements. They affect the application of the Group's and of the Company's accounting policies and reported amounts of assets, liabilities, income, expenses and disclosures made. Estimates and underlying assumptions are assessed on an on-going basis and are based on experience and relevant factors, including expectations of future events that are believed to be reasonable under the circumstances. The actual results may differ from the judgements, estimates and assumptions made by management, and will seldom equal the estimated results.

2.6.1 Estimation uncertainty

Information about significant estimates and assumptions that have the most significant effect on recognition and measurement of assets, liabilities, income and expenses are discussed below.

Useful lives of depreciable assets

The management estimates the useful lives of the property, plant and equipment and intangible assets to be 2 to 60 years and reviews the useful lives at each reporting date. The management assesses that the useful lives represent the expected utility of the assets to the Group and the Company. Actual results, however, may vary due to changes in the expected level of usage and developments, resulting in the adjustment to the Group's and the Company's assets.

The management expects that the expected useful lives of the property, plant and equipment and intangible assets would not have material difference from the management's estimation hence it would not result in material variance in the Group's and the Company's profit for the financial year.

Impairment of non-financial assets

An impairment loss is recognised for the amount by which the asset's or cash-generating unit's carrying amount exceeds its recoverable amount. To determine the recoverable amount, management estimates expected future cash flows from each cash-generating unit ("CGUs") and determines a suitable interest rate in order to calculate the present value of those cash flows.

The Group performs annual impairment assessment on goodwill. The recoverable amount of a CGU is measured at the higher of the fair value less cost of disposal or its value-in-use calculations using cash flow projections derived from financial budgets approved by management. Management has made estimates about future results and key assumptions applied to cash flow projections of the CGUs. These key assumptions are applied to cash flow projections of the CGUs and include forecast growth in future revenues and operating profit margins, as well as determining appropriate pre-tax discount rates and growth rates.

2. BASIS OF PREPARATION *(cont'd)*

2.6 Significant accounting estimates and judgements *(cont'd)*

2.6.1 Estimation uncertainty *(cont'd)*

Impairment of non-financial assets *(cont'd)*

In the process of measuring expected future cash flows management makes assumptions about future operating results. The actual results may vary, and may cause significant adjustments to the Group's and the Company's assets within the next financial year.

In most cases, determining the applicable discount rate involves estimating the appropriate adjustment to market risk and the appropriate adjustment to asset-specific risk factors.

For fair value less cost of disposals, the Group has engaged the independent valuers to perform the valuation. The fair value hierarchy information and the valuation method for the fair value are disclosed in Note 5 to the Financial Statements.

Inventories

Inventories are measured at the lower of cost and net realisable value. In estimating net realisable values, management takes into account the most reliable evidence available at the time the estimates are made. The realisation of these inventories may be affected by market-driven changes that may occur in the future.

The Group's business is subject to economical and technological changes which may cause selling price to change rapidly, and as a result may impact on the Group's earnings.

The management reviews inventories to identify damaged, obsolete and slow-moving inventories which require judgement and changes in such estimates could result in revision to the valuation of inventories.

The management expects that the expected net realisable values of the inventories would not have material difference from the management's estimation. Hence, it would not result in material variance in the Group's profit for the financial year.

Provision for expected credit losses ("ECLs") of trade receivables

The Group uses a provision matrix to calculate ECLs for trade receivables. The provision rates are based on days past due for grouping of various customer segments that have similar loss patterns (i.e., by geography, product type, customer type and rating, coverage by letters of credit and other forms of credit insurance).

The provision matrix is initially based on the Group's historical observed default rates. The Group will calibrate the matrix to adjust the historical credit loss experience with forward-looking information. For instance, if forecast economic conditions (i.e. gross domestic product) are expected to deteriorate over the next year which can lead to an increased number of defaults in the technology/semiconductor sector, the historical default rates are adjusted. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analysed.

NOTES TO THE FINANCIAL STATEMENTS
As at 30 June 2026
cont'd

2. BASIS OF PREPARATION *(cont'd)*

2.6 Significant accounting estimates and judgements *(cont'd)*

2.6.1 Estimation uncertainty *(cont'd)*

Provision for expected credit losses ("ECLs") of trade receivables *(cont'd)*

The assessment of the correlation between historical observed rates, forecast economic conditions and ECLs are significant estimate. The amount of ECLs are sensitive to changes in circumstances and forecast economic conditions. The Group's historical credit loss experience and forecast of economic conditions may also not be representative of customers' actual default rate in the future. The information about the ECLs on the Group's trade receivables is disclosed in Note 29 to the Financial Statements.

Deferred tax assets

Deferred tax assets are recognised for all deductible temporary differences to the extent that it is probable that future taxable profits will be available against which all the deductible temporary differences can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and level of future taxable profits together with tax planning strategies.

Assumptions about generation of future taxable income depend on management's estimates of future cash flows. These depend on estimates of future production and sales volume, operating costs, capital expenditure, dividends and other capital management transactions. Judgement is also required on the application of income tax legislation. These judgements and assumptions are subject to risks and uncertainties, hence there is a possibility that changes in circumstances will alter expectations, which may impact the amount of deferred tax assets recognised in the financial statements and the amount of unrecognised business losses and unrecognised temporary differences.

Income taxes

Significant judgement is involved in determining the Group's and the Company's provision for income taxes. There are certain transactions and computations for which the ultimate tax determination is uncertain during the ordinary course of business. The Group and the Company recognise tax liabilities based on estimates of whether additional taxes will be due. Where the final tax outcome of these matters is different from the amounts that were initially recognised, such difference will impact the income tax and deferred tax provisions in the period in which such determination is made.

Provision for warranty

A subsidiary of the Group provides warranty for manufacturing defects of its products sold. The product warranty will be in effect based on the subsidiary's normal warranty period of one to three years. The cost of the warranty is estimated based on actual historical expenses incurred and estimated future expenses related to current sales, and are updated periodically.

The estimate has been made on the basis of historical warranty trends and may change as a result of new products introduced, new materials, altered manufacturing process or other events that may affect product quality. In such circumstances, the original basis used to calculate the amounts for warranty may need to be revised when it is appropriate.

NOTES TO THE FINANCIAL STATEMENTS
As at 30 June 2026
cont'd

2. BASIS OF PREPARATION *(cont'd)*

2.6 Significant accounting estimates and judgements *(cont'd)*

2.6.1 Estimation uncertainty *(cont'd)*

Employee share options

The Group and the Company measure the cost of equity-settled transactions with employees by reference to the fair value of the equity instruments at the date at which they are granted. Estimating fair value for share-based payment transactions requires determining the most appropriate valuation model, which is dependent on the terms and conditions of the options granted. This estimate also requires to determine the most appropriate inputs to the valuation model including the expected life of the share options, volatility and dividend yield and making assumptions about them.

The assumptions and model used for estimating fair value for share-based payment transactions, sensitivity analysis and the carrying amounts are disclosed in Note 33 to the Financial Statements.

Defined benefit liability

Management estimates the defined benefit liability annually with the assistance of independent actuaries in the selection of certain assumptions in calculating the obligations and cost of post-employment benefit. Those assumptions include, among others, discount rates, expected rate of return on plan assets and salary rate increase. A significant change in any of these actuarial assumptions may generally affect the recognised expense, other comprehensive income or losses and the carrying amount of the post-employment benefit obligations.

The assumptions used and the fair value for retirement benefits obligations are disclosed in Note 14 to the Financial Statements.

Lease - Estimating the incremental borrowing rate

The Group cannot readily determine the interest rate implicit in the lease, therefore, it uses its incremental borrowing rate ("IBR") to measure lease liabilities. The IBR is the rate of interest that the Group would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment. The IBR therefore reflects what the Group would have to pay, which requires estimation when no observable rates are available or when they need to be adjusted to reflect the terms and conditions of the lease.

2.6.2 Significant management judgement

The following are significant management judgements in applying the accounting policies of the Group that have the significant effects on the financial statements.

Determining the lease term of contracts with renewal and termination options – Group as lessee

The Group determines the lease term as the non-cancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised.

The Group has several lease contracts that include extension and termination options. The Group applies judgement in evaluating whether it is reasonably certain whether or not to exercise the option to renew or terminate the lease. That is, it considers all relevant factors that create an economic incentive for it to exercise either the renewal or termination. After the commencement date, the Group reassesses the lease term if there is a significant event or change in circumstances that is within its control and affects its ability to exercise or not to exercise the option to renew or to terminate.

3. PROPERTY, PLANT AND EQUIPMENT

Group	Right-of-use land and buildings	Leasehold land and land use right	Leasehold buildings	Renovation	Production equipment	Office equipment, electrical installation, furniture and fittings	Motor vehicles	Capital work-in-progress	Total
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
At cost									
Balance at 1 July 2024	17,711	58,007	377,424	35,913	1,063,106	133,344	1,695	4,778	1,691,978
Additions	389	13,815	9,929	3,051	77,515	5,491	-	12,165	122,355
Derecognition #	(1,637)	-	-	-	-	-	-	-	(1,637)
Disposals	-	-	-	-	(41)	(1,668)	-	-	(1,709)
Written off	-	-	-	-	(2,447)	(394)	-	-	(2,841)
Reclassification	-	-	52	-	5,851	987	163	(7,053)	-
Foreign currency translation	(1,831)	(853)	(21,161)	-	(9,821)	(1,869)	(79)	(284)	(35,898)
Balance at 30 June 2025	14,632	70,969	366,244	38,964	1,134,163	135,891	1,779	9,606	1,772,248
Additions	-	-	4,327	356	65,836	8,452	65	3,080	82,116
Disposals	-	-	-	-	(10,037)	(18)	-	-	(10,055)
Written off *	-	-	(1,031)	-	(1,084)	(452)	-	-	(2,567)
Reclassification	-	-	-	4,013	(979)	1,756	-	(4,790)	-
Foreign currency translation	(510)	92	275	-	(1,193)	(339)	(8)	(1)	(1,684)
Balance at 30 June 2026	**14,122**	**71,061**	**369,815**	**43,333**	**1,186,706**	**145,290**	**1,836**	**7,895**	**1,840,058**

3. PROPERTY, PLANT AND EQUIPMENT *(cont'd)*

Group (cont'd)	Right-of-use land and buildings	Leasehold land and land use right	Leasehold buildings	Renovation	Production equipment	Office equipment, electrical installation, furniture and fittings	Motor vehicles	Capital work-in-progress	Total
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Accumulated depreciation									
Balance at 1 July 2024	4,317	15,415	50,597	34,770	706,747	98,440	1,413	-	911,699
Charge for the financial year	968	1,735	13,364	1,072	108,224	12,398	142	-	137,903
Derecognition #	(873)	-	-	-	-	-	-	-	(873)
Disposals	-	-	-	-	(5)	(1,484)	-	-	(1,489)
Written off	-	-	-	-	(2,440)	(387)	-	-	(2,827)
Reclassification	-	-	-	-	(6)	6	-	-	-
Foreign currency translation	(464)	(100)	(3,025)	-	(3,649)	(1,356)	(54)	-	(8,648)
Balance at 30 June 2025	3,948	17,050	60,936	35,842	808,871	107,617	1,501	-	1,035,765
Charge for the financial year	885	1,823	13,200	1,194	99,929	11,765	110	-	128,906
Disposals	-	-	-	-	(10,037)	(16)	-	-	(10,053)
Written off *	-	-	(689)	-	(1,010)	(437)	-	-	(2,136)
Reclassification	-	-	-	-	(1,260)	1,260	-	-	-
Foreign currency translation	(142)	1	(563)	-	(643)	(322)	(3)	-	(1,672)
Balance at 30 June 2026	**4,691**	**18,874**	**72,884**	**37,036**	**895,850**	**119,867**	**1,608**	**-**	**1,150,810**

\# *Derecognition due to lease expiry*

* *Included property, plant and equipment written off amounting to RM428,000 arising from the fire incident, which was recognised under administrative expenses*

3. PROPERTY, PLANT AND EQUIPMENT *(cont'd)*

Group (cont'd)	Right-of-use land and buildings	Leasehold land and land use right	Leasehold buildings	Renovation	Production equipment	Office equipment, electrical installation, furniture and fittings	Motor vehicles	Capital work-in-progress	Total
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Accumulated impairment losses									
Balance at 1 July 2024	-	-	-	-	844	4	-	-	848
Foreign currency translation	-	-	-	-	(91)	-	-	-	(91)
Balance at 30 June 2025	-	-	-	-	753	4	-	-	757
Foreign currency translation	-	-	-	-	(27)	-	-	-	(27)
Balance at 30 June 2026	**-**	**-**	**-**	**-**	**726**	**4**	**-**	**-**	**730**
Carrying amount									
Balance at 30 June 2026	**9,431**	**52,187**	**296,931**	**6,297**	**290,130**	**25,419**	**228**	**7,895**	**688,518**
Balance at 30 June 2025	10,684	53,919	305,308	3,122	324,539	28,270	278	9,606	735,726

NOTES TO THE FINANCIAL STATEMENTS
As at 30 June 2026
cont'd

3. PROPERTY, PLANT AND EQUIPMENT *(cont'd)*

Company	Renovation	Office equipment	Motor vehicles	Total
	RM'000	RM'000	RM'000	RM'000
At cost				
Balance at 1 July 2024	158	419	191	768
Additions	6	18	-	24
Written off	-	(1)	-	(1)
Balance at 30 June 2025	164	436	191	791
Additions	-	6	-	6
Balance at 30 June 2026	**164**	**442**	**191**	**797**
Accumulated depreciation				
Balance at 1 July 2024	112	380	191	683
Charge for the financial year	23	27	-	50
Written off	-	(1)	-	(1)
Balance at 30 June 2025	135	406	191	732
Charge for the financial year	18	16	-	34
Balance at 30 June 2026	**153**	**422**	**191**	**766**
Carrying amount				
Balance at 30 June 2026	**11**	**20**	**-**	**31**
Balance at 30 June 2025	29	30	-	59

(a) Included in the Group's carrying amounts of property, plant and equipment amounting to RM1,612,000 (2025: RM1,676,000) of leasehold land and buildings are pledged to licensed banks for trade facilities of a subsidiary.

(b) Information about right-of-use assets:-

(i) Included in the carrying amounts of property, plant and equipment are right-of-use assets acquired under lease arrangements as follows:-

	Group	
	2026	2025
	RM'000	RM'000
Right-of-use land and buildings	**9,431**	10,684
Leasehold land and land use right:-		
- Leasehold land with unexpired lease period of less than 60 years	**45,156**	46,814
- Prepaid land lease payments with unexpired lease period of less than 60 years	**7,031**	7,105
Leasehold buildings	**296,931**	305,308
Production equipment	**336**	385
	358,885	370,296

NOTES TO THE FINANCIAL STATEMENTS
As at 30 June 2026
cont'd

3. PROPERTY, PLANT AND EQUIPMENT *(cont'd)*

(b) Information about right-of-use assets:- *(cont'd)*

(ii) Additions to the right-of-use assets are as follows:-

	Group	
	2026	**2025**
	RM'000	**RM'000**
Right-of-use land and buildings	**-**	389
Leasehold land and land use right	**-**	13,815
Leasehold buildings	**4,327**	9,929

(iii) Depreciation of right-of-use assets are as follows:-

	Group	
	2026	**2025**
	RM'000	**RM'000**
Right-of-use land and buildings	**885**	968
Leasehold land and land use right	**1,823**	1,735
Leasehold buildings	**13,200**	13,364
Production equipment	**49**	47

Material accounting policy information

Property, plant and equipment

All property, plant and equipment are measured at cost less accumulated depreciation and less accumulated impairment losses, if any.

Depreciation is recognised on a straight-line method in order to write off the cost of each asset over its estimated useful life. Property, plant and equipment are depreciated based on the estimated useful lives of the assets as follows:-

Leasehold land and land use right	Over the lease period of 25 to 60 years
Leasehold buildings	Over the lease period of 10 to 60 years
Renovation	3 to 10 years
Production equipment	3 to 12 years
Office equipment, electrical installation, furniture and fittings	3 to 10 years
Motor vehicles	5 years

Capital work-in-progress consists of property, plant and equipment under construction/installation for its intended use. It is reclassified to respective classes of property, plant and equipment once it is available for use. Capital work-in-progress is stated at cost and it is not depreciated until it is completed and ready for its intended use.

NOTES TO THE FINANCIAL STATEMENTS
As at 30 June 2026
cont'd

3. PROPERTY, PLANT AND EQUIPMENT *(cont'd)*

Material accounting policy information *(cont'd)*

Right-of-use assets

The Group recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets, as follows:-

- Right-of-use land and buildings — 2 to 25 years
- Right-of-use production equipment — 12 years

If ownership of the leased asset transfers to the Group at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset.

4. INVESTMENT IN SUBSIDIARIES

	Company	
	2026	**2025**
	RM'000	**RM'000**
At cost		
Unquoted ordinary shares	**144,350**	144,350
Unquoted redeemable convertible preference shares	**1,112,279**	1,080,678
Allocated ESOS charge in respect of share options granted to the employees of subsidiaries	**104,786**	102,073
Less: Accumulated impairment loss		
At beginning of financial year	**(43,771)**	(43,771)
Recognised during the financial year	**-**	-
At end of financial year	**(43,771)**	(43,771)
	1,317,644	1,283,330

The Company conducted an impairment review of its investment in subsidiaries at the reporting date principally based on the Company's share of net assets in these subsidiary companies, which represents the Management's estimation on the recoverable amount of the subsidiary companies. The review gave rise to the recognition of impairment in a subsidiary which the carrying amount of the subsidiary is stated to its recoverable amount. The recoverable amount of the subsidiary is measured according to the level 3 in the fair value hierarchy as disclosed in Note 2.2 to the Financial Statements. Details of the level 3 fair value method used in obtaining the recoverable amount are as follows:-

- **Valuation method and key inputs**
  Adjusted net asset method which derives the fair value of an investee's equity instruments by reference to the fair value of its assets and liabilities

- **Significant unobservable inputs**
  Fair value of individual assets and liabilities

- **Relationship of unobservable inputs and fair value**
  The higher the net assets, the higher the fair value

NOTES TO THE FINANCIAL STATEMENTS
As at 30 June 2026
cont'd

4. INVESTMENT IN SUBSIDIARIES *(cont'd)*

The details of the subsidiaries are as follows:-

Name of subsidiaries	Place of incorporation and principal place of business	Effective equity interest		Principal activities
		2026	2025	
		%	%	
Inari Technology Sdn. Bhd. ("ITSB")	Malaysia	**100**	100	Manufacturing of semiconductor related products and provision of electronic manufacturing services.
Inari Semiconductor Labs Sdn. Bhd. ("ISL")	Malaysia	**100**	100	Manufacturing of semiconductor related products, chip fabrication, die preparation and testing.
Inari Integrated Systems Sdn. Bhd. ("IIS")	Malaysia	**100**	100	Manufacturing of semiconductor related products and final testing of advanced communication chips.
Inari South Keytech Sdn. Bhd. ("ISK")	Malaysia	**100**	100	Designing, developing and manufacturing of fiber optic products.
Inari Optical Technology Sdn. Bhd. ("IOT")	Malaysia	**100**	100	Manufacturing, assembling and testing of optoelectronic and sensor components, modules and systems.
Inari Datamation Systems Sdn. Bhd. ("IDSSB")	Malaysia	**100**	100	Information technology consulting services, data processing solutions and information technology related services.
Inari Matrix Sdn. Bhd. ("IMSB")	Malaysia	**100**	100	Investment holding.
Simfoni Bistari Sdn. Bhd. ("SB")	Malaysia	**100**	100	Investment holding and property investment.
Inari International Limited ("IIL") *	Cayman Islands	**100**	100	Investment holding.
Inari Global (HK) Limited ("IGHK") *	British Virgin Islands	**100**	100	Dormant.
<u>Held through ISL</u>				
Hektar Teknologi Sdn. Bhd. ("HT")	Malaysia	**100**	100	Property investment.
<u>Held through IMSB</u>				
Inari MIT Sdn. Bhd. ("IMJV")	Malaysia	**51**	51	Design, assembly and supply of semiconductor manufacturing process tools, customised semiconductor process tools and parts.
<u>Held through IIL</u>				
Amertron Inc. (Global) Limited ("AIG") *	Cayman Islands	**100**	100	Investment holding.

NOTES TO THE FINANCIAL STATEMENTS
As at 30 June 2026
cont'd

4. INVESTMENT IN SUBSIDIARIES *(cont'd)*

The details of the subsidiaries are as follows:- *(cont'd)*

Name of subsidiaries	Place of incorporation and principal place of business	Effective equity interest		Principal activities
		2026	2025	
		%	%	
Held through AIG				
Amertron Incorporated ("AIP") #	Philippines	**100**	100	Manufacturing of electronic and semiconductor related products and services include electronics optical fiber devices.
Amertron International Limited ("AIL") #	Hong Kong	**100**	100	Investment holding.
Held through AIL				
Yiwu Semiconductor International Corporation ("YSIC") #	People's Republic of China	**54.5**	54.5	Manufacturing of semiconductor related products and services.
Held through YSIC/AIL				
Amertron Technology (Kunshan) Co. Ltd. ("ATK") #	People's Republic of China	**54.5**	54.5	Manufacturing of semiconductor related products and services include optoelectronics devices.

Audited by other member firms of Grant Thornton International Limited ("Grant Thornton")
** Audited by Grant Thornton Malaysia PLT for the purpose of forming group opinion*

(a) The Company subscribed for additional redeemable convertible preference shares ("RCPS") in its existing subsidiaries by capitalising the amount due from the subsidiaries during the financial year as follows:-

	Number of RCPS		Amount	
	2026	2025	2026	2025
	Unit'000	Unit'000	RM'000	RM'000
Subsidiaries				
HT	**633**	2,000	**633**	2,000
ISL	**3,234**	28,200	**3,234**	28,200
ITSB	**26,933**	55,400	**26,933**	55,400
SB	**801**	1,600	**801**	1,600
			31,601	87,200

NOTES TO THE FINANCIAL STATEMENTS
As at 30 June 2026
cont'd

4. INVESTMENT IN SUBSIDIARIES *(cont'd)*

(b) Non-controlling interests in subsidiaries

The details of the Group's subsidiaries that have material non-controlling interest at the end of the reporting year are as follows:-

	Yiwu Semiconductor International Corporation Group	Other Individually Immaterial Subsidiary	Total
2026			
Percentage of ownership interest and voting interest (%)	**45.5**		
Carrying amount of non-controlling interest (RM'000)	**319,730**	**2,394**	**322,124**
Loss allocated to non-controlling interest (RM'000)	**(4,089)**	**(817)**	**(4,906)**
2025			
Percentage of ownership interest and voting interest (%)	45.5		
Carrying amount of non-controlling interest (RM'000)	323,452	3,211	326,663
Loss allocated to non-controlling interest (RM'000)	(5,325)	(273)	(5,598)

The summary of financial information before intra-group elimination for the Group's subsidiary that has material non-controlling interest is as follows:-

	Yiwu Semiconductor International Corporation Group	
	2026	2025
	RM'000	RM'000
Summary of financial position		
Non-current assets	**398,251**	418,274
Current assets	**592,350**	585,558
Non-current liabilities	**-**	(55)
Current liabilities	**(27,683)**	(32,687)
Net assets	**962,918**	971,090

NOTES TO THE FINANCIAL STATEMENTS
As at 30 June 2026
cont'd

4. INVESTMENT IN SUBSIDIARIES *(cont'd)*

(b) Non-controlling interests in subsidiaries *(cont'd)*

The summary of financial information before intra-group elimination for the Group's subsidiary that has material non-controlling interest is as follows:- *(cont'd)*

	Yiwu Semiconductor International Corporation Group	
	2026	**2025**
	RM'000	**RM'000**
Summary of financial performance for the financial year		
Loss after tax	**(8,979)**	(11,695)
Other comprehensive income/(loss)	**807**	(105,643)
Total comprehensive loss	**(8,172)**	(117,338)
Included in the total comprehensive loss is:		
Revenue*	**84,750**	77,768
Summary of cash flows for the financial year		
Net cash outflows from operating activities	**(8,240)**	(5,871)
Net cash (outflows)/inflows from investing activities	**(291,027)**	6,774
Net cash outflows from financing activities	**(469)**	(524)

* *Revenue generated from ATK*

5. INTANGIBLE ASSETS

		Group	
	Note	**2026**	**2025**
		RM'000	**RM'000**
Goodwill	(a)	**9,442**	9,783
Patents	(b)	**355**	107
		9,797	9,890

(a) Goodwill	Group	
	2026	**2025**
	RM'000	**RM'000**
At cost		
At beginning of financial year	**9,783**	10,948
Foreign currency translation	**(341)**	(1,165)
At end of financial year	**9,442**	9,783

NOTES TO THE FINANCIAL STATEMENTS
As at 30 June 2026
cont'd

5. INTANGIBLE ASSETS *(cont'd)*

(a) Goodwill *(cont'd)*

Goodwill is allocated to the Group's operating divisions which represent the lowest level within the Group at which the goodwill is monitored for internal management purpose. The aggregate carrying amounts of goodwill allocated to each cash generating units are as follows:-

		Group	
		2026	**2025**
		RM'000	**RM'000**
AIG's group of subsidiaries	(i)	**2,162**	2,240
YSIC	(ii)	**7,280**	7,543
		9,442	9,783

(i) AIG's group of subsidiaries

For annual impairment testing purposes, the recoverable amount of the cash generating units are determined based on the value-in-use, which applies a discounted cash flow model using cash flow projections based on approved financial budget and projections.

The key assumptions on which the management has based on for the computation of value-in-use are as follows:-

- Cash flow projections and growth rate

  The five (5) years cash flow projections are based on past experience and the five (5) years business plan. The anticipated annual revenue growth rate applied for the five (5) years cash flow projections is 5% (2025: 5%) derived through past experience. A terminal value is assigned at the end of the five (5) years cash flow projections based on an assumed growth rate of 1% (2025: 1%) in perpetuity. The growth rate of 1% (2025: 1%) is in line with information obtained from external sources.

- Pre-tax discount rate

  The pre-tax discount rate applied is 10% (2025: 9%), based on the weighted average cost of capital of the Group adjusted to reflect the specific risks relating to the relevant business segments.

With regards to the assessments of value-in-use of these CGUs, management believes that no reasonably possible changes in any of the key assumptions would cause the carrying values of these units to differ materially from their recoverable amounts except for the changes in prevailing operating environment which is not reasonable.

(ii) YSIC

For annual impairment testing purposes, the recoverable amount of the cash generating units are determined using fair value less cost of disposals. The fair value of the valuation is determined by an external independent valuer, having appropriate recognised professional qualification and experience. The fair value determined using comparison method classified under level 2 and fair value determined using cost method classified under level 3.

NOTES TO THE FINANCIAL STATEMENTS
As at 30 June 2026
cont'd

5. INTANGIBLE ASSETS *(cont'd)*

(a) Goodwill *(cont'd)*

(ii) YSIC *(cont'd)*

The valuation method for land is based on comparison approach which entails analysing recent sale transactions and asking prices of similar property in and around the locality for comparison purposes with adjustments made for differences in location, size, age and condition of unit, tenure, title restrictions (if any) and other relevant characteristics to arrive at the market value.

The valuation method for building and plant and machineries was depreciated based on replacement cost approach. The depreciated replacement cost method for building is based on the amount of reconstruction cost of the building according to the current market prices net of depreciation.

The depreciated replacement cost method for plant and machineries considers first to establish the cost of replacement, new, or the cost to reproduce or replace in new condition the assets appraised, with the same or of equivalent utility. The net value arrived at after deducting from the cost of replacement or new considerations for the depreciation due to physical deterioration arising from utility, age, wear and tear, and where further adjustments are made either upward or downward as to the appraiser's judgement of his observed condition of the asset, obsolescence (if any) and other relevant contributory factors which would either adversely or positively affect the value of the assets at the time of inspection, would be the accumulated depreciated value, or the fair market value.

(b) Patents

	Group	
	2026	**2025**
	RM'000	**RM'000**
At cost		
At beginning of financial year	**118**	34
Additions	**270**	84
At end of financial year	**388**	118
Accumulated amortisation		
At beginning of financial year	**11**	2
Additions	**22**	9
At end of financial year	**33**	11
Net carrying amount	**355**	107

Patents refer to the Group's intellectual property rights in utility innovation having an average remaining amortisation period range from 9 to 19 years (2025: 18 to 19 years).

As at the reporting date, the Group has incurred an amount of RM649,000 (2025: RM769,000) in relation to the application of patent rights which still pending for approval by the authority of respective jurisdictions and have yet to be capitalised under intangible assets.

NOTES TO THE FINANCIAL STATEMENTS
As at 30 June 2026
cont'd

5. INTANGIBLE ASSETS *(cont'd)*

(b) Patents *(cont'd)*

Material accounting policy information

Intangible assets, other than goodwill, that are acquired by the Group, which have finite useful lives, are measured at cost less accumulated amortisation and any accumulated impairment losses. The patents are amortised based on the estimated useful lives of 10 to 20 years.

6. DEFERRED TAX ASSETS/(LIABILITIES)

	Deferred tax assets		Deferred tax liabilities	
	2026	2025	2026	2025
	RM'000	RM'000	RM'000	RM'000
Group				
Balance at beginning	**23,966**	19,913	**(10,780)**	(13,350)
Recognised in profit or loss	**5,796**	4,156	**(256)**	2,245
Recognised in other comprehensive (loss)/income	**(25)**	1	**-**	-
Foreign currency translation	**(23)**	(104)	**94**	325
Balance at end	**29,714**	23,966	**(10,942)**	(10,780)

Deferred tax assets and liabilities are attributable to the following:-

	Deferred tax assets		Deferred tax liabilities		Net	
	2026	2025	2026	2025	2026	2025
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Group						
Inventories	**3,776**	3,147	**-**	-	**3,776**	3,147
Property, plant and equipment	**2,983**	477	**(18,421)**	(19,786)	**(15,438)**	(19,309)
Provisions	**16,037**	16,461	**-**	-	**16,037**	16,461
Retirement benefits obligations	**146**	156	**-**	-	**146**	156
Unutilised capital allowances	**13,777**	12,373	**-**	-	**13,777**	12,373
Others	**524**	476	**(50)**	(118)	**474**	358
Deferred tax assets/ (liabilities)	**37,243**	33,090	**(18,471)**	(19,904)	**18,772**	13,186
Set-off of deferred tax (liabilities)/ assets	**(7,529)**	(9,124)	**7,529**	9,124	**-**	-
Net deferred tax assets/(liabilities)	**29,714**	23,966	**(10,942)**	(10,780)	**18,772**	13,186

NOTES TO THE FINANCIAL STATEMENTS
As at 30 June 2026
cont'd

7. INVENTORIES

	Group	
	2026	2025
	RM'000	RM'000
At net carrying amount		
Raw materials	**139,528**	146,053
Work-in-progress	**20,354**	21,560
Finished goods	**8,255**	7,529
Consumables	**1,953**	3,921
	170,090	179,063
Recognised in profit or loss:-		
Inventories recognised as cost of sales	**946,591**	1,048,999
Allowance for slow moving inventories	**2,797**	882
Inventories written off due to fire incident *	**21,056**	-

* *Recognised under administrative expenses*

Material accounting policy information

Cost of work-in-progress and finished goods consists of cost of raw materials used, direct labour and a proportion of production overheads incurred; while the cost of raw materials and consumables consists of the purchase price plus the cost of bringing the inventories to their present location. Cost of all inventories is determined on the weighted average cost basis.

8. TRADE RECEIVABLES

Trade receivables are generally extended to 30 to 60 days (2025: 30 to 60 days) credit terms. They are recognised at their original invoice amounts which represent their fair values on initial recognition.

9. OTHER RECEIVABLES, DEPOSITS AND PREPAYMENTS

	Group		Company	
	2026	2025	2026	2025
	RM'000	RM'000	RM'000	RM'000
Other receivables	**36,515**	29,359	**226**	57
Advance to suppliers	**4,324**	3,619	**-**	-
Deposits	**4,843**	5,058	**18**	15
Prepayments	**24,240**	8,765	**143**	113
	69,922	46,801	**387**	185

Included in deposits of the Group and of the Company are rental and utility deposits amounting to RM8,000 (2025: RM8,000) paid to a subsidiary of a substantial corporate shareholder of the Company.

NOTES TO THE FINANCIAL STATEMENTS
As at 30 June 2026
cont'd

10. AMOUNT DUE FROM SUBSIDIARIES

The amount due from subsidiaries represents dividend receivable which will be received upon the dividend payment date.

The Company has not recognised any loss allowance as the subsidiaries are having good financial standing. The risk of default is expected to be zero as there was no previous history of default.

11. DEPOSITS, CASH AND BANK BALANCES

	Group		Company	
	2026	2025	2026	2025
	RM'000	RM'000	RM'000	RM'000
Cash in hand	**55**	74	**4**	4
Cash at banks	**228,816**	389,132	**24,296**	73,447
Cash and bank balances	**228,871**	389,206	**24,300**	73,451
Short-term deposits with licensed financial institutions	**1,279,189**	1,344,662	**991,247**	880,169
Fixed deposits with maturity more than 3 months	**706,084**	407,545	**22,325**	22,556
Deposits with licensed banks	**1,985,273**	1,752,207	**1,013,572**	902,725
Total deposits, cash and bank balances	**2,214,144**	2,141,413	**1,037,872**	976,176

Short-term deposits with licensed financial institutions represent funds placed in Repo and Money Market with effective interest rates ranging from 0.45% to 3.66% (2025: 0.35% to 4.63%) per annum.

The effective interest rates of the fixed deposits with maturity period of more than 3 months as at the reporting date range from 1.10% to 3.85% (2025: 1.30% to 5.12%) per annum.

12. SHARE CAPITAL

	Group and Company			
	Number of ordinary shares		Amount	
	2026	2025	2026	2025
	Unit	Unit	RM'000	RM'000
Issued and fully paid with no par value:-				
Balance at beginning	**3,788,947,899**	3,774,300,399	**2,186,850**	2,144,293
Issued pursuant to exercise of ESOS	**36,027,300**	14,647,500	**64,085**	42,557
Balance at end	**3,824,975,199**	3,788,947,899	**2,250,935**	2,186,850

The new ordinary shares issued during the financial year rank pari passu in all respect with the existing ordinary shares of the Company.

The holders of ordinary shares are entitled to receive dividends as and when declared by the Company. All ordinary shares carry one vote per share without restrictions and rank equally with regard to the Company's residual assets.

NOTES TO THE FINANCIAL STATEMENTS
As at 30 June 2026
cont'd

13. OTHER RESERVES

	Note	Group		Company	
		2026	2025	2026	2025
		RM'000	RM'000	RM'000	RM'000
Non-distributable					
Capital reserve	(a)	**5,387**	5,387	**-**	-
Foreign currency translation reserve	(b)	**(28,470)**	(22,552)	**-**	-
ESOS reserve	(c)	**14,432**	14,098	**14,432**	14,098
		(8,651)	(3,067)	**14,432**	14,098

(a) Capital reserve

Capital reserve relates to fair value adjustment to the shares issued for the acquisition of subsidiaries.

(b) Foreign currency translation reserve

The foreign currency translation reserve is in respect of foreign exchange differences on translation of the financial statements of the Group's foreign subsidiaries.

(c) ESOS reserve

The ESOS reserve represents the equity-settled share options granted to eligible employees of the Group and of the Company. The ESOS reserve is made up of the cumulative value of services received from employees at grant date of the share options and is reduced by the expiry or exercise of the share options. The salient terms and key assumptions in deriving the fair value of the ESOS are disclosed in Note 33 to the Financial Statements.

14. RETIREMENT BENEFITS OBLIGATIONS

An indirect wholly-owned subsidiary of the Company maintains a funded, non-contributory defined benefit retirement plan for all qualifying employees. Under the retirement plan, the retirement age is 60 years. The benefit is paid in a lump sum upon retirement of separation in accordance with the terms of the plan.

The retirement benefits are administered by a trustee bank that is legally separated from the subsidiary and under supervision of the Board of Trustees of the plan, as required by relevant law in that jurisdiction.

NOTES TO THE FINANCIAL STATEMENTS
As at 30 June 2026
cont'd

14. RETIREMENT BENEFITS OBLIGATIONS *(cont'd)*

The following table shows a reconciliation from the opening balance to the closing balance for the net defined benefit liability and its components.

	Group					
	Defined benefit obligations		Fair value of plan assets		Net defined benefit liability	
	2026	2025	2026	2025	2026	2025
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Balance at beginning	**6,218**	5,820	**(3,111)**	(3,351)	**3,107**	2,469
Included in profit or loss						
Current service cost	**488**	650	**-**	-	**488**	650
Interest cost/ (income)	**377**	368	**(186)**	(212)	**191**	156
	865	1,018	**(186)**	(212)	**679**	806
Included in other comprehensive loss						
Remeasurement (gain)/loss						
- Actuarial gain arising from:						
Financial assumptions	**(369)**	-	**-**	-	**(369)**	-
Experience adjustment	**(265)**	-	**-**	-	**(265)**	-
- Return on plan assets	**-**	-	**125**	19	**125**	19
	(634)	-	**125**	19	**(509)**	19
Benefits paid	**(65)**	(211)	**65**	211	**-**	-
Foreign currency translation	**(710)**	(409)	**351**	222	**(359)**	(187)
Balance at end	**5,674**	6,218	**(2,756)**	(3,111)	**2,918**	3,107

The fair value of plan assets available for retirement benefits is as follows:-

	Group	
	2026	2025
	RM'000	RM'000
Investments	**2,756**	3,111

14. RETIREMENT BENEFITS OBLIGATIONS *(cont'd)*

Investments represent investment in debt securities pertaining to government and corporate bonds that are carried at fair value and unit investment trust funds that are valued by the fund manager at fair value using the market-to-market valuation. While no significant changes in asset allocation are expected in the next reporting period, the Retirement Plan Trustee may make changes in any time.

Actuarial valuations are made to update the retirement benefit costs and the amount of contributions. The valuation of retirement benefit plan as of 30 June 2026 was based on latest available actuarial valuation report calculated by independent qualified actuaries.

In determining the amounts of the retirement benefits obligations, the following significant actuarial assumptions were used:-

	Group	
	2026	**2025**
Discount rate (%)	**7.02**	6.58
Salary increase rate (%)	**3.00**	3.00
Projected retirement benefit (per year of service)	**22.5 days**	22.5 days
Withdrawal rates (%)		
Age		
19-24	**7.70**	7.70
25-29	**5.90**	5.90
30-34	**3.30**	3.30
35-39	**1.20**	1.20
40-44	**0.70**	0.70
≥ 45	**0.40**	0.40

The sensitivity analysis below has been determined based on reasonably possible changes of each significant assumption on retirement benefits obligations as of 30 June 2026, assuming all other assumptions were held constant.

(i) If the discount rate is 1.00% higher (lower), the retirement benefits obligations would decrease by RM853,000 (increase by RM714,000) (2025: decrease by RM539,000 and increase by RM670,000); and

(ii) If the salary growth rate is 1.00% higher (lower), the retirement benefits obligations would increase by RM880,000 (decrease by RM746,000) (2025: increase by RM689,000 and decrease by RM561,000).

NOTES TO THE FINANCIAL STATEMENTS
As at 30 June 2026
cont'd

15. LEASE LIABILITIES

	Group	
	2026	2025
	RM'000	RM'000
Balance at beginning	**14,682**	16,699
Additions	**-**	389
Interest expense	**1,444**	1,553
Repayment of principal	**(503)**	(531)
Repayment of interest	**(1,312)**	(1,042)
Derecognition	**-**	(764)
Foreign currency translation	**(474)**	(1,622)
Balance at end	**13,837**	14,682
Analysed by:-		
Current liabilities	**108**	496
Non-current liabilities	**13,729**	14,186
	13,837	14,682

The interest rates of the lease liabilities ranging from 4.63% to 10.50% (2025: 4.63% to 10.50%) per annum. The interest rates are fixed at the inception of the finance lease arrangements.

The total cash outflows for leases as a lessee are as follows:-

	Group		Company	
	2026	2025	2026	2025
	RM'000	RM'000	RM'000	RM'000
Lease liabilities:				
- Principal	**503**	531	**-**	-
- Interest paid	**1,312**	1,042	**-**	-
Short-term leases				
- Equipment	**3,191**	1,397	**-**	-
- Office premises	**73**	71	**47**	47
- Commercial vehicle	**501**	521	**-**	-
- Staff hostel	**469**	587	**-**	-
- Warehouse	**14**	48	**-**	-
Lease of low-value assets				
- Equipment	**182**	127	**1**	1
	6,245	4,324	**48**	48

15. LEASE LIABILITIES *(cont'd)*

Material accounting policy information

The Group applies the short-term lease recognition exemption to its short-term leases of equipment, office premises and factory (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases of equipment that are considered to be of low value. Lease payments on short-term leases and leases of low-value assets are recognised as expenses on a straight-line basis over the lease term.

16. TRADE PAYABLES

The normal credit terms granted by trade payables range from 30 to 90 days (2025: 30 to 90 days).

Included in trade payables of the Group is an amount of RM5,592,000 (2025: RM13,360,000) owing to a related party which is a corporate shareholder of IMJV and is subject to the normal credit terms.

17. OTHER PAYABLES, ACCRUALS AND OTHER LIABILITIES

		Group		Company	
	Note	2026	2025	2026	2025
		RM'000	RM'000	RM'000	RM'000
Other payables and accruals	(a)	**125,890**	103,448	**10,750**	2,247
Amount due to customers	(b)	**7,929**	813	**-**	-
Refund liabilities	(c)	**43,669**	39,358	**-**	-
Provision of warranty	(d)				
- Balance at beginning		**4,340**	4,440	**-**	-
- Reversal of provision of warranty		**(900)**	(100)	**-**	-
- Balance at end		**3,440**	4,340	**-**	-
		180,928	147,959	**10,750**	2,247

(a) During the financial year, the Group recognises provisions amounting to RM20,377,000 in respect of losses arising from a fire incident involving consigned inventories and consigned property, plant and equipment.

(b) Amount due to customers arises from an exclusive agreement with certain customers wherein the difference between the purchase price and the standard cost of raw materials used in the manufacturing of specific product lines being sold to the said customers will be made payable to or receivable from the said customers, depending on the balance of the variance.

(c) Refund liabilities included provision for retrospective volume rebates to certain customers once the quantity of products assembled and tested during the period exceeds a threshold specified in the contract. Rebates are offset against amounts payable by the customers. To estimate the variable consideration for the expected future rebates, the Group applies the expected value method for contracts with more than one volume threshold.

The selected method that best predicts the amount of variable consideration is primarily driven by the number of volume thresholds contained in the contract. The Group then applies the requirements on constraining estimates of variable consideration and recognises a refund liability for the expected future rebates.

(d) Provision for warranty includes the cost of labour, material and related overhead necessary to repair a product during the warranty period. The warranty period is usually for a period of between one (1) to three (3) years. The Group accrues for the estimated cost of the warranty in the provision for warranty upon recognition of sale of the products or upon the products shipped, based on the Directors' best estimate of the expenditure required to settle the Group's obligation. Actual warranty costs are charged against the provision for warranty.

NOTES TO THE FINANCIAL STATEMENTS
As at 30 June 2026
cont'd

18. REVENUE

(a) Disaggregated revenue information

	Group		Company	
	2026	2025	2026	2025
	RM'000	RM'000	RM'000	RM'000
Types of goods or services				
Outsourced semiconductor assembly and test services	**1,179,755**	1,344,748	**-**	-
Electronic manufacturing services	**7,499**	7,189	**-**	-
Gross dividend income from subsidiaries	**-**	-	**163,526**	206,000
Management fee from a subsidiary	**-**	-	**1,680**	1,680
	1,187,254	1,351,937	**165,206**	207,680
Geographical markets				
Malaysia	**79,610**	64,501	**165,206**	207,680
Singapore	**993,175**	1,176,139	**-**	-
China	**65,223**	78,194	**-**	-
United States	**40,291**	3,671	**-**	-
Hong Kong	**5,033**	27,758	**-**	-
Others	**3,922**	1,674	**-**	-
	1,187,254	1,351,937	**165,206**	207,680
Timing of revenue recognition				
At a point in time	**1,187,254**	1,351,937	**-**	-
Overtime	**-**	-	**1,680**	1,680

(b) Performance obligations

The performance obligation for outsourced semiconductor assembly and test services is satisfied upon services rendered.

The performance obligation for electronic manufacturing services is satisfied upon delivery of goods.

The obligations for rebates, warranty and other similar or related obligations are disclosed in Note 17 to the Financial Statements.

There were no remaining performance obligations unsatisfied as at the reporting date.

(c) Contract balances

		Group	
	Note	2026	2025
		RM'000	RM'000
Trade receivables	8	**195,147**	197,338
Refund liabilities	17	**(43,669)**	(39,358)
Amount due to customers	17	**(7,929)**	(813)

NOTES TO THE FINANCIAL STATEMENTS
As at 30 June 2026
cont'd

18. REVENUE *(cont'd)*

(c) Contract balances *(cont'd)*

The trade receivables balances in relation to the revenue from contracts with customers and the related payment terms are disclosed in Note 8 to the Financial Statements.

There were no contract liabilities at the reporting date and previous years presented and no revenue was recognised from performance obligations satisfied in previous years.

19. FINANCE COSTS

	Group	
	2026	**2025**
	RM'000	**RM'000**
Lease liabilities interest	**1,444**	1,553
Retirement benefits obligations	**377**	368
	1,821	1,921

20. PROFIT BEFORE TAX

Profit before tax has been determined after charging/(crediting), amongst other items, the following:-

	Group		Company	
	2026	**2025**	**2026**	**2025**
	RM'000	**RM'000**	**RM'000**	**RM'000**
Auditors' remunerations:				
Grant Thornton Malaysia PLT				
- statutory audit	**348**	332	**85**	85
- other services	**12**	12	**12**	12
Grant Thornton's member firms				
- statutory audit	**139**	146	**-**	-
- other services	**83**	100	**14**	14
Directors' fees	**1,002**	995	**1,002**	995
Non-Executive Directors' allowance	**47**	41	**47**	41
Realised loss on foreign exchange	**6,559**	6,742	**79**	96
Inventories written off due to fire incident	**21,056**	-	**-**	-
Property, plant and equipment written off due to fire incident	**428**	-	**-**	-
Provision for loss on consigned inventories due to fire incident	**16,776**	-	**-**	-
Provision for loss on consigned property, plant and equipment due to fire incident	**3,601**	-	**-**	-
Rental income	**(3,095)**	(2,867)	**-**	-

NOTES TO THE FINANCIAL STATEMENTS
As at 30 June 2026
cont'd

21. TAX EXPENSE

	Group		Company	
	2026	2025	2026	2025
	RM'000	RM'000	RM'000	RM'000
Income tax expense recognised in profit or loss				
Current tax expense:-				
- Malaysia	**11,307**	14,153	**730**	736
- Overseas	**3,596**	3,716	**-**	-
Deferred tax	**(5,582)**	(7,880)	**-**	-
Under/(Over) provision in prior years:-				
- Current tax	**5,599**	(4,292)	**(18)**	(22)
- Deferred tax	**42**	1,479	**-**	-
	5,641	(2,813)	**(18)**	(22)
	14,962	7,176	**712**	714

	Group	
	2026	2025
	RM'000	RM'000
Income tax expense recognised in other comprehensive income		
Deferred tax related to retirement benefits obligations	**25**	(1)

The reconciliation of tax expense of the Group and of the Company are as follows:-

	Group		Company	
	2026	2025	2026	2025
	RM'000	RM'000	RM'000	RM'000
Profit before tax	**137,553**	220,323	**185,773**	228,543
Income tax at Malaysian statutory tax rate of 24% (2025: 24%)	**33,013**	52,877	**44,586**	54,850
Tax effects in respect of:-				
Different tax rates in other countries	**9,215**	(987)	**-**	-
Income not subject to tax	**(11,454)**	(12,296)	**(46,223)**	(56,964)
Expenses not deductible for tax purposes	**8,688**	11,032	**2,367**	2,850
Double deduction of expenses for tax purposes	**-**	-	**-**	-
Pioneer income not subject to tax	**(30,101)**	(40,353)	**-**	-
Movement of deferred tax assets not recognised	**(40)**	(284)	**-**	-
Under/(Over) provision in prior years	**5,641**	(2,813)	**(18)**	(22)
Total tax expense	**14,962**	7,176	**712**	714

NOTES TO THE FINANCIAL STATEMENTS
As at 30 June 2026
cont'd

21. TAX EXPENSE *(cont'd)*

Malaysian income tax is calculated at the statutory tax rate of 24% (2025: 24%) of estimated assessable profits for the financial year.

Tax expense for the other taxation authorities is calculated at the rates prevailing in those respective jurisdictions.

The above recognised tax amounts are subject to acceptance of the respective countries relevant tax authorities.

A subsidiary of the Company had been granted pioneer status under the Promotion of Investments Act, 1986 by Malaysian Investment Development Authority ("MIDA") which exempts 100% of statutory income derived from 5G RF system products for five years with effect from 1 September 2022 to 31 August 2027.

The deferred tax assets not recognised as at the reporting date are as follows:-

	Group	
	2026	**2025**
	RM'000	**RM'000**
Unabsorbed business losses	**25,672**	25,672
Unutilised capital allowances	**12,039**	12,206
	37,711	37,878

The potential deferred tax assets in respect of these items have not been recognised as it is uncertain whether sufficient future taxable profits will be available against which certain subsidiaries can utilise the benefits. The unabsorbed business losses and unutilised capital allowances of the Group are available for offsetting against future taxable profits of respective subsidiaries, subject to no substantial changes in shareholdings of those entities under the Income Tax Act 1967 and subject to the relevant provision of Income Tax Act 1967.

The expiry terms of the unabsorbed business losses are as follows:-

	Group	
	2026	**2025**
	RM'000	**RM'000**
Year of assessment 2028	**23,028**	23,028
Year of assessment 2029	**645**	645
Year of assessment 2030	**416**	416
Year of assessment 2031	**391**	391
Year of assessment 2032	**342**	342
Year of assessment 2033	**850**	850
	25,672	25,672

NOTES TO THE FINANCIAL STATEMENTS
As at 30 June 2026
cont'd

22. EARNINGS PER SHARE

(a) Basic

The basic earnings per share of the Group is calculated by dividing the profit attributable to owners of the Company to the weighted average number of shares in issue during the reporting year as follows:-

	Group	
	2026	**2025**
Profit attributable to owners of the Company (RM'000)	**127,497**	218,745
Issued shares at 1 July (unit'000)	**3,788,948**	3,774,300
Effects of ordinary shares issued during the financial year (unit'000)	**11,614**	13,071
Weighted average number of ordinary shares at 30 June (unit'000)	**3,800,562**	3,787,371
Basic earnings per share (sen)	**3.35**	5.78

(b) Diluted

The calculation of diluted earnings per share is calculated by dividing the profit attributable to owners of the Company to the weighted average number of shares outstanding after adjusting for the effects of all dilutive potential ordinary shares as follows:-

	Group	
	2026	**2025**
Profit attributable to owners of the Company (RM'000)	**127,497**	218,745
Weighted average number of ordinary shares as above (unit'000)	**3,800,562**	3,787,371
Effects of ESOS outstanding (unit'000)	**9,930**	2,601
Weighted average number of ordinary shares assumed to be in issue at 30 June (unit'000)	**3,810,492**	3,789,972
Diluted earnings per share (sen)	**3.35**	5.77

23. EMPLOYEE BENEFITS EXPENSES

	Group		Company	
	2026	**2025**	**2026**	**2025**
	RM'000	**RM'000**	**RM'000**	**RM'000**
Salaries, allowances, overtime, bonus and staff related expenses	**258,870**	288,112	**2,586**	2,775
Defined contribution plan	**15,275**	16,661	**317**	334
Provision for retirement benefits obligations	**488**	650	**-**	-
Social security contributions	**5,224**	4,996	**16**	15
	279,857	310,419	**2,919**	3,124

NOTES TO THE FINANCIAL STATEMENTS
As at 30 June 2026
cont'd

23. EMPLOYEE BENEFITS EXPENSES *(cont'd)*

The fair value of the share-based payments based on Black-Scholes model granted to the employees of the Group and of the Company amounted to RM2,894,000 (2025: RM6,041,000) and RM181,000 (2025: RM387,000) respectively.

Included in the employee benefits expenses is the Directors' remunerations as below:-

	Group		Company	
	2026	**2025**	**2026**	**2025**
	RM'000	**RM'000**	**RM'000**	**RM'000**
Remunerations of the Directors of the Company:-				
- Salaries and other emoluments	**4,814**	6,737	**431**	553
- Defined contribution plan	**716**	1,013	**48**	67
	5,530	7,750	**479**	620
Remunerations of the Directors of the subsidiaries:-				
- Salaries and other emoluments	**66**	74	**-**	-
	5,596	7,824	**479**	620

The fair value of the share-based payments based on Black-Scholes model granted to the Directors of the Company incurred by the Group and by the Company amounting to RM680,000 (2025: RM1,465,000) and RM102,000 (2025: RM220,000) respectively.

24. DIVIDENDS

	Group and Company	
	2026	**2025**
	RM'000	**RM'000**
In respect of the financial year ended 30 June 2024:-		
- Fourth interim single tier dividend of 1.40 sen per share, paid on 10 October 2024	**-**	53,034
In respect of the financial year ended 30 June 2025:-		
- First interim single tier dividend of 1.00 sen per share, paid on 26 December 2024	**-**	37,886
- Second interim exempt dividend of 2.00 sen per share, paid on 28 March 2025	**-**	75,779
- Third interim exempt dividend of 1.30 sen per share, paid on 8 July 2025	**-**	49,256
- Fourth interim exempt dividend of 1.20 sen per share, paid on 10 October 2025	**45,468**	-
In respect of the financial year ended 30 June 2026:-		
- First interim single tier dividend of 1.33 sen per share, paid on 8 January 2026	**50,608**	-
- Second interim exempt dividend of 1.00 sen per share, paid on 8 April 2026	**38,051**	-
- Third interim dividend of 1.00 sen per share comprising exempt dividend of 0.35 sen per share and single tier dividend of 0.65 sen per share, paid on 10 July 2026	**38,205**	-
	172,332	215,955

NOTES TO THE FINANCIAL STATEMENTS
As at 30 June 2026
cont'd

24. DIVIDENDS *(cont'd)*

The Company had on 27 August 2026 declared a fourth interim exempt dividend of 0.65 sen per ordinary share and a single tier dividend of 0.72 sen per ordinary share in respect of the financial year ended 30 June 2026 amounting to RM52,842,010 payable on 8 October 2026. This dividend is not reflected in the financial statements for the current financial year and will be accounted for as an appropriation of retained earnings for the financial year ending 30 June 2027.

The Directors do not recommend any final dividend for the current financial year.

25. SEGMENTAL REPORTING

Business segments

Group

For management purposes, the Group is organised into business units based on their products and services, which comprise the following:-

Segment I - Electronic manufacturing services, outsourced semiconductor assembly and test services.
Segment II - Investment holding.

The Group has aggregated certain operating segments to form a reportable segment due to the similar nature and operational characteristics of the products.

Management monitors the operating results of its business units separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on operating profit or loss which, in certain respects as explained in the table below, is measured differently from operating profit or loss in the consolidated financial statements.

	Segment I		Segment II		Elimination			Total	
	2026	2025	2026	2025	2026	2025	Note	2026	2025
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000		RM'000	RM'000
Revenue									
External sales	**1,187,254**	1,351,937	**-**	-	**-**	-		**1,187,254**	1,351,937
Inter-segment sales	**-**	-	**178,452**	220,926	**(178,452)**	(220,926)	A	**-**	-
Total revenue	**1,187,254**	1,351,937	**178,452**	220,926	**(178,452)**	(220,926)		**1,187,254**	1,351,937
Results									
Segment results	**89,048**	166,194	**155,430**	194,786	**(163,911)**	(206,472)		**80,567**	154,508
Finance income	**26,048**	32,639	**32,759**	35,097	**-**	-		**58,807**	67,736
Finance costs	**(1,821)**	(1,921)	**-**	-	**-**	-		**(1,821)**	(1,921)
Profit before tax	**113,275**	196,912	**188,189**	229,883	**(163,911)**	(206,472)		**137,553**	220,323
Tax expense	**(13,583)**	(6,013)	**(1,379)**	(1,163)	**-**	-		**(14,962)**	(7,176)
Profit for the financial year	**99,692**	190,899	**186,810**	228,720	**(163,911)**	(206,472)		**122,591**	213,147

NOTES TO THE FINANCIAL STATEMENTS
As at 30 June 2026
cont'd

25. SEGMENTAL REPORTING *(cont'd)*

Business segments *(cont'd)*

Group *(cont'd)*

	Segment I		Segment II		Elimination			Total	
	2026	2025	2026	2025	2026	2025	Note	2026	2025
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000		RM'000	RM'000
Assets									
Segment assets	**1,268,080**	1,320,416	**2,563,057**	2,588,859	**(2,697,663)**	(2,740,457)		**1,133,474**	1,168,818
Deferred tax assets	**29,714**	23,966	**-**	-	**-**	-		**29,714**	23,966
Tax recoverable	**64,657**	66,693	**62**	218	**-**	-		**64,719**	66,911
Deposits, cash and bank balances	**1,137,248**	1,131,581	**1,076,896**	1,009,832	**-**	-		**2,214,144**	2,141,413
Total assets	**2,499,699**	2,542,656	**3,640,015**	3,598,909	**(2,697,663)**	(2,740,457)		**3,442,051**	3,401,108
Liabilities									
Segment liabilities	**308,255**	305,365	**125,179**	128,790	**(106,172)**	(138,035)		**327,262**	296,120
Retirement benefits obligations	**2,918**	3,107	**-**	-	**-**	-		**2,918**	3,107
Deferred tax liabilities	**4,700**	4,420	**2,971**	2,994	**3,271**	3,366		**10,942**	10,780
Tax payable	**904**	719	**32**	-	**-**	-		**936**	719
Total liabilities	**316,777**	313,611	**128,182**	131,784	**(102,901)**	(134,669)		**342,058**	310,726
Other information									
Additions to non-current assets	**83,028**	104,499	**3,302**	20,133	**(3,944)**	(2,193)	B	**82,386**	122,439
Depreciation and amortisation	**126,335**	135,348	**4,552**	4,319	**(1,959)**	(1,755)		**128,928**	137,912
Other non-cash expenses	**61,130**	37,243	**4,096**	5,943	**-**	-	C	**65,226**	43,186

Notes to segment information:-

A Inter-segment revenues are eliminated on consolidation.

B Additions to non-current assets consist of the following:-

	2026	2025
	RM'000	RM'000
Property, plant and equipment	**82,116**	122,355
Intangible assets	**270**	84
	82,386	122,439

NOTES TO THE FINANCIAL STATEMENTS
As at 30 June 2026
cont'd

25. SEGMENTAL REPORTING *(cont'd)*

Business segments *(cont'd)*

Group *(cont'd)*

Notes to segment information:- *(cont'd)*

C Other non-cash expenses consist of the following items:-

	2026 RM'000	2025 RM'000
Property, plant and equipment written off	**3**	14
Allowance for slow moving inventories	**2,797**	882
Provision for retirement benefits obligations	**488**	650
Reversal of provision for warranty	**(900)**	(100)
Inventories written off due to fire incident	**21,056**	-
Property, plant and equipment written off due to fire incident	**428**	-
Provision for loss on consigned inventories due to fire incident	**16,776**	-
Provision for loss on consigned property, plant and equipment due to fire incident	**3,601**	-
Equity-settled share-based payment transactions	**2,894**	6,041
Unrealised loss on foreign exchange	**18,083**	35,699
	65,226	43,186

Geographical information

Non-current assets information based on the geographical location of assets are as follows:-

	2026 RM'000	2025 RM'000
Malaysia	**446,411**	476,715
China	**181,176**	193,395
Philippines	**70,728**	75,506
	698,315	745,616

Non-current assets information presented above excludes deferred tax assets and consists of the following items as presented in the Group's statements of financial position.

	2026 RM'000	2025 RM'000
Property, plant and equipment	**688,518**	735,726
Intangible assets	**9,797**	9,890
	698,315	745,616

Revenue information based on the geographical location of the customers are disclosed in Note 18 to the Financial Statements.

NOTES TO THE FINANCIAL STATEMENTS
As at 30 June 2026
cont'd

25. SEGMENTAL REPORTING *(cont'd)*

Business segments *(cont'd)*

Group *(cont'd)*

Information of major customers

The following are major customers with revenue equal or more than 10% of the Group's total revenue:-

	Segments	Revenue	
		2026	2025
		RM'000	RM'000
Customer A	Segment I	**1,027,286**	1,208,766

26. CAPITAL COMMITMENTS

	Group	
	2026	2025
	RM'000	RM'000
Authorised and contracted for:-		
- Property, plant and equipment	**87,783**	11,531

27. FINANCIAL GUARANTEES (UNSECURED)

	Company	
	2026	2025
	RM'000	RM'000
Corporate guarantee extended to licensed banks and financial institutions for facilities granted to subsidiaries		
- Limit	**13,000**	13,000
- Amount utilised	**4,191**	4,607

The fair value of the corporate guarantee is not recognised in the financial statements as the fair value on initial recognition was not material.

NOTES TO THE FINANCIAL STATEMENTS
As at 30 June 2026
cont'd

28. RELATED PARTY DISCLOSURES

(a) Identities of related parties

For the purpose of these financial statements, parties are considered to be related to the Group and the Company, if the Group and the Company have the ability, directly or indirectly, to control the party or exercise significant influence over the party in making any financial and operating decisions, or vice versa, or where the Group and the Company and the party are subject to common control or common significant influence. Related parties may be individuals or other entities.

Related parties also include key management personnel defined as those persons having authority and responsibility for planning, directing and controlling the activities of the Group and of the Company either directly or indirectly.

The Group and the Company have related party relationship with its related companies and key management personnel. Related companies are related by virtue of having the same holding company.

(b) Related party transactions

	Group		Company	
	2026	**2025**	**2026**	**2025**
	RM'000	**RM'000**	**RM'000**	**RM'000**
Transactions with subsidiaries:-				
Dividend income	**-**	-	**163,526**	206,000
Management fee	**-**	-	**1,680**	1,680
Transactions with related parties:-				
Network services paid/payable to:				
- Diversified Gateway Berhad	**5**	5	**5**	5
- Sensecube Sdn. Bhd.	**2**	4	**2**	4
Rental paid/payable to Premium Realty Sdn. Bhd.	**48**	48	**48**	48
Secretarial fee paid/payable to Megapolitan Management Services Sdn. Bhd.	**46**	45	**17**	17
Professional fees paid/payable to:				
- Megapolitan Management Services Sdn. Bhd.	**163**	159	**159**	157
Purchase from MIT Semiconductor Pte. Ltd.	**13,441**	19,057	**-**	-
Provision of support services from MIT Semiconductor Pte. Ltd.	**360**	360	**-**	-

The Directors are of the opinion that the above transactions were entered into in the normal course of business and had been established under normal trade terms.

NOTES TO THE FINANCIAL STATEMENTS
As at 30 June 2026
cont'd

28. RELATED PARTY DISCLOSURES *(cont'd)*

(b) Related party transactions *(cont'd)*

The above parties are deemed related to the Group as follows:-

(i) Megapolitan Management Services Sdn. Bhd., Premium Realty Sdn. Bhd. and Sensecube Sdn. Bhd. are the subsidiaries of Insas Berhad.

(ii) Diversified Gateway Berhad is a subsidiary of Divfex Berhad which is an associate company of Insas Berhad.

(iii) MIT Semiconductor Pte. Ltd. is a corporate shareholder of IMJV.

(c) Related party balances

Outstanding balances arising from related party transactions are disclosed in Notes 9, 10 and 16 to the Financial Statements.

(d) Compensation of key management personnel

The remuneration of Directors and other members of key management of the Group and of the Company during the financial year are as follows:-

	Group		Company	
	2026	2025	2026	2025
	RM'000	RM'000	RM'000	RM'000
Salaries and other short-term employee benefits	**5,530**	7,750	**479**	620

The fair value of the share-based payments based on Black-Scholes model granted to the Directors of the Company incurred by the Group and by the Company amounting to RM680,000 (2025: RM1,465,000) and RM102,000 (2025: RM220,000) respectively.

29. FINANCIAL INSTRUMENTS

Categories of Financial Instruments

The Group and the Company carry only financial assets and financial liabilities at amortised cost on their statements of financial position.

The Group's and the Company's financial assets at amortised cost include trade and other receivables, deposits paid, amount due from subsidiaries, deposits and cash and bank balances.

The Group's and the Company's financial liabilities at amortised cost include trade and other payables, accruals and other liabilities and dividend payable.

NOTES TO THE FINANCIAL STATEMENTS
As at 30 June 2026
cont'd

29. FINANCIAL INSTRUMENTS *(cont'd)*

Financial risk management

The Group and the Company are exposed to financial risks arising from their operations and the use of financial instruments. The Group's and the Company's financial risk management policies seek to ensure that adequate financial resources are available for the development of the Group's and of the Company's businesses whilst managing their risks. The Group and the Company operate within policies that are approved by the Directors and the Group's and the Company's policies are not to engage in speculative transactions.

The main areas of financial risks faced by the Group and by the Company and the policies in respect of the major areas of treasury activity are set out as follows:-

(a) Credit risk

Credit risk is the risk of a financial loss to the Group and the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations.

The Group's and the Company's exposure to credit risk arises primarily from trade and other receivables. It is the Group's policy to enter into financial instruments with a diversity of creditworthy counterparties. The Group and the Company do not expect to incur material credit losses of its financial assets or other financial instruments.

Concentration of credit risk exists when changes in economic, industry and geographical factors similarly affect the group of counterparties whose aggregate credit exposure is significant in relation to the Group's and the Company's total credit exposure. The Group's and the Company's transactions are entered into with diverse creditworthy counterparties, thereby mitigating any significant concentration of credit risk.

It is the Group's and the Company's policies that all customers who wish to trade on credit terms are subject to credit verification procedures.

Following are the areas where the Group and the Company are exposed to credit risk:-

i. Receivables

At the reporting date, the maximum exposure to credit risk arising from receivables is limited to the carrying amounts in the statements of financial position.

With a credit policy in place to ensure the credit risk is monitored on an on-going basis, management has taken reasonable steps to ensure that receivables that are neither past due nor impaired are stated at their realisable values. The Group and the Company use aging analysis to monitor the credit quality of the receivables. Any receivables having significant balances past due more than credit terms granted are deemed to have higher credit risk, and are monitored individually.

An impairment analysis is performed at each reporting date using a provision matrix to measure expected credit losses. The provision rates are based on days past due for groupings of various customer segments with similar pattern (i.e., by geographical region, product type, customer type and rating and coverage by letters of credit or collateral). The calculation reflects the probability-weighted outcome, the time value of money and reasonable and supportable information that is available at the reporting date about the past events, current conditions and forecasts of future economic conditions.

Generally, the receivables are written off if the Directors deemed them uncollectable. The maximum exposure to credit risk arising from trade receivables are limited to the carrying amounts as stated in the statements of financial position. The Group's and the Company's receivables are highly credit worthy and have not historically defaulted on their repayment to the Group and the Company. As such, there is no expected credit losses as at the reporting date.

29. FINANCIAL INSTRUMENTS *(cont'd)*

Financial risk management *(cont'd)*

The main areas of financial risks faced by the Group and by the Company and the policies in respect of the major areas of treasury activity are set out as follows:- *(cont'd)*

(a) Credit risk *(cont'd)*

Following are the areas where the Group and the Company are exposed to credit risk:- *(cont'd)*

i. Receivables *(cont'd)*

Trade receivables

Set out below is the information about the credit risk exposure on the Group's trade receivables using a provision matrix:-

	Gross carrying amount	Loss allowances	Net balances
	RM'000	RM'000	RM'000
Group			
2026			
Not past due	**184,694**	**-**	**184,694**
Past due 1 to 30 days	**9,657**	**-**	**9,657**
Past due 31 to 60 days	**35**	**-**	**35**
Past due more than 60 days	**761**	**-**	**761**
	195,147	**-**	**195,147**
2025			
Not past due	195,328	-	195,328
Past due 1 to 30 days	1,269	-	1,269
Past due 31 to 60 days	166	-	166
Past due more than 60 days	575	-	575
	197,338	-	197,338

The Group has significant concentration of credit risks on 2 (2025: 2) customers which comprise approximately 91% (2025: 90%) of the trade receivables balance as at the reporting date.

Other receivables

Group and Company

The maximum exposure to credit risk is represented by their carrying amounts in the statements of financial position.

NOTES TO THE FINANCIAL STATEMENTS
As at 30 June 2026
cont'd

29. FINANCIAL INSTRUMENTS *(cont'd)*

Financial risk management *(cont'd)*

The main areas of financial risks faced by the Group and by the Company and the policies in respect of the major areas of treasury activity are set out as follows:- *(cont'd)*

(a) Credit risk *(cont'd)*

Following are the areas where the Group and the Company are exposed to credit risk:- *(cont'd)*

ii. Intercompany balances

The amount due from subsidiaries is deriving from dividend receivable. The maximum exposure to credit risk is represented by its carrying amount in the statements of financial position.

As at the reporting date, there was no indication that the amount due from subsidiaries is not recoverable.

iii. Financial guarantees

The Company provides unsecured corporate guarantees to licensed banks and financial institutions in respect of credit facilities granted to subsidiaries.

The maximum exposure to credit risk is disclosed in Note 27 to the Financial Statements, representing outstanding balance of credit facilities of the said subsidiaries as at the end of the reporting year. The Company monitors on an on-going basis the results of the subsidiaries and repayments made by the subsidiaries.

As at the reporting date, there was no indication that any of the subsidiaries would default on repayment.

iv. Cash and cash equivalents

Cash and cash equivalents are placed with or entered into with reputable financial institutions with high credit ratings and have no history of default. The Group and the Company have no significant concentration of credit risk with any single bank.

As at the reporting date, there was no indication that the cash and cash equivalents are not recoverable.

(b) Liquidity risk

Liquidity risk is the risk that the Group and the Company will not be able to meet its financial obligations as and when they fall due. The Group and the Company actively manage its debt maturity profile, operating cash flows and availability of funding so as to ensure that all repayment and funding needs are met. As part of its overall prudent liquidity management, the Group and the Company maintain sufficient levels of cash and cash equivalents to meet its working capital requirements.

29. FINANCIAL INSTRUMENTS *(cont'd)*

Financial risk management *(cont'd)*

The main areas of financial risks faced by the Group and by the Company and the policies in respect of the major areas of treasury activity are set out as follows:- *(cont'd)*

(b) Liquidity risk *(cont'd)*

The table below summarises the maturity profile of the Group's and of the Company's financial liabilities as at the end of the reporting year based on the undiscounted contractual payments:-

	Carrying amount	Contractual cash flows	Within one year	More than one year and less than two years	More than two years and less than five years	More than five years
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Group						
2026						
Trade payables	**94,292**	**94,292**	**94,292**	**-**	**-**	**-**
Other payables, accruals and amount due to customers	**133,819**	**133,819**	**133,819**	**-**	**-**	**-**
Dividend payable	**38,205**	**38,205**	**38,205**	**-**	**-**	**-**
Lease liabilities	**13,837**	**36,837**	**1,395**	**1,403**	**4,470**	**29,569**
	280,153	**303,153**	**267,711**	**1,403**	**4,470**	**29,569**
2025						
Trade payables	84,223	84,223	84,223	-	-	-
Other payables, accruals and amount due to customers	104,261	104,261	104,261	-	-	-
Dividend payable	49,256	49,256	49,256	-	-	-
Lease liabilities	14,682	39,999	1,848	1,441	4,486	32,224
	252,422	277,739	239,588	1,441	4,486	32,224

Company

At the reporting date, the maturity profile of all the financial liabilities based on the contractual undiscounted repayment obligations is less than a year.

The Company has contractual cash flows relating to financial guarantees as detailed in Note 27 to the Financial Statements. The exposure to financial guarantee is for disclosure only which limited to the amount utilised, and no financial guarantee was called upon by the holders as at the end of the reporting year.

NOTES TO THE FINANCIAL STATEMENTS
As at 30 June 2026
cont'd

29. FINANCIAL INSTRUMENTS *(cont'd)*

Financial risk management *(cont'd)*

The main areas of financial risks faced by the Group and by the Company and the policies in respect of the major areas of treasury activity are set out as follows:- *(cont'd)*

(c) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of the Group's and of the Company's financial instruments will fluctuate because of changes in market interest rate.

The Group's and the Company's fixed rate short-term deposits and the Group's lease liabilities are exposed to a risk of change in their fair value due to changes in interest rates. The Group's and the Company's floating rate instruments are exposed to a risk of change in cash flows due to changes in interest rates.

The interest rate profile of the Group's and of the Company's interest-bearing financial instruments based on their carrying amounts as at reporting date are as follows:-

	Group		Company	
	2026	2025	2026	2025
	RM'000	RM'000	RM'000	RM'000
Fixed rate instruments				
Financial assets	**879,386**	868,669	**49,380**	43,648
Financial liabilities	**13,837**	14,682	**-**	-
Floating rate instruments				
Financial assets	**1,105,887**	883,538	**964,192**	859,077

Fair value sensitivity analysis for fixed rate instruments

The Group and the Company do not account for any fixed rate financial assets and financial liabilities at fair value through profit or loss and do not designate derivatives as hedging instruments under a fair value hedge accounting model. Therefore, a change in interest rates at the end of the reporting year would not affect profit or loss.

Cash flow sensitivity analysis for floating rate instruments

An increase of 0.25% in interest rate at the end of the reporting year would increase the Group's and the Company's net profit/equity for the financial year by RM2,765,000 (2025: RM2,209,000) and RM2,410,000 (2025: RM2,148,000) respectively, and a corresponding decrease would have an equal but opposite effect. This analysis assumes that other variables remain constant.

(d) Foreign currency risk

Foreign currency risk is the risk that the fair values or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates.

The Group and the Company are exposed to foreign currency fluctuations primarily due to its normal trading activities whereby sales and purchases are principally transacted in United States Dollar ("USD") and its investment activities transacted in USD and Renminbi ("RMB"). The Group and the Company maintain foreign denominated bank accounts (predominantly USD and RMB denominated accounts) to facilitate the receipts of the Group's revenue and to pay for purchases denominated in foreign currencies as well as its investments activities in foreign currencies. The Group and the Company also hold cash and bank balances denominated in Taiwan Dollar ("TWD"). This provides some form of natural hedge against adverse foreign exchange fluctuations. In addition, the Group enters into foreign currency forward contracts to minimise its exposure against the USD.

NOTES TO THE FINANCIAL STATEMENTS
As at 30 June 2026
cont'd

29. FINANCIAL INSTRUMENTS *(cont'd)*

Financial risk management *(cont'd)*

The main areas of financial risks faced by the Group and by the Company and the policies in respect of the major areas of treasury activity are set out as follows:- *(cont'd)*

(d) Foreign currency risk *(cont'd)*

The Group's and the Company's exposure to the USD, RMB and TWD based on the carrying amounts of financial assets and financial liabilities as at the end of the reporting date are as follows:-

	Group		Company	
	2026	**2025**	**2026**	**2025**
	RM'000	**RM'000**	**RM'000**	**RM'000**
USD Exposure				
Trade receivables	**124,239**	137,477	**-**	-
Deposits, cash and bank balances	**206,981**	271,308	**50,018**	47,451
Trade payables	**(31,406)**	(42,052)	**-**	-
Other payables, accruals and other liabilities	**(57,400)**	(52,646)	**-**	-
Net exposure	**242,414**	314,087	**50,018**	47,451
RMB Exposure				
Trade receivables	**-**	56	**-**	-
Other receivables	**405**	302	**-**	-
Deposits, cash and bank balances	**1,068**	1,470	**76**	75
Trade payables	**(1,303)**	(1,344)	**-**	-
Other payables, accruals and other liabilities	**(2,465)**	(2,276)	**-**	-
Net exposure	**(2,295)**	(1,792)	**76**	75
TWD Exposure				
Deposits, cash and bank balances	**17,518**	19,798	**17,518**	19,798

Sensitivity analysis for foreign currency risk

	Group			Company		
	Profit for financial year/Equity			Profit for financial year/Equity		
	USD/RM '000	**RMB/RM '000**	**TWD/RM '000**	**USD/RM '000**	**RMB/RM '000**	**TWD/RM '000**
2026						
Strengthened 1%	**2,424**	**(23)**	**175**	**500**	**1**	**175**
Weakened 1%	**(2,424)**	**23**	**(175)**	**(500)**	**(1)**	**(175)**
2025						
Strengthened 1%	3,141	(18)	198	475	1	198
Weakened 1%	(3,141)	18	(198)	(475)	(1)	(198)

This analysis confines to the carrying amounts of financial assets and liabilities denominated in USD, RMB and TWD as at the end of the reporting year and assumes that all other variables remain constant.

NOTES TO THE FINANCIAL STATEMENTS
As at 30 June 2026
cont'd

30. FAIR VALUE OF FINANCIAL INSTRUMENTS

The carrying amounts of the financial assets and financial liabilities of the Group and of the Company as at the end of the reporting year approximate their fair values 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.

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. The fair value of the foreign currency forward contract has not been recognised in the financial statements as it is immaterial as at the end of the reporting date. The notional value of foreign currency forward contracts as at the end of the reporting year is as follows:-

	Group	
	2026	2025
	RM'000	RM'000
Foreign currency hedging contracts		
Notional value of contracts*	**86,895**	42,170

* *Equivalent to USD21,350,000 (2025: USD10,000,000).*

31. FAIR VALUE MEASUREMENT OF NON-FINANCIAL INSTRUMENTS

The Group and the Company do not have any non-financial assets and liabilities measured at fair value.

32. CAPITAL MANAGEMENT

The primary objective of the Group's and of the Company's capital management policy remains unchanged and is to maintain a strong capital base to support its businesses and maximise shareholders' value.

The Group and the Company manage their capital structure and make adjustments to it in the light of changes in economic conditions or expansion of the Group. The Group and the Company may adjust the capital structure by issuing new shares, returning capital to shareholders or selling assets to reduce debts. No changes were made in the objective, policy and process during the financial year under review as compared to the previous financial year.

33. EMPLOYEES' SHARE OPTION SCHEME ("ESOS")

At an Extraordinary General Meeting held on 23 November 2022, the Company's shareholders approved the establishment of ESOS for the eligible Directors and employees of the Group. The ESOS is in force for a period of five (5) years commencing from 23 November 2022 to 22 November 2027.

The salient features of the ESOS scheme are as follows:-

(a) The total number of new ordinary shares which are available to be issued under the ESOS shall not exceed in aggregate ten percent (10%) of the total number of issued shares (excluding treasury shares) of the Company at any time throughout the duration of the ESOS.

(b) Any employee or Director of any company comprised in the Group shall be eligible to participate in the ESOS if, as at the date of offer, the employee is at least eighteen (18) years of age or above; and is employed on a continuous full-time basis for a period of not less than one (1) year and must be a confirmed employee.

NOTES TO THE FINANCIAL STATEMENTS
As at 30 June 2026
cont'd

33. EMPLOYEES' SHARE OPTION SCHEME ("ESOS") *(cont'd)*

The salient features of the ESOS scheme are as follows:- *(cont'd)*

(c) The option price shall be determined at a discount of not more than ten percent (10%) from the weighted average market quotation of the Company's shares as quoted on Bursa Malaysia Securities Berhad for the five (5) market days immediately preceding the date of the offer.

(d) The shares under options shall remain unissued until the options are exercised and shall, on allotment, rank pari passu in all respects with the existing shares of the Company at the time of allotment save that they will not entitle the holders thereof to receive any rights and bonus issues announced or to any dividend or other distribution declared to the shareholders of the Company as at a date which precedes the date of the exercise of the options.

(e) The Board of Directors has the absolute discretion, without the approval of the Company's shareholders in the general meeting to extend the duration of the ESOS for up to further five (5) years.

The fair value of the share options granted was estimated at the grant date using Black-Scholes model, taking into account the terms and conditions upon which the instruments were granted with the following inputs:-

	ESOS I	ESOS II	ESOS III	ESOS VI	ESOS VII
Underlying share price (RM)	2.54	2.47	3.15	1.94	1.50
Adjusted exercise price (RM)	2.56	2.34	3.07	1.918	1.527
Expected volatility (%)	7.45	8.95	5.98	7.11	6.99
Risk-free interest rate (% per annum)	3.90	3.90	3.90	3.90	3.90
Dividend yield (%)	3.86	3.40	2.48	3.25	3.89
Expected life of options (years)	4.99	4.49	3.87	2.53	1.76

The expected life of the options is based on historical data and is not necessarily indicative of exercise patterns that may occur. The expected volatility reflects the assumption that the historical volatility over a period similar to the life of the options is indicative of future trends, which may not necessarily be the actual outcome. ESOS IV and V were offered but subsequently not accepted and cancelled during the financial year, as the schemes did not achieve the intended objective of incentivising and motivating employees.

The movements of share options during the financial year are as follows:-

		Number of share options				
	Offer date	At 1.7.2025 Unit	Granted Unit	Exercised Unit	Lapsed* Unit	At 30.6.2026 Unit
ESOS I	24.11.2022	15,903,800	-	-	(571,100)	15,332,700
ESOS II	29.05.2023	5,061,300	-	-	(200,800)	4,860,500
ESOS III	09.01.2024	18,290,100	-	-	(1,608,100)	16,682,000
ESOS VI	13.05.2025	71,074,000	-	(16,654,200)	(6,162,900)	48,256,900
ESOS VII	16.02.2026	-	84,411,800	(19,373,100)	(2,771,900)	62,266,800
		110,329,200	84,411,800	(36,027,300)	(11,314,800)	147,398,900

NOTES TO THE FINANCIAL STATEMENTS
As at 30 June 2026
cont'd

33. EMPLOYEES' SHARE OPTION SCHEME ("ESOS") *(cont'd)*

The movements of share options during the financial year are as follows:- *(cont'd)*

		Number of share options				
	Offer date	At 1.7.2024 Unit	Granted Unit	Exercised Unit	Lapsed* Unit	At 30.6.2025 Unit
ESOS I	24.11.2022	23,884,100	-	(7,183,300)	(797,000)	15,903,800
ESOS II	29.05.2023	7,501,300	-	(2,239,900)	(200,100)	5,061,300
ESOS III	09.01.2024	24,915,200	-	(5,224,300)	(1,400,800)	18,290,100
ESOS VI	13.05.2025	-	71,301,500	-	(227,500)	71,074,000
		56,300,600	71,301,500	(14,647,500)	(2,625,400)	110,329,200

* *Lapsed due to resignation*

Material accounting policy information

The cost of equity-settled transactions is recognised, together with a corresponding increase in other capital reserves in equity at the date on which the options are granted as the equity-settled transactions are treated as vested due to no vesting condition attached. The ESOS related expense reflected in profit or loss represents the expense recognised during the reporting period. The expense recognised for equity-settled transactions at each reporting date reflects the extent to which the Group's best estimate of the number of equity instruments that will ultimately grant and vest. The employees' share options reserve is transferred to retained earnings upon expiry of the share options.

34. CONTINGENT ASSET

During the financial year, a fire incident occurred at the Company's wholly owned subsidiary, Amertron Incorporated in the Philippines ("AIP"). As of the date of this report, it is probable that the Group will receive compensation from its insurance provider for the losses suffered. However, the timing and amount of the compensation to be received have not been determined.

35. SIGNIFICANT EVENTS DURING THE FINANCIAL YEAR

(a) Proposed joint acquisition

On 1 August 2025, the Company and Sanan Optoelectronics Co., Ltd ("Sanan") entered into a Share Purchase Agreement ("SPA") with Lumileds Subholding B.V. wherein the Company and Sanan agreed to jointly acquire 100% equity interest in Lumileds Holding B.V. and its 11 Asian and European subsidiary companies for a total enterprise value of USD239.0 million (approximately RM1,027.7 million) to be satisfied wholly in cash ("Proposed Joint Acquisition").

On the same date, the Company entered into a Collaboration Agreement and a Shareholders' Agreement with Sanan to govern the respective rights and obligations of the parties in relation to the Proposed Joint Acquisition.

The Proposed Joint Acquisition was subsequently terminated on 17 April 2026 following the determination by the Committee on Foreign Investment in the United States ("CFIUS") that the transaction presented unresolved national security concerns and requested the parties to withdraw their filing and abandon the Proposed Joint Acquisition.

35. SIGNIFICANT EVENTS DURING THE FINANCIAL YEAR *(cont'd)*

(a) Proposed joint acquisition *(cont'd)*

Accordingly, the Company, Sanan and Lumileds Subholding B.V. entered into two termination agreements on 30 April 2026 to formally conclude the Proposed Joint Acquisition.

(b) Fire incident at Amertron Incorporated in the Philippines

On 10 May 2026, a fire incident occurred at the Company's wholly owned subsidiary, Amertron Incorporated in the Philippines ("AIP"), affecting part of the manufacturing facility within Plant CK1 ("Affected Facility"). There were no casualties or injuries arising from the incident.

The Affected Facility comprises approximately 12,500 square feet, representing approximately 10% of the total manufacturing space of 125,000 square feet at Plant CK1. Operations at the Affected Facility were suspended pending the completion of safety inspections and clean-up works.

Operations in the non-affected areas of Plant CK1 which were temporarily suspended following a power shutdown required by the relevant Fire and Rescue Authority Department have since resumed. AIP's other manufacturing facility, namely Plant CK2, with a manufacturing space of approximately 83,000 square feet, was not affected and continues to operate normally.

AIP implemented alternative production arrangements immediately following the incident to minimise disruption to customer deliveries and restore the affected production capacity within the shortest practicable timeframe.

During the financial year, the Group recognised fire-related losses provision amounting to approximately RM41.9 million, comprising mainly the write-off of affected property, plant and equipment, consigned property, plant and equipment, inventories and consigned inventories, together with other related costs arising from the incident.

The Group has submitted an insurance claim amounting to approximately RM30.5 million. As at the date of this report, the claim remains subject to final assessment and determination by the insurer and loss adjuster.

In accordance with the applicable MFRS 137 Provisions, Contingent Liabilities and Contingent Assets, the insurance recovery is accounted for separately from the losses arising from the incident and will only be recognised when it is virtually certain based on the applicable recognition criteria. Accordingly, no insurance recovery has been recognised in the Group's financial results for the financial year ended 30 June 2026.

The ultimate net financial impact of the incident cannot be conclusively determined until the insurance claim has been finalised and virtually certain. The Group will recognise any insurance recovery in the relevant financial period when the applicable recognition criteria have been satisfied.

LIST OF PROPERTIES

As at 30 June 2026

	Address	Descriptions/ Existing use	Land area (sq. meter)	Tenure	Approximate age of building (years)	Carrying amount as at 30 June 2026 (RM'000)	Date acquired
1	Building 2430, Maloma Street, Clark Freeport Zone, Clark Field, Municipality of Mabalacat, Province of Pampanga, Philippines.	3 interconnected industrial buildings	33,000	25 years lease expiring on 31 October 2046	Between 9 to 29 years	30,987	28.10.1996
2	No. 8, Xinzhu Road, Kunshan Comprehensive Bonded Zone, Kunshan City, Jiangsu Province, People's Republic of China.	4-storey detached factory	4,650	50 years lease expiring on 29 October 2050	24 years	3,500	10.07.2003
3	No. 5, Phase 4, Bayan Lepas Free Industrial Zone, 11900 Bayan Lepas, Pulau Pinang, Malaysia.	3-storey factory building	2,089	60 years lease expiring on 29 May 2051	28 years	1,612	31.08.2006
4	Lot No. 17331 held under title No. PN 7898 Mukim 12, District of Barat Daya, Pulau Pinang, Malaysia.	Vacant industrial land	4,045	60 years lease expiring on 14 May 2051	-	1,174	17.04.2008
5	No. 51, Phase 4, Bayan Lepas Free Industrial Zone, 11900 Bayan Lepas, Pulau Pinang, Malaysia.	(i) 3-storey factory building cum office block	8,332	60 years lease expiring on 16 January 2054	27 years	10,261	21.07.2008
		(ii) 2-storey factory building cum office block, canteen and warehouse			13 years	6,179	
6	761, Persiaran Cassia Selatan 3, Taman Perindustrian Batu Kawan, 14110 Bandar Cassia, Pulau Pinang, Malaysia.	3 blocks of 6-storey factory building cum office building	20,438	60 years lease expiring on 11 May 2076	7 years	81,944	24.07.2014

LIST OF PROPERTIES

As at 30 June 2026
cont'd

	Address	Descriptions/ Existing use	Land area (sq. meter)	Tenure	Approximate age of building (years)	Carrying amount as at 30 June 2026 (RM'000)	Date acquired
7	Plot 98, Hala Kampung Jawa 1, Non Free Industrial Zone, Bayan Lepas Industrial Park, 11900 Pulau Pinang, Malaysia.	(i) 2-storey factory building cum office building	22,310	60 years lease expiring on 6 March 2050	Between 12 to 29 years	47,026	09.09.2014
		(ii) Extension of 5-storey factory building cum office building			5 years	7,112	
8	Lot 6044, Mukim 12, Daerah Barat Daya, Plot 201, Lebuh Kampung Jawa, Fasa III, Free Trade Zone, Bayan Lepas, Pulau Pinang, Malaysia.	Industrial land with a factory building	21,256	60 years lease expiring on 1 April 2041	Between 10 to 33 years	14,066	15.02.2016
9	No. 8, Tianbao Road, Futian Sub-District, Yiwu City, Zhejiang Province, People's Republic of China.	8-storey factory building cum office building	46,023	50 years tenure expiring on 11 March 2071	2 years	131,810	12.03.2021
10	Plot SV62, H.S.(D) 51794, PT 6194, Mukim 13, Daerah Seberang Perai Selatan, Pulau Pinang, Malaysia.	Vacant industrial land	20,443	60 years lease expiring on 3 July 2084	-	13,447	05.05.2023
						349,118	

ANALYSIS OF SHAREHOLDINGS

As at 30 September 2026

ORDINARY SHARES

Number of shares issued	:	3,865,269,899
Class of shares	:	Ordinary shares
Voting rights	:	One vote per ordinary share

ANALYSIS BY SIZE OF HOLDINGS

SIZE OF HOLDINGS	NO. OF SHAREHOLDERS	%	NO. OF SHARES	%
Less than 100	1,213	3.65	42,105	0.00
100 - 1,000	10,056	30.25	5,872,374	0.15
1,001 - 10,000	15,562	46.82	67,275,115	1.74
10,001 - 100,000	5,356	16.11	165,443,279	4.28
100,001 - less than 5% of issued shares	1,051	3.16	3,100,938,037	80.23
5% and above of issued shares	2	0.01	525,698,989	13.60
	33,240	100.00	3,865,269,899	100.00

THIRTY LARGEST SHAREHOLDERS (Based on the Record of Depositors)
(Without aggregating the shares from different securities accounts belonging to the same depositor)

NO.	NAME	NO. OF SHARES	%
1.	Kumpulan Wang Persaraan (Diperbadankan)	303,315,395	7.85
2.	Citigroup Nominees (Tempatan) Sdn Bhd *- Employees Provident Fund Board*	222,383,594	5.75
3.	Citigroup Nominees (Tempatan) Sdn Bhd *- Exempt An for AIA Bhd*	166,634,540	4.31
4.	Lembaga Tabung Haji	163,756,500	4.24
5.	Citigroup Nominees (Tempatan) Sdn Bhd *- Employees Provident Fund Board (Islamic)*	136,898,818	3.54
6.	Citigroup Nominees (Tempatan) Sdn Bhd *- Employees Provident Fund Board (AHAM AM)*	115,834,302	3.00
7.	CIMB Group Nominees (Tempatan) Sdn Bhd *- CIMB Bank Berhad (EDP 2)*	85,628,500	2.22
8.	Citigroup Nominees (Tempatan) Sdn Bhd *- Employees Provident Fund Board (Nomura)*	76,759,583	1.99
9.	CIMB Group Nominees (Tempatan) Sdn Bhd *- Pledged Securities Account for Insas Technology Berhad (INSBHD-RCCGLO2)*	70,000,000	1.81
10.	Maybank Nominees (Tempatan) Sdn Bhd *- Pledged Securities Account for Ooi Keng Thye*	61,728,500	1.60
11.	UOBM Nominees (Tempatan) Sdn Bhd *- Pledged Securities Account for Insas Technology Berhad*	55,000,000	1.42

ANALYSIS OF SHAREHOLDINGS

As at 30 September 2026
cont'd

THIRTY LARGEST SHAREHOLDERS (Based on the Record of Depositors) *(cont'd)*
(Without aggregating the shares from different securities accounts belonging to the same depositor)

NO.	NAME	NO. OF SHARES	%
12.	RHB Nominees (Tempatan) Sdn Bhd *- Pledged Securities Account for Ooi Keng Thye*	49,756,600	1.29
13.	HSBC Nominees (Asing) Sdn Bhd *- JPMCB NA for Vanguard Total International Stock Index Fund*	48,793,578	1.26
14.	HSBC Nominees (Asing) Sdn Bhd *- JPMCB NA for Vanguard Emerging Markets Stock Index Fund*	46,935,100	1.21
15.	Malaysia Nominees (Tempatan) Sendirian Berhad *- Pledged Securities Account for Insas Technology Berhad (01-00871-000)*	45,000,000	1.16
16.	Citigroup Nominees (Tempatan) Sdn Bhd *- Employees Provident Fund Board (RHB INV)*	43,700,000	1.13
17.	Cartaban Nominees (Tempatan) Sdn Bhd *- PAMB for Prulink Equity Fund*	39,250,100	1.02
18.	Insas Technology Berhad	35,000,375	0.91
19.	Amanahraya Trustees Berhad *- Amanah Saham Bumiputera 3 - Didik*	31,878,200	0.82
20.	Cartaban Nominees (Tempatan) Sdn Bhd *- PBTB for Takafulink Dana Ekuiti*	30,336,750	0.78
21.	Citigroup Nominees (Asing) Sdn Bhd *- CBNY for Ishares Core MSCI Emerging Markets ETF*	29,944,600	0.77
22.	Citigroup Nominees (Tempatan) Sdn Bhd *- Great Eastern Life Assurance (Malaysia) Berhad (PAR 1)*	28,890,700	0.75
23.	Citigroup Nominees (Tempatan) Sdn Bhd *- Employees Provident Fund Board (F templeton)*	27,905,764	0.72
24.	Ho Phon Guan	26,478,528	0.68
25.	HSBC Nominees (Asing) Sdn Bhd *- JPMCB NA for Vanguard Fiduciary Trust Company Institutional Total International Stock Market Index Trust II*	24,808,000	0.64
26.	Cartaban Nominees (Tempatan) Sdn Bhd *- Prudential Assurance Malaysia Berhad for Prulink Strategic Fund*	24,435,000	0.63
27.	Lau Kean Cheong	23,951,100	0.62
28.	RHB Nominees (Tempatan) Sdn Bhd *- Pledged Securities Account for Ooi Keng Thye*	23,778,200	0.62
29.	Permodalan Nasional Berhad	21,172,900	0.55
30.	Citigroup Nominees (Tempatan) Sdn Bhd *- Employees Provident Fund Board (BNP Najmah EQ)*	20,729,600	0.54
		2,080,684,827	53.83

ANALYSIS OF SHAREHOLDINGS

As at 30 September 2026
cont'd

SUBSTANTIAL SHAREHOLDERS AS AT 30 SEPTEMBER 2026
(Based on the Register of Substantial Shareholders)

NAME	DIRECT INTEREST		DEEMED INTEREST	
	NO. OF SHARES	%	NO. OF SHARES	%
Dato' Sri Thong Kok Khee [1]	-	-	218,051,475	5.64
Insas Berhad [2]	-	-	218,051,475	5.64
Insas Technology Berhad [3]	216,550,375	5.60	1,501,100	0.04
Kumpulan Wang Persaraan (Diperbadankan) [4]	303,315,395	7.85	70,342,700	1.82
Employees Provident Fund Board	714,592,722	18.49	-	-

Notes:
(1) Deemed interest by virtue of Section 8(4) of the Companies Act 2016 ("the Act") held through Insas Berhad.
(2) Deemed interest by virtue of Section 8(4) of the Act held through subsidiaries.
(3) Direct interest and deemed interest by virtue of Section 8(4) of the Act held through subsidiary.
(4) Direct interest and deemed interest held through fund managers.

STATEMENT OF DIRECTORS' INTEREST

In the Company and Its Related Corporations as at 30 September 2026

DIRECTORS' INTEREST IN SHARES
(Based on the Register of Directors' Shareholdings)

INARI AMERTRON BERHAD	ORDINARY SHARES				NUMBER OF SHARE OPTIONS UNDER THE EMPLOYEES' SHARE OPTION SCHEME
	DIRECT INTEREST		DEEMED INTEREST		
	NO. OF SHARES	%	NO. OF SHARES	%	
1. Datuk Phang Ah Tong	-	-	-	-	-
2. Lau Kean Cheong	31,751,725	0.82	14,662,997 (1)	0.38	21,381,120
3. Dato' Wong Gian Kui	250,000	0.01	-	-	3,315,620
4. Ho Phon Guan	34,978,528	0.90	-	-	20
5. Chong Poh Leng	600,000	0.02	-	-	1,066,000
6. Ahmad Ridzuan Bin Wan Idrus	-	-	-	-	-
7. Dato' Mohamad Azmi Bin Ali	-	-	-	-	-
8. Dato' Ong Eng Bin	-	-	-	-	-
9. Dr. Kamarulzaman Bin Mohamed Zin	-	-	-	-	-
10. Dr. Sharbanom Binti Abu Bakar	-	-	-	-	-
Amertron Incorporated					
1. Lau Kean Cheong	2	*	-	-	-

* *Negligible*

Note:

(1) Deemed interest by virtue of Section 59(11) of the Companies Act 2016 held through spouse.

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the 16th Annual General Meeting of Inari Amertron Berhad will be held at Dewan Berjaya, Bukit Kiara Equestrian and Country Resort, Jalan Bukit Kiara, Off Jalan Damansara, 60000 Kuala Lumpur on **Monday, 30 November 2026 at 10:30 a.m.** for the following purposes:-

AGENDA

AS ORDINARY BUSINESS

1. To receive the Audited Financial Statements for the financial year ended 30 June 2026 together with the Reports of the Directors and Auditors thereon. — **Please see Explanatory Note 1**

2. To approve the payment of Directors' fees of RM1,002,400 for the financial year ended 30 June 2026. — **Resolution 1**

3. To approve the payment of Directors' benefits of up to RM80,000 for the period from 1 December 2026 until the next Annual General Meeting of the Company. — **Resolution 2**

4. To re-elect the following Directors who are retiring by rotation pursuant to Clause 95 of the Company's Constitution:-

   4.1 Lau Kean Cheong — **Resolution 3**

   4.2 Ahmad Ridzuan Bin Wan Idrus — **Resolution 4**

5. To re-elect the following Directors who are retiring pursuant to Clause 102 of the Company's Constitution:-

   5.1 Chong Poh Leng — **Resolution 5**

   5.2 Dr. Kamarulzaman Bin Mohamed Zin — **Resolution 6**

   5.3 Dr. Sharbanom Binti Abu Bakar — **Resolution 7**

6. To re-appoint Messrs Grant Thornton Malaysia PLT as Auditors of the Company and to authorise the Directors to fix their remuneration. — **Resolution 8**

AS SPECIAL BUSINESS

To consider and if thought fit, to pass the following resolutions with or without modifications:

7. **AUTHORITY TO ISSUE AND ALLOT SHARES PURSUANT TO SECTION 75 AND 76 OF THE COMPANIES ACT 2016** — **Resolution 9**

   "**THAT**, subject to the Companies Act 2016, the Constitution of the Company and the approvals of the relevant authorities where required, the Directors of the Company be and are hereby empowered, pursuant to Section 75 and 76 of the Companies Act 2016, to issue and allot new shares in the Company ("New Shares") from time to time and upon such terms and conditions and for such purposes as the Directors may deem fit provided that the aggregate number of shares issued pursuant to this resolution does not exceed 10% of the total number of issued shares of the Company for the time being ("Mandate") and that such authority shall continue in force until the conclusion of the next Annual General Meeting of the Company and that the Directors be and are hereby empowered to obtain the approval from Bursa Malaysia Securities Berhad for the listing of and quotation for the additional shares so issued.

NOTICE OF ANNUAL GENERAL MEETING
cont'd

AND THAT pursuant to Section 85 of the Companies Act 2016 read together with Clause 63 of the Company's Constitution, approval be and is hereby given to waive the statutory pre-emptive rights conferred upon the shareholders of the Company and the Board is exempted from the obligation to offer such New Shares first to the existing shareholders of the Company in respect of the allotment and issuance of New Shares pursuant to the Mandate."

8. **PROPOSED RENEWAL OF SHAREHOLDERS' MANDATE FOR RECURRENT RELATED PARTY TRANSACTIONS OF A REVENUE OR TRADING NATURE ("PROPOSED RENEWAL OF SHAREHOLDERS' MANDATE")** **Resolution 10**

"**THAT**, subject to the provisions of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, approval be and is hereby given to the Company and its subsidiary companies to enter into recurrent related party transactions of a revenue or trading nature ("Recurrent Related Party Transactions") as set out in Section 2.3, Part A of the Circular/ Statement to Shareholders dated 23 October 2026, subject to the following:-

(a) the Recurrent Related Party Transactions are undertaken in the ordinary course of business which are necessary for day-to-day operations; on an arm's length basis, on normal commercial terms which are not more favourable to the related parties than those generally available to the public and are not detrimental to the minority shareholders of the Company; and

(b) disclosure is made in the annual report of the breakdown of the aggregate value of the Recurrent Related Party Transactions conducted during the financial year.

THAT such approval shall continue to be in force until:-

(i) the conclusion of the next Annual General Meeting ("AGM") of the Company following this AGM at which the Proposed Renewal of Shareholders' Mandate is passed, at which time it will lapse unless the authority is renewed by a resolution passed at the next AGM;

(ii) the expiration of the period within which the next AGM is required to be held pursuant to Section 340(2) of the Companies Act 2016 (the "Act") (but must not extend to such extension as may be allowed pursuant to Section 340(4) of the Act); or

(iii) it is revoked or varied by resolution passed by shareholders of the Company in a general meeting;

whichever is the earlier.

AND THAT the Directors of the Company be and are hereby authorised to complete and do all such acts and things (including executing all such documents as may be required) as they may consider expedient or necessary to give effect to the Proposed Renewal of Shareholders' Mandate."

NOTICE OF ANNUAL GENERAL MEETING
cont'd

9. **PROPOSED RENEWAL OF AUTHORITY FOR THE COMPANY TO PURCHASE ITS OWN SHARES** **Resolution 11**

"**THAT**, subject to the Companies Act 2016 (the "Act"), rules, regulations and orders made pursuant to the Act, the Company's Constitution, Main Market Listing Requirements of Bursa Malaysia Securities Berhad ("Bursa Securities") and any other relevant authorities, the Company be and is hereby authorised to purchase such number of ordinary shares in the Company as may be determined by the Directors of the Company from time to time through Bursa Securities upon such terms and conditions as the Directors may deem fit and expedient in the interest of the Company provided that:-

(i) the aggregate number of ordinary shares which may be purchased and/or held by the Company shall not exceed 10% of the total number of issued shares of the Company at the time of purchase;

(ii) the maximum funds to be allocated by the Company for the purpose of purchasing the ordinary shares shall not exceed the total retained profits of the Company;

(iii) the authority conferred by this resolution will commence immediately upon the passing of this resolution and will expire at the conclusion of the next Annual General Meeting of the Company following the passing of this resolution (unless earlier revoked or varied by ordinary resolution of the shareholders of the Company in a general meeting) but not so as to prejudice the completion of purchase(s) by the Company before the aforesaid expiry date and, in any event, in accordance with the provisions of the Act, the rules and regulations made pursuant thereto and the guidelines issued by Bursa Securities and any other relevant authorities; and

(iv) upon completion of the purchase(s) of the ordinary shares by the Company, the Directors of the Company be and are hereby authorised to cancel all the shares so purchased or retain all the shares as treasury shares (of which may be dealt with in accordance with Section 127(7) of the Act) or retain part thereof as treasury shares and cancelling the balance, and in any other manner as prescribed by the Act, rules, regulations and orders made pursuant to the Act and the requirements of Bursa Securities and any other relevant authorities for the time being in force.

AND THAT the Directors of the Company be and are hereby authorised to take all such steps as are necessary or expedient to implement, finalise and give full effect to the purchase(s) of the ordinary shares in the Company with full powers to assent to any conditions, modifications, variations and/or amendments as may be required or imposed by the relevant authorities and to do all such acts and things (including executing all documents) as the Directors may deem fit and expedient in the best interest of the Company."

10. **PROPOSED ALLOCATION OF OPTIONS TO MS. CHONG POH LENG UNDER THE EMPLOYEES' SHARE OPTION SCHEME ("ESOS")** **Resolution 12**

"**THAT**, subject to the approvals of the relevant authorities and/or parties (where applicable) being obtained, approval be and is hereby given to the Board and/or the ESOS Committee, at any time and from time to time throughout the duration of the ESOS, to offer and grant to Ms. Chong Poh Leng, the newly appointed and redesignated Executive Director cum Group Chief Financial Officer of the Company, options to subscribe for new ordinary shares under the ESOS of the Company provided always that:-

(a) she must not participate in the deliberation and/or discussion of her own allocation;

(b) not more than 10% of the total number of new ordinary shares to be issued under the ESOS shall be allocated to her who, either singly or collectively through persons connected to her, holds 20% or more of the total number of issued shares of the Company (excluding treasury shares, if any); and

(c) the allocation of options to her shall be subject always to such terms and conditions and/or any adjustments which may be made in accordance with the provisions of the ESOS By-Laws, the Listing Requirements of Bursa Securities, or any prevailing guideline issued by Bursa Securities, as amended from time to time.

AND THAT the Board be and is hereby authorised to issue and allot the corresponding number of new ordinary shares in the Company arising from the exercise of the options granted under the ESOS."

11. To transact any other business of the Company of which due notice shall have been given in accordance with the Company's Constitution and the Companies Act 2016.

By Order of the Board

Chow Yuet Kuen
MAICSA 7010284
SSM Practising Certificate No. 202008002730
Company Secretary

Lau Fong Siew
MAICSA 7045893
SSM Practising Certificate No. 202008002625
Company Secretary

Kuala Lumpur
23 October 2026

NOTICE OF ANNUAL GENERAL MEETING
cont'd

A. Notes

1. Proxy

(a) A member entitled to attend and vote at the 16th Annual General Meeting ("AGM") is entitled to appoint not more than two (2) proxies to attend and vote in his stead. Where a member appoints more than one (1) proxy, the appointment shall be invalid unless he specifies the proportion of his shareholdings to be represented by each proxy. A proxy need not be a member of the Company.

(b) Where a member is an authorised nominee as defined under the Securities Industry (Central Depositories) Act, 1991, it may appoint not more than two (2) proxies in respect of each securities account it holds with ordinary shares of the Company standing to the credit of the said securities account.

(c) Where a member is an exempt authorised nominee as defined under the Securities Industry (Central Depositories) Act, 1991 which holds shares in the Company for multiple beneficial owners in one securities account ("omnibus account"), there is no limit to the number of proxies which the exempt authorised nominee may appoint in respect of each omnibus account it holds.

(d) The instrument appointing a proxy shall be in writing under the hand of the appointer or his attorney duly authorised in writing or if the appointer is a corporation either under its common seal or under the hand of an officer or attorney duly authorised in writing.

(e) The instrument appointing a proxy may be deposited in hard copy or by electronic means in the following manner not less than forty-eight (48) hours before the time set for holding the meeting i.e. ***no later than 28 November 2026 at 10:30 a.m.*** *or at any adjournment thereof:*

i) Hard copy
Deposit the original proxy form with Vistra Investor & Issuing House Services Sdn Bhd (formerly known as Tricor Investor & Issuing House Services Sdn Bhd) ("Vistra") at Unit 32-01, Level 32, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No.8, Jalan Kerinchi, 59200 Kuala Lumpur or alternatively, deposit in the drop box located at Unit G-3, Ground Floor, Vertical Podium, Avenue 3, Bangsar South, No.8, Jalan Kerinchi, 59200 Kuala Lumpur.

ii) Electronic
Lodge the proxy form electronically via Vistra Share Registry and IPO (MY) portal at https://srmy.vistra.com by following the procedures provided in the Administrative Guide which is available on the Company's website at https://www.inari-amertron.com/annual-general-meetings/.

2. General Meeting Record of Depositors

Only members whose names appear in the Record of Depositors as at ***23 November 2026*** *shall be entitled to attend and vote at the AGM or appoint a proxy to attend and vote on his behalf.*

3. Voting

Pursuant to Paragraph 8.29A(1) of the Main Market Listing Requirements, all the resolutions set out in the notice of AGM will be put to vote by poll.

B. Explanatory Notes to Ordinary and Special Businesses

1. Audited Financial Statements

This agenda item is meant for discussion only as the provision of Section 340(1)(a) of the Companies Act 2016 does not require a formal approval of the shareholders for the Audited Financial Statements. Hence, this agenda item is not put forward for voting.

2. Ordinary Resolution 1 – Directors' Fees

The proposed Ordinary Resolution 1, if passed, will authorise the payment of Directors' fees in respect of the financial year ended 30 June 2026 amounting to RM1,002,400 (2025: RM994,400). Detailed breakdown of the Directors' fees payable to each Non-Executive Director is provided in the Corporate Governance Overview Statement on pages 167 to 168 of the Annual Report 2026.

NOTICE OF ANNUAL GENERAL MEETING
cont'd

3. Ordinary Resolution 2 – Directors' Benefits

The benefits payable to the Non-Executive Directors comprise of meeting allowance for attending the Board, Board Committees and general meetings for the period from 1 December 2026 to the next AGM in 2027. The meeting allowance is estimated based on the number of scheduled and unscheduled meetings and the numbers of Non-Executive Directors involved in these meetings.

4. Ordinary Resolution 9 – Authority to Issue and Allot Shares pursuant to Section 75 and 76 of the Companies Act 2016

This proposed Ordinary Resolution, if passed, will renew the general mandate given to the Directors of the Company to issue and allot shares up to an amount not exceeding 10% of the total number of issued shares of the Company for the time being for such purposes as the Directors consider would be in the best interest of the Company. The general mandate sought for the issue of shares is a renewal of the general mandate which was approved by shareholders at the last AGM held on 27 November 2025. As at the date of this notice, the Company has not issued any new shares under this general mandate which will lapse at the conclusion of this AGM.

The renewal of the general mandate will provide flexibility to the Company for any possible fund raising activities including but not limited to issuance of new shares for funding investment projects, working capital and/or acquisitions and to avoid any delay and costs involved in convening a general meeting to approve such issuance of shares.

Pursuant to Section 85 of the Companies Act 2016 read together with Clause 63 of the Company's Constitution, shareholders have pre-emptive rights to be offered any new shares in the Company which rank equally to the existing issued shares. This proposed Ordinary Resolution, if passed, will waive the shareholders' pre-emptive rights to be offered the new shares that may be issued by the Company pursuant to the said resolution.

This authority to issue and allot shares, unless revoked or varied at a general meeting, will expire at the conclusion of the next AGM of the Company.

5. Ordinary Resolution 10 – Proposed Renewal of Shareholders' Mandate for Recurrent Related Party Transactions of a Revenue or Trading Nature

This proposed Ordinary Resolution, if passed, will empower Inari Group to enter into Recurrent Related Party Transactions of a revenue or trading nature in a timely manner. This will substantially reduce administrative time, inconvenience and expenses associated with the convening of general meetings, without compromising the corporate objectives of the Group or adversely affecting the business opportunities available to the Group.

Further information on the Proposed Renewal of Shareholders' Mandate is set out in Part A of the Circular/Statement to Shareholders dated 23 October 2026 which is available on the Company's website at https://www.inari-amertron.com/annual-general-meetings/.

6. Ordinary Resolution 11 – Proposed Renewal of Authority for the Company to Purchase its Own Shares

This proposed Ordinary Resolution, if passed, will empower the Directors of the Company to purchase up to 10% of the total number of issued shares of the Company by utilising the funds allocated out of the retained profits of the Company. This authority, unless revoked or varied at a general meeting, will expire at the conclusion of the next AGM of the Company.

Further information on the Proposed Renewal of Authority for the Company to Purchase its Own Shares is set out in Part B of the Circular/Statement to Shareholders dated 23 October 2026 which is available on the Company's website at https://www.inari-amertron.com/annual-general-meetings/.

7. Ordinary Resolution 12 – Proposed Allocation of Options to Ms. Chong Poh Leng under the Employees' Share Option Scheme ("ESOS")

The proposed allocation of options to Ms. Chong Poh Leng is made pursuant to the Company's ESOS which was approved by the shareholders at the Extraordinary General Meeting held on 23 November 2022. Ms. Chong who has been the Group Chief Financial Officer since 2015 was appointed as an Executive Director of the Company on 9 June 2026 and re-designated as Executive Director cum Group Chief Financial Officer. She is eligible to participate in the ESOS in accordance with the provisions of the By-Laws governing and constituting the ESOS.

This proposed Ordinary Resolution, if passed, will empower the Board and/or the ESOS Committee of the Company to offer and grant options to Ms. Chong to subscribe for new ordinary shares in the Company and to issue and allot such number of new ordinary shares to her pursuant to the exercise of options.

NOTICE OF ANNUAL GENERAL MEETING
cont'd

Personal Data Privacy

By submitting an instrument appointing a proxy(ies) and/or representative(s) to attend and vote at the AGM and/or any adjournment thereof, a member of the Company (i) consents to the collection, use and disclosure of the member's personal data by the Company (or its agents) for the purpose of the processing and administration by the Company (or its agents) of proxies and representatives appointed for the AGM (including any adjournment thereof) and the preparation and compilation of the attendance lists, minutes and other documents relating to the AGM (including any adjournment thereof), and in order for the Company (or its agents) to comply with any applicable laws, listing rules, regulations and/or guidelines (collectively, the "Purposes"), (ii) warrants that where the member discloses the personal data of the member's proxy(ies) and/or representative(s) to the Company (or its agents), the member has obtained the prior consent of such proxy(ies) and/or representative(s) for the collection, use and disclosure by the Company (or its agents) of the personal data of such proxy(ies) and/or representative(s) for the Purposes, and (iii) agrees and undertakes that the member shall indemnify the Company and/or to keep the Company fully indemnified and save the Company harmless against all and/or any actions, demands, claims, losses, costs, proceedings and damages (including all legal fees and costs) which the Company may suffer or incur in any manner howsoever arising from or as a result of the member's breach of the aforementioned warranty.

STATEMENT ACCOMPANYING NOTICE OF ANNUAL GENERAL MEETING

Pursuant to Paragraph 8.27(2) of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad

1. Details of individuals who are standing for election/re-election as Directors

The profile of the Directors who are standing for election/re-election as per Agenda 4 and 5 in the notice of AGM is set out on pages 16 to 21 of the Company's Annual Report 2026. The details of their interest in the securities of the Company are set out in the Statement of Directors' Interest on page 269 of the Annual Report.

Based on the results of the board effectiveness evaluation, the Nomination Committee ("NC") views that the Directors standing for election/re-election meet the criteria as prescribed under Paragraph 2.20A of the Main Market Listing Requirements and adhere to the fit and proper criteria in the Fit and Proper Policy for Directors. With the recommendation of NC, the Board supports the election/re-election of these Directors.

2. Statement relating to general mandate for issue of securities in accordance with Paragraph 6.03(3) of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad

The proposed Ordinary Resolution 9 is a renewal of the general mandate which was approved by shareholders at the last AGM held on 27 November 2025. As at the date of this notice, no new shares were issued under this general mandate which will lapse at the conclusion of the 16th AGM.

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PROXY FORM
16th Annual General Meeting

No. of Shares Held	CDS Account No.

INARI AMERTRON BERHAD
(Registration No. 201001016131 (1000809-U))

I/We _____
(FULL NAME IN BLOCK LETTERS)

NRIC No./Company No. _____ Tel No. _____

of _____
(FULL ADDRESS)

_____

being a member(s) of **INARI AMERTRON BERHAD**, hereby appoint:-

1. Full name of Proxy in BLOCK LETTERS	**NRIC/Passport No.**	**Proportion of shareholding**	
		No. of shares	**%**
Address			

AND

2. Full name of Proxy in BLOCK LETTERS	**NRIC/Passport No.**	**Proportion of shareholding**	
		No. of shares	**%**
Address			

or failing him/her, the Chairman of the meeting, as my/our proxy(ies) to vote for me/us on my/our behalf at the 16th Annual General Meeting of the Company to be held at Dewan Berjaya, Bukit Kiara Equestrian and Country Resort, Jalan Bukit Kiara, Off Jalan Damansara, 60000 Kuala Lumpur on **Monday, 30 November 2026 at 10:30 a.m.** or at any adjournment thereof in the manner indicated below:-

NO.	RESOLUTIONS	FOR	AGAINST
1.	To approve the payment of Directors' fees of RM1,002,400		
2.	To approve the payment of Directors' benefits of up to RM80,000		
3.	To re-elect Lau Kean Cheong as Director		
4.	To re-elect Ahmad Ridzuan Bin Wan Idrus as Director		
5.	To re-elect Chong Poh Leng as Director		
6.	To re-elect Dr. Kamarulzaman Bin Mohamed Zin as Director		
7.	To re-elect Dr. Sharbanom Binti Abu Bakar as Director		
8.	To re-appoint Messrs Grant Thornton Malaysia PLT as Auditors		
9.	To approve the authority to issue and allot shares		
10.	To approve the renewal of shareholders' mandate for recurrent related party transactions of a revenue or trading nature		
11.	To approve the renewal of authority for the Company to purchase its own shares		
12.	To approve the allocation of options to Ms. Chong Poh Leng, the newly appointed and redesignated Executive Director cum Group Chief Financial Officer, under the Employees' Share Option Scheme		

Please indicate with an "X" in the spaces provided how you wish your vote to be cast. If no specific instruction is given on the voting, the proxy will vote or abstain from voting at his/her discretion.

Signed this _____ day of _____ 2026

_____
Signature(s)/Common Seal of Member(s)

Fold this flap for sealing

Notes

1. Proxy

(a) A member entitled to attend and vote at the 16th Annual General Meeting ("AGM") is entitled to appoint not more than two (2) proxies to attend and vote in his stead. Where a member appoints more than one (1) proxy, the appointment shall be invalid unless he specifies the proportion of his shareholdings to be represented by each proxy. A proxy need not be a member of the Company.

(b) Where a member is an authorised nominee as defined under the Securities Industry (Central Depositories) Act, 1991, it may appoint not more than two (2) proxies in respect of each securities account it holds with ordinary shares of the Company standing to the credit of the said securities account.

(c) Where a member is an exempt authorised nominee as defined under the Securities Industry (Central Depositories) Act, 1991 which holds shares in the Company for multiple beneficial owners in one securities account ("omnibus account"), there is no limit to the number of proxies which the exempt authorised nominee may appoint in respect of each omnibus account it holds.

(d) The instrument appointing a proxy shall be in writing under the hand of the appointer or his attorney duly authorised in writing or if the appointer is a corporation either under its common seal or under the hand of an officer or attorney duly authorised in writing.

(e) The instrument appointing a proxy may be deposited in hard copy or by electronic means in the following manner not less than forty-eight (48) hours before the time set for holding the meeting i.e. ***no later than 28 November 2026 at 10:30 a.m.*** *or at any adjournment thereof:*

i) Hard copy
Deposit the original proxy form with Vistra Investor & Issuing House Services Sdn Bhd (formerly known as Tricor Investor & Issuing House Services Sdn Bhd) ("Vistra") at Unit 32-01, Level 32, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No.8, Jalan Kerinchi, 59200 Kuala Lumpur or alternatively, deposit in the drop box located at Unit G-3, Ground Floor, Vertical Podium, Avenue 3, Bangsar South, No.8, Jalan Kerinchi, 59200 Kuala Lumpur.

ii) Electronic
Lodge the proxy form electronically via Vistra Share Registry and IPO (MY) portal at https://srmy.vistra.com by following the procedures provided in the Administrative Guide which is available on the Company's website at https://www.inari-amertron.com/annual-general-meetings/.

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AFFIX
STAMP
HERE

INARI AMERTRON BERHAD

c/o Vistra Investor & Issuing House Services Sdn Bhd
(Formerly known as Tricor Investor & Issuing House Services Sdn Bhd)

Unit 32-01, Level 32, Tower A
Vertical Business Suite, Avenue 3
Bangsar South, No.8, Jalan Kerinchi
59200 Kuala Lumpur

Please fold here

2. General Meeting Record of Depositors

Only members whose names appear in the Record of Depositors as at 23 November 2026 shall be entitled to attend and vote at the AGM or appoint a proxy to attend and vote on his behalf.

3. Voting

Pursuant to Paragraph 8.29A(1) of the Main Market Listing Requirements, all the resolutions set out in the notice of AGM will be put to vote by poll.

Personal Data Privacy

By submitting an instrument appointing a proxy(ies) and/or representative(s), the member accepts and agrees to the personal data privacy terms set out in the Notice of 16th AGM dated 23 October 2026.



KLSE Stock Code

0166

www.inari-amertron.com