

SUMMARY OF KEY MATTERS DISCUSSED AT THE 11TH AGM OF INARI AMERTRON BERHAD HELD ON 25 NOVEMBER 2021

PART A: KEY MATTERS DISCUSSED

No.	Questions raised by shareholders/proxy	The Company's responses
1.	<ol style="list-style-type: none"> 1. What is the progress on utilize part of the private placement to acquire and invest in high quality and complimentary semiconductor, OSAT and electronics manufacturing services (EMS) companies on an active or passive basis? 2. What is the plan to further expand the customer base? 	<ol style="list-style-type: none"> 1. Inari is actively looking for good partners and leading edge technology companies in order to stay relevant in technology services for the future. 2. In line with our growth plan and risk mitigation, the Group has secured 3 new customers in the past 2 years and is actively engaging in discussion with new customer prospects and partners as we now have the financial capacity to make significant capital investment to secure long term business on a win-win basis with customers.
2.	<ol style="list-style-type: none"> 1. Can management share out the plan of company stepping into silicon carbide (SiC) RF packaging? 2. Any plan to increase revenue % contribution from automotive segment? What will be the target revenue %? 3. Any challenge faced due to material shortage? If yes, can management share out the mitigation plan? 4. Is there any sanction risk in future from US government when Inari joint ventures with China company? 	<ol style="list-style-type: none"> 1. Inari will continue to explore various business opportunities with potential customers or their partners including SiC packaging platform especially for high power application such as automotive field. 2. Automotive is the next target after our System-on-Module (SOM) investments (currently at intense R&D, NPI and engineering qualification stages) mature. In the next few years, the EV/ autonomous sector is expected to be a large market and we will be ready to capture new opportunities in this sector and expect high percentage growth rate from our current low base. 3. We are able to secure sufficient materials to meet shipment commitment with good planning with/by customers and loading ahead in the past 12 months. For information - for the legacy product, there is up to 2 years non-cancellable purchase order via staggered delivery. 4. We do not foresee any risks as the joint venture will be purely providing assembly and test services.

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3.	<ol style="list-style-type: none"> 1. Can you briefly explain how Inari benefit from the data centre, AR and VR sector? 2. Is the RF product that Inari involve mainly on telecommunication sector? Can it be apply on other sector such as EV etc? 	<ol style="list-style-type: none"> 1. Inari's services and capabilities are always relevant in the data centre and hardware OSAT chip space. AR and VR need a lot of chips and bandwidth, so Inari will definitely benefit from it. 2. RF and optical fiber products manufactured by Inari can be used in many applications including in the EV segment.
4.	<ol style="list-style-type: none"> 1. What potential role of involvement and future potential for Inari in automotive sector as it will be the next 10-20 years economic potential and as it is now not a stronghold for Inari and constitute only a small part of Inari revenue and profit? 2. Where will Inari expand or its capex locate at? 	<ol style="list-style-type: none"> 1. The automotive sector currently does not contribute a major part of Inari Group's overall revenue and profit. However, Inari will continue to explore business opportunities in relation to automotive sector where we are qualified to manufacture and provide the assembly and test services. 2. Inari shall stay in our competitive ground particularly in Penang for the RF division, and in China and Philippines for the optical, communication and automotive sensors. However, we are also open to potential opportunities in other countries in order to achieve our strategic and growth objectives.
5.	<p>The Company is sitting on approximately RM20 billion cash on the generated earnings and with the recent cash call of approximately RM1 billion.</p> <ol style="list-style-type: none"> 1. The recent Memorandum of Understanding (MOU) of RM300 million injected into ATK/CFTC joint venture, can you disclose what is the focus of this new joint venture, would it be in automotive, 5G or other area? 2. Is Inari still eyeing on potential M&A at near term? 3. How much impact is expected from the recent power rationing in China? 	<p>The Company's cash reserve is nearly RM2 billion instead of RM20 billion.</p> <ol style="list-style-type: none"> 1. The non-binding MOU was entered into with the intention of setting up a joint venture company in China ("CJV") to carry out OSAT manufacturing and related businesses in China for the China market. It is still premature at this juncture to disclose the focus areas, pending the execution of the Definitive Agreement and completion of the MOU's conditions precedent. 2. Inari continues to be on the look out to acquire and invest in high quality and complimentary semiconductor companies on a horizontal or vertical value chain basis. Such potential investments will be assessed on the investments' ability to generate sustainable revenue and earnings growth, good profit margin and good return on investment capital for the Group. More importantly,

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		<p>to enable Inari to continue to stay relevant in the era of rapidly improving technologies.</p> <p>3. The impact of the one-time power rationing to Inari Group during October 2021 is not material and there has been no indication of further power rationing by the Chinese Government since.</p>
6.	<p>What is % of business generated from Inari Amertron's cloud business (pillar 5) and how much more do you project it will grow in the coming 5 years?</p>	<p>The pillar 5 does not fall within Inari's business segment or services. The pillar 5 stated on page 54 of our annual report 2021 refers to Industry 4.0 technology and advancement pillar on process innovation and digitalization from machine connectivity till real-time visualization and control. One of Inari's opto-electronic lines manufactures very crucial and important devices for telecommunications connectivity. However, we have no knowledge of the specific end customer, thus unable to segmentize Cloud from other telecommunication uses.</p>
7.	<p>1. Regarding the JV with CFTC and the new plant size of 1 million sqft, how much revenue is estimated to be generated from this plant over the next 3-5 years assuming 90% utilization?</p> <p>2. Is there a plan for the company to move towards upstream manufacturing with higher value and better margin products?</p>	<p>1. The JV is still under planning stage, as such we are unable to comment further at this moment.</p> <p>2. Higher value and higher end technical upstream services have always been part of Inari's strategic objectives and plans.</p>
8.	<p>Strongly urge INARI AMVERTON management to consider Dividend Reinvestment Plan and/or Rights Issue to existing shareholders on top of the Private Placement in FY2022.</p>	<p>Our company's name is Inari Amertron. Amverton is a name of a Country Club in Pulau Carey which has no relation to our Company.</p> <p>At the moment, there are no plans to implement a Dividend Reinvestment Plan ("DRP") and/or Rights Issue. The purpose of the recent Private Placement exercise was to raise funds for the Company's capital expenditure, acquisitions, and investments, with the view that it was the most appropriate avenue for the Company to raise funds as it allowed the Company to raise funds timely and cost effectively. Nevertheless, Inari will consider various fund raising</p>

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		<p>options should there be a need to raise further funds in the future.</p> <p>Inari remains committed to continue its good dividend policy and deliver good returns to shareholders.</p>
9.	<p>What is the Company's future plan in managing customer portfolio to be less reliant on one major customer?</p>	<p>Inari has 3 new customers and is actively engaged in discussion with other potential new customers.</p> <p>In addition to our top 3 pillars (wafer processing, assembly on component & testing), Inari is currently working on System-on-Module (SOM) which will be an improvement to the RF, optical communication and sensor devices which have been used for the past 30 years. SOM will be our next pillar 4 to capture new opportunities in the supply chain.</p>
10.	<p>Where do you see Inari 5 years from now?</p>	<p>As technology continues to evolve in a rapid pace, we develop our strategic planning for the next 2 to 3 years ahead. In the next 2 to 3 years, we intend to create significant growth in the 5G era and its applications such as smart mobile and gadget i.e. IoT and smart home, optical communication, automotive and autonomous vehicles, AR and VR. All these applications require our assembly and test services.</p>
11.	<p>Please give e-voucher or e-wallet for refreshment.</p>	<p>We take note of the request. It has been Inari's practice to not provide any e-vouchers, food vouchers or e-wallets for attending virtual AGMs. Nevertheless, Inari has rewarded shareholders by providing good dividends in FY2021 as evidenced by the highest cash dividend payout ratio of 113.5% amounting to RM375.4 million.</p>
12.	<p>Is management confident to join KLCI index and able to maintain?</p>	<p>While management has no control over Inari's inclusion in the Kuala Lumpur Composite Index (KLCI), we will continue to work hard to deliver good results and appeal to stakeholders for continued support.</p>

PART B: QUESTIONS RAISED BY MINORITY SHAREHOLDERS WATCH GROUP (“MSWG”)

No.	Questions raised by MSWG	The Company’s responses												
1.	<p>Inari has rapidly grown its operations into a portfolio of ten (10) plants located across Malaysia, Philippines and China with a total built-up area of approximately 1,800,000 square feet. Moving forward, the Group will continue to look at expanding its production capacity via further building or acquiring plant space (page 24 of Annual Report 2021 (“AR2021”)).</p> <p>What is the average utilisation rate for the Group’s plants in Malaysia, Philippines and China, respectively, for FY2021 and to-date?</p>	<p>The average utilisation of production floor space for the Group’s plants in FY2021 and to-date are as follows:</p> <table border="1" data-bbox="1113 371 2020 560"> <thead> <tr> <th data-bbox="1113 371 1312 443">Plant</th> <th data-bbox="1312 371 1693 443">Average Utilisation Rate FY2021</th> <th data-bbox="1693 371 2020 443">Average Utilisation Rate To-Date</th> </tr> </thead> <tbody> <tr> <td data-bbox="1113 443 1312 483">Malaysia *</td> <td data-bbox="1312 443 1693 483">85%</td> <td data-bbox="1693 443 2020 483">90%</td> </tr> <tr> <td data-bbox="1113 483 1312 523">Philippines</td> <td data-bbox="1312 483 1693 523">89%</td> <td data-bbox="1693 483 2020 523">92%</td> </tr> <tr> <td data-bbox="1113 523 1312 560">China</td> <td data-bbox="1312 523 1693 560">81%</td> <td data-bbox="1693 523 2020 560">81%</td> </tr> </tbody> </table> <p>* Exclude P34 and new P55</p>	Plant	Average Utilisation Rate FY2021	Average Utilisation Rate To-Date	Malaysia *	85%	90%	Philippines	89%	92%	China	81%	81%
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2.	<p>The construction of the Group’s new plant, P55 adjacent to the existing P13 plant in Bayan Lepas, Penang was completed with Certificate of Completion and Compliance 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 (page 32 of AR2021).</p> <p>What is the status of operations in P55? To-date, how much of the production capacity in P55 has been taken up?</p>	<p>Our P55 plant commenced operations in August 2021. To-date, 44% of the production capacity in P55 has been dedicated for RF test expansion and for a new customer to assemble System-on-Module (SOM) products. The expected utilisation rate as at end of FY2022 will be approximately 75% utilised for RF final test expansion.</p>												