

Inari Amertron (INRI MK)

Revising earnings estimates

Introducing expanded ESG tear sheet; maintain BUY

We have trimmed our FY22-23 EPS estimates by 9%/8% on the back of 2H seasonality weakness and the potential fallout from China's "Covid Zero" lockdown policy. We maintain the BUY call but further lower our valuation peg to 32x FY23E PER, at +1SD to the LT mean (from 35x at +1.5SD), to account for the accelerated inflation-induced rate increase cycle; our new TP is MYR4 (-16%). We have also introduced an expanded ESG tear sheet (see Pg. 3) for Inari and assigned it an above average overall score of 70, based on its aggregated quantitative/qualitative/target-based metrics.

Trimming FY22-23 earnings estimates

We revise our FY22-23 earnings estimates by 9%/8% on account of: (i) lower seasonality in 2HFY22 as smartphone customers hold back on purchases in anticipation of the new flagship models to be launched by its key end-customer in late Sep 2022 and (ii) the potentially adverse impact of China's lockdown of the Shanghai metropolis and its surrounding areas in late March to contain the country's largest Covid outbreak to-date.

Extended Shanghai lockdown potentially adverse

The effect of China's lockdown is two-fold as the draconian measures imposed is (i) likely to have dented consumer confidence (the key end-customer derived c.21% of its turnover last quarter from Greater China, its fastest growing revenue demographic globally) and (ii) forced the key end-customer's China-based contract manufacturers to shutter operations temporarily in Shenzhen (assembler F) and Shanghai/Kunshan (assembler P). Both companies have since been allowed to resume operations with a limited scope of operations in a "closed-loop system", but should the municipalities fail to control the outbreak resulting in an extended lockdown, it is likely to adversely impact Inari's end volumes for FY22/23.

Extending MOU timeline for CFTC JV

Separately, it also recently announced that it will be extending its MOU with CFTC that is set to expire on 17 April for an additional 2 months owing to complications in finalising the terms of the OA as a result of the Shanghai lockdown. With a slew of new products in the pipeline and foreseeably strong RF segment demand (notwithstanding the Chinese lockdown blip) from new 5G product launches, we remain sanguine on Inari's long-term prospects, and it remains our top Malaysian OSAT pick.

FYE Jun (MYR m)	FY20A	FY21A	FY22E	FY23E	FY24E
Revenue	1,058	1,429	2,010	2,147	2,291
EBITDA	264	449	550	602	669
Core net profit	161	345	406	467	529
Core EPS (sen)	4.8	10.0	10.7	12.3	13.9
Core EPS growth (%)	(20.9)	109.0	7.5	14.8	13.4
Net DPS (sen)	4.3	10.9	10.7	12.3	13.9
Core P/E (x)	35.5	31.8	27.6	24.1	21.2
P/BV (x)	4.7	8.0	4.6	4.6	4.6
Net dividend yield (%)	2.5	3.5	3.6	4.2	4.7
ROAE (%)	13.5	25.7	21.4	19.2	21.6
ROAA (%)	11.5	21.0	17.1	15.8	17.7
EV/EBITDA (x)	19.4	22.5	17.0	15.6	14.0
Net gearing (%) (incl perps)	net cash	net cash	net cash	net cash	net cash
Consensus net profit	-	-	393	458	501
MKE vs. Consensus (%)	-	-	3.4	2.0	5.6

Anand Pathmakanthan
 anand.pathmakanthan@maybank-ib.com
 (603) 2297 8783

BUY

Share Price	MYR 2.96
12m Price Target	MYR 4.00 (+39%)
Previous Price Target	MYR 4.77

Company Description

Inari Amertron is the biggest semiconductor player in M'sia and one of Broadcom's top OSAT providers in the thriving wireless division.

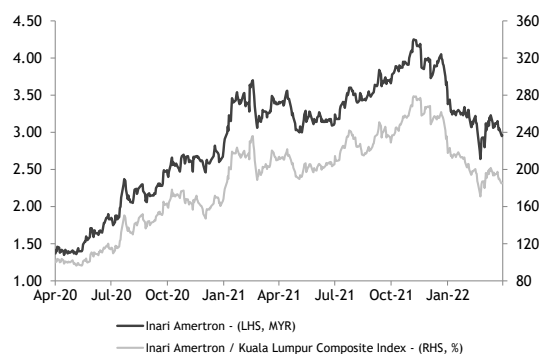
Statistics

52w high/low (MYR)	4.25/2.64
3m avg turnover (USDm)	13.6
Free float (%)	73.8
Issued shares (m)	3,702
Market capitalisation	MYR11.0B
	USD2.6B

Major shareholders:

Insas Bhd.	14.5%
Kumpulan Wang Persaraan	9.0%
Employees Provident Fund	7.1%

Price Performance



	-1M	-3M	-12M
Absolute (%)	1	(17)	(13)
Relative to index (%)	(1)	(18)	(13)

Source: FactSet

ESG@MAYBANK IBG
 Tear Sheet Insert

ESG@MAYBANK IBG

anand.pathmakanthan@maybank-ib.com

Risk Rating & Score ¹	11.4 (Low)
Score Momentum ²	+0.0
Last Updated	27 Apr 2021
Controversy Score ³ (Updated: 27 Nov 2021)	1 - Employee incidents (Labour relations)

Business Model & Industry Issues

- Inari is the largest listed technology company on Bursa by market capitalisation - a testament to its niche expertise in back-end wafer processing, assembly, and testing of RF & optoelectronic products for a global clientele that includes Broadcom.
- In our view, the company has been largely successful in complying with environmental and occupational health & safety standards. However, female and independent representation on its board has been comparatively low. Meanwhile, Inari continues to uphold human and labour rights, and fair treatment in managing foreign labours.
- Overall, Inari is still largely well-placed to leverage on its competent management team and strong track record to maintain its market-leading position and capitalise on the mass deployment of 5G smartphones in the years to come.
- Inari also scores well above average in our proprietary scoring methodology (see Pg. 3) with an overall score of 70/100.

Material E issues

- Energy consumption was approximately 400 kGJ across the group in FY21 (8% increase from FY20). Energy intensity however was lower by 29% to 20.5 GJ/m FOU, with a notable YoY reduction in Malaysia and the Philippines.
- Company has been certified ISO 14001 since 2007 and strives to minimise its environmental impact via pollution-prevention mechanisms. In FY21, it generated 74.9 ktCO₂e of greenhouse gas (GHG) emissions (up 7.5% vis-a-vis FY20 due to higher production volumes). Emissions intensity however decreased by 29.3% across the group as a whole. Of the total, direct (Scope 1) GHG emissions amounted to <1% of total emissions with the remaining 99.7% being indirect emissions from electricity usage.
- Achieved its FY21 waste reduction target in Malaysia by either successfully recovering, recycling or reusing 91.5% of its 607 tonnes of generated waste.
- Management is currently installing solar PV panels in its premises to reduce GHG emissions by a further 6% in FY22.

Material S issues

- Gender inclusivity is at the forefront of management's strategic priorities with 64% of the 5,800-strong workforce being female. The female new hire rate has also increased from 13.6% in FY20 to 17.9% in FY21.
- Employee benefits (including insurance and medical coverage) are generous by industry standards and employees are on average, provided 13 hours of training per year in both vocational and non-technical fields.
- In terms of occupational safety & health (OSH), the group reported no workplace injuries in FY21 across its Malaysian operations. OSH training is also mandatory for all staff.
- Inari strives to uphold human and labour rights and fair treatment in managing foreign labours (i.e. legal work permits, at least minimum wage, prohibition of child labour and forced labour). Approx. 22% of Inari's FY21 workforce was foreign labour (vs. 30% in FY20).

Key G metrics and issues

- Independent directors, including the chairman, currently make up 36% of the board or 4 of the 11 members. Although the composition is compliant with Bursa's Main Market Listing requirements, it is not in line with the Malaysian Code on Corporate Governance (MCCG) practise of having at least half the board comprising of independents. The company acknowledges this shortcoming and has set itself a two-year timeline to make the necessary amends.
- Only 9% or 1 of the 11 of the board members is female. Although she is the chairman of the board, it doesn't negate the dearth of diverse perspectives that could arise from a lack of female representation. The company has set itself a 2-year timeline to increase female representation to at least 30% to be more in line with MCCG best practises.
- Average tenure of the independent board members is 10.2 years (longest serving at 12.5 years and shortest at 4.2 years). Leadership churn risk is low with no independent director resigning since June 2012. The board has however not adopted a policy to limit the tenure of its independent directors to nine years with 3 of the 4 existing independent directors having served more than nine years each.
- All 4 board committees are chaired by independent directors and have an independent majority.
- Director's remuneration stands at 0.8% of FY21 net profit. The company's remuneration is based on performance and adherence to corporate governance as well as sustainability targets. It is benchmarked periodically against peers to ensure fair and motivating compensation.
- No material related-party transactions to date.
- Grant Thornton has been the external auditor for more than 10 years since the company listed in 2011.
- Inari has undertaken 2 major acquisitions since listing - notably Amertron (Global) in 2013 for USD32m and 9.7% of PCL Technologies at a reasonable 8.4% premium in 2016. Both acquisitions have been value-accretive and successful in increasing shareholder returns.

¹**Risk Rating & Score** - derived by Sustainalytics and assesses the company's exposure to unmanaged ESG risks. Scores range between 0 - 50 in order of increasing severity with low/high scores & ratings representing negligible/significant risk to the company's enterprise value, respectively, from ESG-driven financial impacts. ²**Score Momentum** - indicates changes to the company's score since the last update - a **negative** integer indicates a company's improving risk score; a **positive** integer indicates a deterioration. ³**Controversy Score** - reported periodically by Sustainalytics in the event of material ESG-related incident(s), with the impact severity scores of these events ranging from Category 0-5 (0 - no reports; 1 - negligible risks; ...; 5 - poses serious risks & indicative of potential structural deficiencies at the company).

Quantitative parameters (Score: 47)						
	Particulars	Unit	FY6/19	FY6/20	FY6/21	UNI MK (FY12/21)
E	Scope 1 GHG emissions	k tCO ₂ e	0.2	0.4	0.6	1.3
	Scope 2 GHG emissions	k tCO ₂ e	70.7	69.4	74.3	135.6
	Total	k tCO₂e	70.9	69.7	74.9	136.9
	Scope 3 GHG emissions	k tCO ₂ e	N/A	N/A	N/A	N/A
	Total	k tCO₂e	70.9	69.7	74.9	136.9
	GHG intensity (Scope 1 and 2)	tCO ₂ e/m units	6.5	5.5	3.9	14.0
	Energy intensity	GJ/m units	34.2	28.9	20.5	76.0
	Water intensity	m ³ /m units	65.0	57.0	40.0	120.0
	Wastewater discharge (COD)	mg/L	386.4	269.4	67.7	N/A
	Waste 3R rate (Malaysia only)	%	91.6%	90.0%	91.5%	41%*
Share of renewable energy use	%	N/A	N/A	>1%	N/A	
Cases of environmental non-compliance	number	0	0	0	0	
S	Proportion of women in the workforce	%	73.0%	69.0%	64.0%	59.0%
	Proportion of women as new hires	%	15.9%	13.6%	17.9%	27.3%*
	Proportion of locals as new hires	% (avg)	81.5%	81.5%	86.5%	N/A
	Lost time injury frequency (LTIF) rate	number (avg)	0.98	0.45	0.97	1.44
	Training hours per employee	number	12	10	13	30
G	MD/CEO salary as % of reported net profit	%	0.3%	0.3%	0.4%	2.2%
	Board salary as % of reported net profit	%	0.8%	0.8%	0.8%	4.0%
	Independent directors on the Board	%	40%	40%	36%	30%
	Female directors on the Board	%	10%	10%	9%	20%

Qualitative Parameters (Score: 86)	
a) Is there an ESG policy in place and whether there is a standalone ESG committee or is it part of a risk committee?	<i>Yes - it has an established sustainability framework/handbook and a sustainability & integrity working group (SIWG) that is led by the Group CEO and assisted by the CFO. The SIWG reports directly to the Sustainability & Risk Management Board Committee.</i>
b) Is the senior management salary linked to fulfilling ESG targets?	<i>Yes</i>
c) Is the company a signatory of or adheres to the UN Global Compact (UNGC) Initiative?	<i>Yes</i>
e) Does the company have a mechanism to capture Scope 3 emissions - which parameters are captured?	<i>No</i>
f) What are the 2-3 key carbon mitigation/water/waste management strategies adopted by the company?	<i>Energy efficiency: Completed - conversion of compressor from screw to centrifugal at P3/13 (saves 322 kWh per mth), conversion of lighting from T8 to LED at P1/3/5 (saves 133 kWh per mth); Ongoing - solar panel installation at P13/21/55 (to save 155,918 kWh per mth). Water mgmt: converting machines from single to dual spindle, rainwater harvesting, recycling of RO reject water, upgrading piping system. Waste mgmt: has 90% 3R target in place and plans to invest in an Industrial Effluent Treatment System.</i>
g) Does carbon offset form part of the net zero/carbon neutrality target of the company?	<i>Yes - it utilises LED lighting and is installing solar panels (see question (f) above) to offset its GHG emissions.</i>
h) Has the company faced any lawsuits/controversies pertaining to anti-competitive practises or IP infringement?	<i>No</i>

Target (Score: 100)		
Particulars	Target	Achieved
Waste management 3R rate	90.0%	91.5%
GHG emission reduction via solar panels	6%	N/A
GHG emission reduction via LED lighting	1%	>1%
Female representation on Board	30%	9%
Independent representation on Board	N/A	36%
Impact		
NA		
Overall score: 70		
As per our ESG matrix, Inari Amertron (INRI MK) has an overall score of 70.		

ESG score	Weights	Scores	Final Score
Quantitative	50%	47	24
Qualitative	25%	86	21
Target	25%	100	25
Total			70

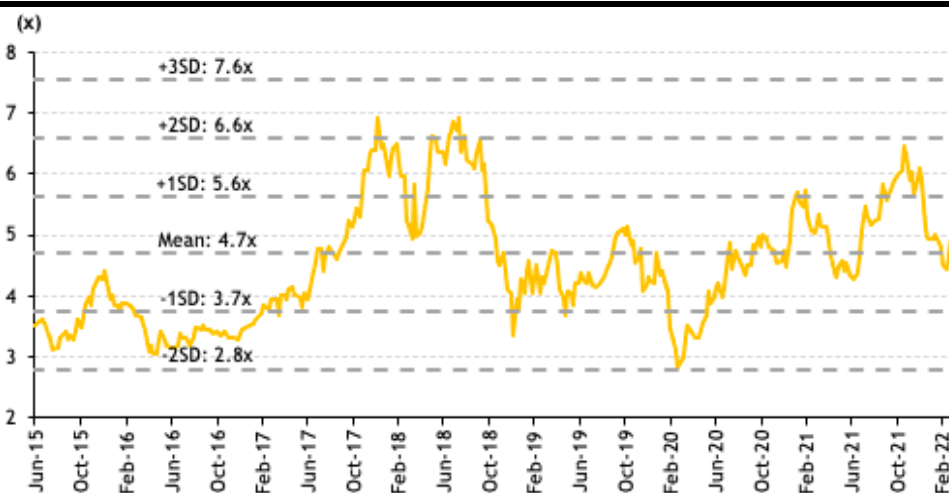
Per our ESG assessment, INRI has an established ESG framework/ internal policies and scores well in terms of its "E" and "S" metrics but needs to make headway in improving its board diversity and establishing clearer ESG targets moving forward. INRI's overall score of **70** makes its ESG rating **above average** in our view, and in-line with its sector's low-to-medium ESG risk profile (average ESG rating = 50; refer to Appendix I for our ESG Assessment Scoring).

Fig. 1: Inari’s 12M forward PER band (currently trading at about the LT mean @ 24.9x)



Source: Bloomberg, Maybank IBG Research

Fig. 2: Inari’s 12M forward PBV band (currently trading at 4.6x)



Source: Bloomberg, Maybank IBG Research

Risk statement

There are several risk factors for our earnings estimates, target price and rating for Inari. A sharp downturn in the global markets for electronics, especially smartphones, will affect the demand for components that Inari produces for its key clients (i.e. Broadcom and OSRAM). Design-in and design-out of components related to Inari’s current production will also affect revenue and earnings. Additionally, forex volatility, especially USD/MYR, will affect Inari’s earnings, as over two-thirds of its revenue and COGS are denominated in USD.

Appendix I

Methodology of our proprietary ESG scoring methodology.

We evaluate the ESG ratings based on quantitative, qualitative and ESG targets. We assign a score for each of these three parameters. The overall rating is based on the weighted average of the scores: quantitative (50%), qualitative (25%) and ESG target (25%).

For the quantitative, qualitative and ESG target, the sub-parameters are assigned a score - '0' for data not available, '+1' for improving trajectory, positive change, 'Yes', better than peers or a positive number if historical is not available and '-1' for declining trajectory, negative change, 'No', lower than peers or a negative number. The total of the scores of all the sub-parameters is divided by the total number of sub-parameters is the score of each of the three parameters.

The sub-parameters may be different for different industries depending on the key areas to monitor for each industry. A company should achieve a minimum score of 50 for an average ESG rating.

FYE 30 Jun	FY20A	FY21A	FY22E	FY23E	FY24E
Key Metrics					
P/E (reported) (x)	35.6	29.1	27.6	24.1	21.2
Core P/E (x)	35.5	31.8	27.6	24.1	21.2
P/BV (x)	4.7	8.0	4.6	4.6	4.6
P/NTA (x)	4.7	8.0	4.6	4.6	4.6
Net dividend yield (%)	2.5	3.5	3.6	4.2	4.7
FCF yield (%)	4.7	3.5	2.9	4.0	4.5
EV/EBITDA (x)	19.4	22.5	17.0	15.6	14.0
EV/EBIT (x)	31.3	29.2	20.9	18.7	16.5

INCOME STATEMENT (MYR m)

Revenue	1,058.0	1,428.7	2,010.2	2,146.8	2,291.1
EBITDA	263.6	448.6	550.4	601.9	668.6
Depreciation	(100.3)	(102.7)	(101.2)	(100.9)	(100.7)
Amortisation	0.0	0.0	0.0	0.0	0.0
EBIT	163.3	345.9	449.2	501.0	567.9
Net interest income / (exp)	9.7	6.6	10.8	22.3	22.3
Associates & JV	0.0	0.0	0.0	0.0	0.0
Exceptionals	0.0	0.0	0.0	0.0	0.0
Other pretax income	0.0	0.0	0.0	0.0	0.0
Pretax profit	172.9	352.5	460.0	523.4	590.2
Income tax	(15.9)	(21.5)	(53.6)	(56.7)	(61.0)
Minorities	(0.7)	(0.2)	0.0	0.0	0.0
Discontinued operations	0.0	0.0	0.0	0.0	0.0
Reported net profit	156.3	330.7	406.4	466.7	529.2
Core net profit	160.7	345.0	406.4	466.7	529.2

BALANCE SHEET (MYR m)

Cash & Short Term Investments	594.6	904.9	1,869.9	1,870.0	1,871.5
Accounts receivable	214.4	251.7	339.6	360.6	382.7
Inventory	145.9	157.5	227.6	239.7	250.4
Reinsurance assets	0.0	0.0	0.0	0.0	0.0
Property, Plant & Equip (net)	479.4	472.2	471.0	470.1	469.4
Intangible assets	2.3	2.2	2.2	2.2	2.2
Investment in Associates & JVs	0.0	0.0	0.0	0.0	0.0
Other assets	27.6	30.7	30.7	30.7	30.7
Total assets	1,464.2	1,819.3	2,941.0	2,973.4	3,007.0
ST interest bearing debt	5.0	1.1	0.0	0.0	0.0
Accounts payable	199.2	287.7	360.4	372.7	383.6
Insurance contract liabilities	0.0	0.0	0.0	0.0	0.0
LT interest bearing debt	1.1	0.0	0.0	0.0	0.0
Other liabilities	50.0	153.0	153.0	153.0	154.0
Total Liabilities	255.2	441.8	513.6	526.2	537.3
Shareholders Equity	1,204.7	1,373.0	2,422.9	2,442.7	2,465.2
Minority Interest	4.2	4.5	4.5	4.5	4.5
Total shareholder equity	1,208.9	1,377.4	2,427.4	2,447.2	2,469.7
Total liabilities and equity	1,464.2	1,819.3	2,941.0	2,973.4	3,007.0

CASH FLOW (MYR m)

Pretax profit	172.9	352.5	460.0	523.4	590.2
Depreciation & amortisation	100.3	102.7	101.2	100.9	100.7
Adj net interest (income)/exp	(9.7)	(6.6)	(10.8)	(22.3)	(22.3)
Change in working capital	91.1	41.6	(85.3)	(20.7)	(21.9)
Cash taxes paid	(21.7)	(24.6)	(53.6)	(56.7)	(61.0)
Other operating cash flow	4.9	14.5	0.0	0.0	0.0
Cash flow from operations	347.6	486.7	422.3	546.8	608.0
Capex	(80.8)	(97.1)	(100.0)	(100.0)	(100.0)
Free cash flow	266.8	389.5	322.3	446.8	508.0
Dividends paid	(140.8)	(218.0)	(389.0)	(446.6)	(506.5)
Equity raised / (purchased)	(1.5)	0.5	1,032.7	0.0	0.0
Change in Debt	41.0	144.5	(1.1)	0.0	0.0
Other invest/financing cash flow	(12.4)	1.4	0.0	0.0	0.0
Effect of exch rate changes	0.0	0.0	0.0	0.0	0.0
Net cash flow	153.1	317.9	965.0	0.2	1.5

FYE 30 Jun	FY20A	FY21A	FY22E	FY23E	FY24E
Key Ratios					
Growth ratios (%)					
Revenue growth	(8.2)	35.0	40.7	6.8	6.7
EBITDA growth	(13.0)	70.2	22.7	9.4	11.1
EBIT growth	(21.6)	111.8	29.9	11.5	13.3
Pretax growth	(20.0)	103.8	30.5	13.8	12.8
Reported net profit growth	(18.5)	111.6	22.9	14.8	13.4
Core net profit growth	(19.8)	114.8	17.8	14.8	13.4
Profitability ratios (%)					
EBITDA margin	24.9	31.4	27.4	28.0	29.2
EBIT margin	15.4	24.2	22.3	23.3	24.8
Pretax profit margin	16.3	24.7	22.9	24.4	25.8
Payout ratio	92.9	114.6	100.0	100.0	100.0
DuPont analysis					
Net profit margin (%)	14.8	23.1	20.2	21.7	23.1
Revenue/Assets (x)	0.7	0.8	0.7	0.7	0.8
Assets/Equity (x)	1.2	1.3	1.2	1.2	1.2
ROAE (%)	13.5	25.7	21.4	19.2	21.6
ROAA (%)	11.5	21.0	17.1	15.8	17.7
Liquidity & Efficiency					
Cash conversion cycle	67.3	25.9	20.5	27.5	28.5
Days receivable outstanding	76.1	58.7	53.0	58.7	58.4
Days inventory outstanding	68.1	54.4	47.6	54.8	55.0
Days payables outstanding	77.0	87.2	80.0	86.0	84.9
Dividend cover (x)	1.1	0.9	1.0	1.0	1.0
Current ratio (x)	4.0	3.1	4.9	4.9	4.8
Leverage & Expense Analysis					
Asset/Liability (x)	5.7	4.1	5.7	5.7	5.6
Net gearing (%) (incl perps)	net cash	net cash	net cash	net cash	net cash
Net gearing (%) (excl. perps)	net cash	net cash	net cash	net cash	net cash
Net interest cover (x)	na	na	na	na	na
Debt/EBITDA (x)	0.0	0.0	0.0	0.0	0.0
Capex/revenue (%)	7.6	6.8	5.0	4.7	4.4
Net debt/ (net cash)	(588.4)	(903.8)	(1,869.8)	(1,870.0)	(1,871.5)

Source: Company; Maybank IBG Research

Research Offices

ECONOMICS

Suhaimi ILIAS
Chief Economist
Malaysia | Philippines | Global
(603) 2297 8682
suhaimi_iliast@maybank-ib.com

CHUA Hak Bin
Regional Thematic Macroeconomist
(65) 6231 5830
chuahb@maybank.com

LEE Ju Ye
Singapore | Thailand | Indonesia
(65) 6231 5844
leejuye@maybank.com

Dr Zamros DZULKAFLI
(603) 2082 6818
zamros.d@maybank-ib.com

Fatin Nabila MOHD ZAINI
(603) 2297 8685
fatinnabila.mohdzaini@maybank-ib.com

Brian LEE Shun Rong
(65) 6231 5846
brian.lee1@maybank.com

Luong Thu Huong
(65) 62315 8467
hana.thuhoang @maybank.com

FX

Saktiandi SUPAAT
Head of FX Research
(65) 6320 1379
saktiandi@maybank.com.sg

Christopher WONG
(65) 6320 1347
wongkl@maybank.com.sg

TAN Yanxi
(65) 6320 1378
tanymx@maybank.com.sg

Fiona LIM
(65) 6320 1374
fionalim@maybank.com.sg

STRATEGY

Anand PATHMAKANTHAN
ASEAN
(603) 2297 8783
anand.pathmakanthan@maybank-ib.com

FIXED INCOME

Winson PHOON, FCA
(65) 6340 1079
winsonphoon@maybank.com

SE THO Mun Yi, CFA
(603) 2074 7606
munyi.st@maybank-ib.com

REGIONAL EQUITIES

Anand PATHMAKANTHAN
Head of Regional Equity Research
(603) 2297 8783
anand.pathmakanthan@maybank-ib.com

WONG Chew Hann, CA
Head of ASEAN Equity Research
(603) 2297 8686
wchewh@maybank-ib.com

ONG Seng Yeow
Research, Technology & Innovation
(65) 6231 5839
ongsengyeow@maybank.com

MALAYSIA

Anand PATHMAKANTHAN *Head of Research*
(603) 2297 8783
anand.pathmakanthan@maybank-ib.com
• Strategy

WONG Chew Hann, CA
(603) 2297 8686
wchewh@maybank-ib.com
• Non-Bank Financials (stock exchange)
• Construction & Infrastructure

Desmond CH'NG, BFP, FCA
(603) 2297 8680
desmond.chng@maybank-ib.com
• Banking & Finance

LIAW Thong Jung
(603) 2297 8688 tjliaw@maybank-ib.com
• Oil & Gas Services- Regional
• Automotive

ONG Chee Ting, CA
(603) 2297 8678 ct.ong@maybank-ib.com
• Plantations - Regional

YIN Shao Yang, CPA
(603) 2297 8916 samuel.y@maybank-ib.com
• Gaming - Regional
• Media • Aviation • Non-Bank Financials

TAN Chi Wei, CFA
(603) 2297 8690 chiwei.t@maybank-ib.com
• Power • Telcos

WONG Wei Sum, CFA
(603) 2297 8679 weisum@maybank-ib.com
• Property • Glove

Jade TAM
(603) 2297 8687 jade.tam@maybank-ib.com
• Consumer Staples & Discretionary

Nur Farah SYIFAA
(603) 2297 8675
nurfarahsyifaa.mohamadfuad@maybank-ib.com
• Construction • Renewable Energy • REITs

Arvind JAYARATNAM
(603) 2297 8692
arvind.jayaratnam@maybank.com
• Petrochemicals • Technology

Shafiq KADIR
(603) 2297 8691
msshafiqk.abkadir@maybank-ib.com
• Healthcare • Software

LOH Yan Jin
(603) 2297 8687
lohyanjin.loh@maybank-ib.com
• Ports • Shipping

TEE Sze Chiah *Head of Retail Research*
(603) 2082 6858 szechiah.t@maybank-ib.com
• Retail Research

Nik Ihsan RAJA ABDULLAH, MSTA, CFTe
(603) 2297 8694
nikmohdihsan.ra@maybank-ib.com
• Chartist

Amirah AZMI
(603) 2082 8769 amirah.azmi@maybank-ib.com
• Retail Research

SINGAPORE

Thilan WICKRAMASINGHE *Head of Research*
(65) 6231 5840 thilanw@maybank.com
• Banking & Finance - Regional
• Consumer

CHUA Su Tye
(65) 6231 5842 chuasutye@maybank.com
• REITs - Regional

LAI Gene Lih, CFA
(65) 6231 5832 laigenelih@maybank.com
• Technology

Eric ONG
(65) 6231 5924 ericong@maybank.com
• Healthcare • Transport • SMIDs

Kelvin TAN
(65) 6231 5837 kelvintan1@maybank.com
• Telcos

Samuel TAN
(65) 6231 5846 samuel.tan@maybank.com
• Technology

PHILIPPINES

Jacqui de JESUS *Head of Research*
(63) 2 8849 8840
jacqui.dejesus@maybank.com
• Strategy • Conglomerates

Rachelleen RODRIGUEZ, CFA
(63) 2 8849 8843
rachelleen.rodriguez@maybank.com
• Banking & Finance • Transport • Telcos

Daphne SZE
(63) 2 8849 8847
daphne.sze@maybank.com
• Consumer

Miguel SEVIDAL
(63) 2 8849 8844
miguel.sevidal@maybank.com
• REITs • Property

Fiorenzo de JESUS
(63) 2 8849 8846
fiorenzo.dejesus@maybank.com
• Utilities

VIETNAM

Quan Trong Thanh *Head of Research*
(84 28) 44 555 888 ext 8184
thanh.quan@maybank.com
• Banks

Hoang Huy, CFA
(84 28) 44 555 888 ext 8181
hoanghuy@maybank.com
• Strategy • Technology • Industrials

Le Nguyen Nhat Chuyen
(84 28) 44 555 888 ext 8082
chuyen.le@maybank.com
• Oil & Gas • Logistics

Nguyen Thi Sony Tra Mi
(84 28) 44 555 888 ext 8084
trami.nguyen@maybank.com
• Consumer

Tyler Manh Dung Nguyen
(84 28) 44 555 888 ext 8085
manhdung.nguyen@maybank.com
• Utilities • Property

Tran Thi Thanh Nhan
(84 28) 44 555 888 ext 8088
nhan.tran@maybank.com
• Consumer

Nguyen Thi Ngan Tuyen
Head of Retail Research
(84 28) 44 555 888 ext 8081
tuyen.nguyen@maybank.com
• Retail Research

Nguyen Thanh Lam
(84 28) 44 555 888 ext 8086
thanhlam.nguyen@maybank.com
• Chartist

INDIA

Jigar SHAH *Head of Research*
(91) 22 4223 2632 jigars@maybank.com
• Strategy • Oil & Gas • Automobile • Cement

Neerav DALAL
(91) 22 4223 2606 neerav@maybank.com
• Software Technology • Telcos

Vikram RAMALINGAM
(91) 22 4223 2607
vikram@maybank.com
• Automobile • Media

INDONESIA

Rahmi MARINA
(62) 21 8066 8689
rahmi.marina@maybank.com
• Banking & Finance

Willy GOUTAMA
(62) 21 8066 8500
willy.goutama@maybank.com
• Consumer

Satriawan, CTA
(62) 21 8066 8682
satriawan@maybank.com
• Chartist

THAILAND

Maria LAPIZ *Head of Institutional Research*
Dir (66) 2257 0250 | (66) 2658 6300 ext 1399
Maria.L@maybank.com
• Strategy • Consumer • Materials • Services

Jesada TECHAHUSDIN, CFA
(66) 2658 6300 ext 1395
jesada.t@maybank.com
• Banking & Finance

Vanida GEISLER, CPA
(66) 2658 6300 ext 1394
Vanida.G@maybank.com
• Property • REITs

Yuwanee PROMMAPORN
(66) 2658 6300 ext 1393
Yuwanee.P@maybank.com
• Services • Healthcare

Surachai PRAMUALCHAROENKIT
(66) 2658 5000 ext 1470
Surachai.p@maybank.com
• Auto • Conmat • Contractor • Steel

Suttatip PEERASUB
(66) 2658 5000 ext 1430
suttatip.p@maybank.com
• Food & Beverage • Commerce

Jaroontan WATTANAWONG
(66) 2658 5000 ext 1404
jaroontan.w@maybank.com
• Transportation • Small cap

Thanatphat SUKSRICHAVALIT
(66) 2658 5000 ext 1401
thanatphat.s@maybank.com
• Media • Electronics

APPENDIX I: TERMS FOR PROVISION OF REPORT, DISCLAIMERS AND DISCLOSURES

DISCLAIMERS

This research report is prepared for general circulation and for information purposes only and under no circumstances should it be considered or intended as an offer to sell or a solicitation of an offer to buy the securities referred to herein. Investors should note that values of such securities, if any, may fluctuate and that each security's price or value may rise or fall. Opinions or recommendations contained herein are in form of technical ratings and fundamental ratings. Technical ratings may differ from fundamental ratings as technical valuations apply different methodologies and are purely based on price and volume-related information extracted from the relevant jurisdiction's stock exchange in the equity analysis. Accordingly, investors' returns may be less than the original sum invested. Past performance is not necessarily a guide to future performance. This report is not intended to provide personal investment advice and does not take into account the specific investment objectives, the financial situation and the particular needs of persons who may receive or read this report. Investors should therefore seek financial, legal and other advice regarding the appropriateness of investing in any securities or the investment strategies discussed or recommended in this report.

The information contained herein has been obtained from sources believed to be reliable but such sources have not been independently verified by Maybank Investment Bank Berhad, its subsidiary and affiliates (collectively, "Maybank IBG") and consequently no representation is made as to the accuracy or completeness of this report by Maybank IBG and it should not be relied upon as such. Accordingly, Maybank IBG and its officers, directors, associates, connected parties and/or employees (collectively, "Representatives") shall not be liable for any direct, indirect or consequential losses or damages that may arise from the use or reliance of this report. Any information, opinions or recommendations contained herein are subject to change at any time, without prior notice.

This report may contain forward looking statements which are often but not always identified by the use of words such as "anticipate", "believe", "estimate", "intend", "plan", "expect", "forecast", "predict" and "project" and statements that an event or result "may", "will", "can", "should", "could" or "might" occur or be achieved and other similar expressions. Such forward looking statements are based on assumptions made and information currently available to us and are subject to certain risks and uncertainties that could cause the actual results to differ materially from those expressed in any forward looking statements. Readers are cautioned not to place undue relevance on these forward-looking statements. Maybank IBG expressly disclaims any obligation to update or revise any such forward looking statements to reflect new information, events or circumstances after the date of this publication or to reflect the occurrence of unanticipated events.

Maybank IBG and its officers, directors and employees, including persons involved in the preparation or issuance of this report, may, to the extent permitted by law, from time to time participate or invest in financing transactions with the issuer(s) of the securities mentioned in this report, perform services for or solicit business from such issuers, and/or have a position or holding, or other material interest, or effect transactions, in such securities or options thereon, or other investments related thereto. In addition, it may make markets in the securities mentioned in the material presented in this report. One or more directors, officers and/or employees of Maybank IBG may be a director of the issuers of the securities mentioned in this report to the extent permitted by law.

This report is prepared for the use of Maybank IBG's clients and may not be reproduced, altered in any way, transmitted to, copied or distributed to any other party in whole or in part in any form or manner without the prior express written consent of Maybank IBG and Maybank IBG and its Representatives accepts no liability whatsoever for the actions of third parties in this respect.

This report is not directed to or intended for distribution to or use by any person or entity who is a citizen or resident of or located in any locality, state, country or other jurisdiction where such distribution, publication, availability or use would be contrary to law or regulation. This report is for distribution only under such circumstances as may be permitted by applicable law. The securities described herein may not be eligible for sale in all jurisdictions or to certain categories of investors. Without prejudice to the foregoing, the reader is to note that additional disclaimers, warnings or qualifications may apply based on geographical location of the person or entity receiving this report.

Malaysia

Opinions or recommendations contained herein are in the form of technical ratings and fundamental ratings. Technical ratings may differ from fundamental ratings as technical valuations apply different methodologies and are purely based on price and volume-related information extracted from Bursa Malaysia Securities Berhad in the equity analysis.

Singapore

This report has been produced as of the date hereof and the information herein may be subject to change. Maybank Research Pte. Ltd. ("MRPL") in Singapore has no obligation to update such information for any recipient. For distribution in Singapore, recipients of this report are to contact MRPL in Singapore in respect of any matters arising from, or in connection with, this report. If the recipient of this report is not an accredited investor, expert investor or institutional investor (as defined under Section 4A of the Singapore Securities and Futures Act), MRPL shall be legally liable for the contents of this report, with such liability being limited to the extent (if any) as permitted by law.

Thailand

Except as specifically permitted, no part of this presentation may be reproduced or distributed in any manner without the prior written permission of Maybank Securities (Thailand) Public Company Limited. Maybank Securities (Thailand) Public Company Limited ("MST") accepts no liability whatsoever for the actions of third parties in this respect.

Due to different characteristics, objectives and strategies of institutional and retail investors, the research products of MST Institutional and Retail Research departments may differ in either recommendation or target price, or both. MST reserves the rights to disseminate MST Retail Research reports to institutional investors who have requested to receive it. If you are an authorised recipient, you hereby tacitly acknowledge that the research reports from MST Retail Research are first produced in Thai and there is a time lag in the release of the translated English version.

The disclosure of the survey result of the Thai Institute of Directors Association ("IOD") regarding corporate governance is made pursuant to the policy of the Office of the Securities and Exchange Commission. The survey of the IOD is based on the information of a company listed on the Stock Exchange of Thailand and the market for Alternative Investment disclosed to the public and able to be accessed by a general public investor. The result, therefore, is from the perspective of a third party. It is not an evaluation of operation and is not based on inside information. The survey result is as of the date appearing in the Corporate Governance Report of Thai Listed Companies. As a result, the survey may be changed after that date. MST does not confirm nor certify the accuracy of such survey result.

The disclosure of the Anti-Corruption Progress Indicators of a listed company on the Stock Exchange of Thailand, which is assessed by Thaipat Institute, is made in order to comply with the policy and sustainable development plan for the listed companies of the Office of the Securities and Exchange Commission. Thaipat Institute made this assessment based on the information received from the listed company, as stipulated in the form for the assessment of Anti-corruption which refers to the Annual Registration Statement (Form 56-1), Annual Report (Form 56-2), or other relevant documents or reports of such listed company. The assessment result is therefore made from the perspective of Thaipat Institute that is a third party. It is not an assessment of operation and is not based on any inside information. Since this assessment is only the assessment result as of the date appearing in the assessment result, it may be changed after that date or when there is any change to the relevant information. Nevertheless, MST does not confirm, verify, or certify the accuracy and completeness of the assessment result.

US

This third-party research report is distributed in the United States ("US") to Major US Institutional Investors (as defined in Rule 15a-6 under the Securities Exchange Act of 1934, as amended) only by Maybank Securities USA Inc ("MSUS"), a broker-dealer registered in the US (registered under Section 15 of the Securities Exchange Act of 1934, as amended). All responsibility for the distribution of this report by MSUS in the US shall be borne by MSUS. This report is not directed at you if Maybank IBG is prohibited or restricted by any legislation or regulation in any jurisdiction from making it available to you. You should satisfy yourself before reading it that MSUS is permitted to provide research material concerning investments to you under relevant legislation and regulations. All U.S. persons receiving and/or accessing this report and wishing to effect transactions in any security mentioned within must do so with: Maybank Securities USA Inc. 400 Park Avenue, 11th Floor, New York, New York 10022, 1-(212) 688-8886 and not with, the issuer of this report.

UK

This document is being distributed by Maybank Securities (London) Ltd (“MSUK”) which is authorized and regulated, by the Financial Conduct Authority and is for Informational Purposes only. This document is not intended for distribution to anyone defined as a Retail Client under the Financial Services and Markets Act 2000 within the UK. Any inclusion of a third party link is for the recipients convenience only, and that the firm does not take any responsibility for its comments or accuracy, and that access to such links is at the individuals own risk. Nothing in this report should be considered as constituting legal, accounting or tax advice, and that for accurate guidance recipients should consult with their own independent tax advisers.

DISCLOSURES

Legal Entities Disclosures

Malaysia: This report is issued and distributed in Malaysia by Maybank Investment Bank Berhad (15938- H) which is a Participating Organization of Bursa Malaysia Berhad and a holder of Capital Markets and Services License issued by the Securities Commission in Malaysia. **Singapore:** This report is distributed in Singapore by MRPL (Co. Reg No 198700034E) which is regulated by the Monetary Authority of Singapore. **Indonesia:** PT Maybank Sekuritas Indonesia (“PTMSI”) (Reg. No. KEP-251/PM/1992) is a member of the Indonesia Stock Exchange and is regulated by the Financial Services Authority (Indonesia). **Thailand:** MST (Reg. No.0107545000314) is a member of the Stock Exchange of Thailand and is regulated by the Ministry of Finance and the Securities and Exchange Commission. **Philippines:** Maybank Securities Inc (Reg. No.01-2004-00019) is a member of the Philippines Stock Exchange and is regulated by the Securities and Exchange Commission. **Vietnam:** Maybank Securities Limited (License Number: 117/GP-UBCK) is licensed under the State Securities Commission of Vietnam. **Hong Kong:** MIB Securities (Hong Kong) Limited (Central Entity No AAD284) is regulated by the Securities and Futures Commission. **India:** MIB Securities India Private Limited (“MIBSI”) is a participant of the National Stock Exchange of India Limited and the Bombay Stock Exchange and is regulated by Securities and Exchange Board of India (“SEBI”) (Reg. No. INZ000010538). MIBSI is also registered with SEBI as Category 1 Merchant Banker (Reg. No. INM 000011708) and as Research Analyst (Reg No: INH000000057) **US:** Maybank Securities USA Inc is a member of/and is authorized and regulated by the FINRA - Broker ID 27861. **UK:** Maybank Securities (London) Ltd (Reg No 2377538) is authorized and regulated by the Financial Conduct Authority.

Disclosure of Interest

Malaysia: Maybank IBG and its Representatives may from time to time have positions or be materially interested in the securities referred to herein and may further act as market maker or may have assumed an underwriting commitment or deal with such securities and may also perform or seek to perform investment banking services, advisory and other services for or relating to those companies.

Singapore: As of 14 April 2022, Maybank Research Pte. Ltd. and the covering analyst do not have any interest in any companies recommended in this research report.

Thailand: MST may have a business relationship with or may possibly be an issuer of derivative warrants on the securities /companies mentioned in the research report. Therefore, Investors should exercise their own judgment before making any investment decisions. MST, its associates, directors, connected parties and/or employees may from time to time have interests and/or underwriting commitments in the securities mentioned in this report.

Hong Kong: As of 14 April 2022, MIB Securities (Hong Kong) Limited and the authoring analyst do not have any interest in any companies recommended in this research report.

India: As of 14 April 2022, and at the end of the month immediately preceding the date of publication of the research report, MIBSI, authoring analyst or their associate / relative does not hold any financial interest or any actual or beneficial ownership in any shares or having any conflict of interest in the subject companies except as otherwise disclosed in the research report. In the past twelve months MIBSI and authoring analyst or their associate did not receive any compensation or other benefits from the subject companies or third party in connection with the research report on any account what so ever except as otherwise disclosed in the research report.

Maybank IBG may have, within the last three years, served as manager or co-manager of a public offering of securities for, or currently may make a primary market in issues of, any or all of the entities mentioned in this report or may be providing, or have provided within the previous 12 months, significant advice or investment services in relation to the investment concerned or a related investment and may receive compensation for the services provided from the companies covered in this report.

OTHERS

Analyst Certification of Independence

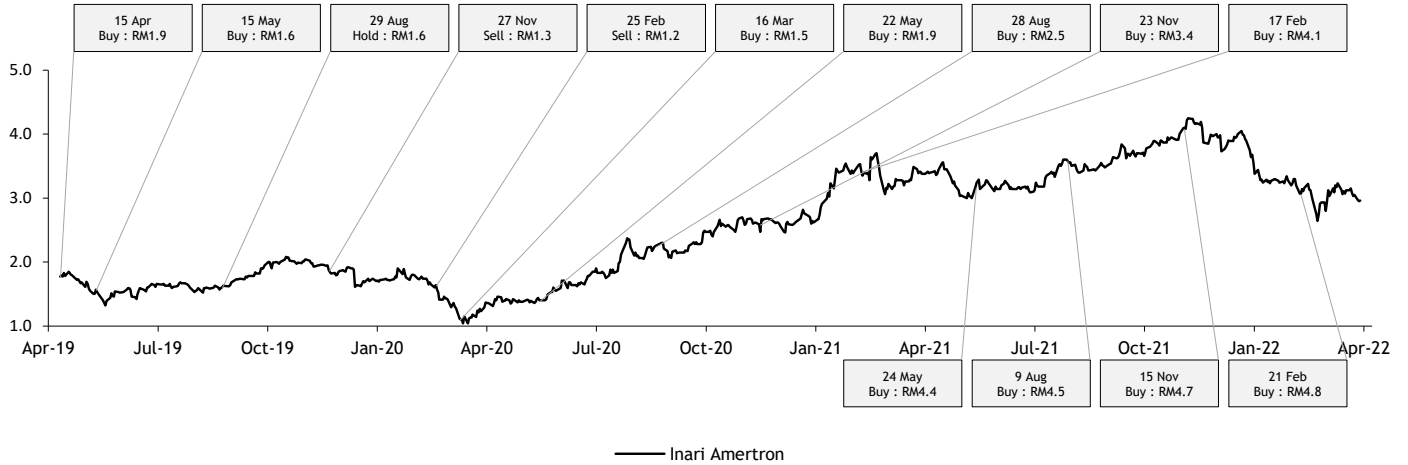
The views expressed in this research report accurately reflect the analyst’s personal views about any and all of the subject securities or issuers; and no part of the research analyst’s compensation was, is or will be, directly or indirectly, related to the specific recommendations or views expressed in the report.

Reminder

Structured securities are complex instruments, typically involve a high degree of risk and are intended for sale only to sophisticated investors who are capable of understanding and assuming the risks involved. The market value of any structured security may be affected by changes in economic, financial and political factors (including, but not limited to, spot and forward interest and exchange rates), time to maturity, market conditions and volatility and the credit quality of any issuer or reference issuer. Any investor interested in purchasing a structured product should conduct its own analysis of the product and consult with its own professional advisers as to the risks involved in making such a purchase.

No part of this material may be copied, photocopied or duplicated in any form by any means or redistributed without the prior consent of Maybank IBG.

Historical recommendations and target price: Inari Amertron (INRI MK)



Definition of Ratings

Maybank IBG Research uses the following rating system

- BUY** Return is expected to be above 10% in the next 12 months (including dividends)
- HOLD** Return is expected to be between 0% to 10% in the next 12 months (including dividends)
- SELL** Return is expected to be below 0% in the next 12 months (including dividends)

Applicability of Ratings

The respective analyst maintains a coverage universe of stocks, the list of which may be adjusted according to needs. Investment ratings are only applicable to the stocks which form part of the coverage universe. Reports on companies which are not part of the coverage do not carry investment ratings as we do not actively follow developments in these companies.

Malaysia

Maybank Investment Bank Berhad
(A Participating Organisation of
Bursa Malaysia Securities Berhad)
33rd Floor, Menara Maybank,
100 Jalan Tun Perak,
50050 Kuala Lumpur
Tel: (603) 2059 1888;
Fax: (603) 2078 4194
Stockbroking Business:
Level 8, Tower C, Dataran Maybank,
No.1, Jalan Maarof
59000 Kuala Lumpur
Tel: (603) 2297 8888
Fax: (603) 2282 5136

Singapore

Maybank Securities Pte Ltd
Maybank Research Pte Ltd
50 North Canal Road
Singapore 059304

Tel: (65) 6336 9090

Hong Kong

MIB Securities (Hong Kong) Limited
28/F, Lee Garden Three,
1 Sunning Road, Causeway Bay,
Hong Kong

Tel: (852) 2268 0800
Fax: (852) 2877 0104

London

Maybank Securities (London) Ltd
PNB House
77 Queen Victoria Street
London EC4V 4AY, UK

Tel: (44) 20 7332 0221
Fax: (44) 20 7332 0302

Indonesia

PT Maybank Sekuritas Indonesia
Sentral Senayan III, 22nd Floor
Jl. Asia Afrika No. 8
Gelora Bung Karno, Senayan
Jakarta 10270, Indonesia

Tel: (62) 21 2557 1188
Fax: (62) 21 2557 1189

New York

Maybank Securities USA Inc
400 Park Avenue, 11th Floor
New York, New York 10022,
U.S.A.

Tel: (212) 688 8886
Fax: (212) 688 3500

India

MIB Securities India Pte Ltd
1101, 11th floor, A Wing, Kanakia
Wall Street, Chakala, Andheri -
Kurla Road, Andheri East,
Mumbai City - 400 093, India

Tel: (91) 22 6623 2600
Fax: (91) 22 6623 2604

Philippines

Maybank Securities Inc
17/F, Tower One & Exchange Plaza
Ayala Triangle, Ayala Avenue
Makati City, Philippines 1200

Tel: (63) 2 8849 8888
Fax: (63) 2 8848 5738

Thailand

Maybank Securities (Thailand) PCL
999/9 The Offices at Central World,
20th - 21st Floor,
Rama 1 Road Pathumwan,
Bangkok 10330, Thailand

Tel: (66) 2 658 6817 (sales)
Tel: (66) 2 658 6801 (research)

Vietnam

Maybank Securities Limited
4A-15+16 Floor Vincom Center Dong
Khoi, 72 Le Thanh Ton St. District 1
Ho Chi Minh City, Vietnam

Tel : (84) 844 555 888
Fax : (84) 8 38 271 030

Sales Trading

Kevin Foy
Regional Head Sales Trading
kevinfoy@maybank.com
Tel: (65) 6636-3620
US Toll Free: 1-866-406-7447

Indonesia

Helen Widjaja
helen.widjaja@maybank.com
(62) 21 2557 1188

New York

James Lynch
jlynch@maybank-keusa.com
Tel: (212) 688 8886

Philippines

Keith Roy
keith_roy@maybank.com
Tel: (63) 2 848-5288

London

Greg Smith
gsmith@maybank.co.uk
Tel: (44) 207-332-0221

India

Sanjay Makhija
sanjaymakhija@maybank.com
Tel: (91)-22-6623-2629