

INSAS BERHAD ("INSAS" OR "COMPANY")

LISTING OF INARI BERHAD ON THE ACE MARKET OF BURSA MALAYSIA SECURITIES BERHAD ("INARI IPO")

1. INTRODUCTION

The Board of Directors of Insas ("Board") wishes to announce that Bursa Malaysia Securities Berhad ("Bursa Securities") had vide its letter dated 23 February 2011 (received on 24 February 2011) approved the admission to the Official List and the listing and quotation of the entire issued and paid-up share capital of Inari Berhad ("Inari"), an indirect 44.05% associate company of Insas on the "Technology" sector of the ACE Market of Bursa Securities.

Information on Inari and details of the Inari IPO are set out below.

2. INFORMATION ON INARI

Inari was incorporated in Malaysia on 5 May 2010 as a public limited company under the Companies Act, 1965. As at the date of this announcement, Inari has an authorised share capital of RM50,000,000 comprising 500,000,000 ordinary shares of RM0.10 each, of which 248,608,700 ordinary shares of RM0.10 each have been issued and fully paid-up. Inari is presently a 44.05% associate company of Insas Technology Berhad ("Insas Technology"), a wholly-owned subsidiary company of Insas.

Inari is an investment holding company. Inari's main operating subsidiary, Inari Technology Sdn Bhd was founded by Macronion Sdn Bhd, Ho Phon Guan and Insas Technology in June 2006 to provide electronics manufacturing services ("EMS"). The main activities of the subsidiary companies of Inari are summarised below:

Subsidiaries

Principal Activities

Inari Technology Sdn Bhd ("Inari Technology")	Principally involved in semiconductor packaging, which comprises back-end wafer processing, package assembly and radio frequency final testing for wireless microwave telecommunication semiconductor products.
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Simfoni Bistari Sdn Bhd ("Simfoni")	Property investment holding
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The primary markets in which Inari services are the wireless radio frequency and microwave telecommunication semiconductor market.

The Directors of Inari are as follows:

Name

Designation

Y.A.M. Tengku Puteri Seri Kemala Pahang Tengku Hajjah Aishah bte Sultan Haji Ahmad Shah, DK(II), SIMP

Independent Non-Executive Chairman

Dato' Thong Kok Khee

Non-Independent Non-Executive Director

Dato' Wong Gian Kui

Non-Independent Non-Executive Director

Name	Designation
Dr Tan Seng Chuan	Managing Director
Ho Phon Guan	Executive Director
Mai Mang Lee	Executive Director
Tan Lee Pang s/o Hum Beng	Executive Director
Ooi Boon Chye	Non-Independent Non-Executive Director
Rajendran Velayuthan	Independent Non-Executive Director
Oh Seong Lye	Independent Non-Executive Director

3. DETAILS OF THE INARI IPO

The Inari IPO shall involve the public issue of 83,000,000 new ordinary shares of RM0.10 each in Inari ("Shares"), representing approximately 25.03% of the enlarged issued and paid-up share capital of Inari and shall be allocated in the following manner:

(i) Malaysian Public

10,000,000 Shares, representing 3.02% of its enlarged issued and paid-up share capital, will be made available for application by the Malaysian Public, to be allocated via ballot.

(ii) Private Placement

62,614,000 Shares, representing 18.88% of its enlarged issued and paid-up share capital, will be placed out to the following:

- 26,154,000 Shares by way of private placement to identified investors; and
- 36,460,000 Shares by way of private placement to identified Bumiputera investors approved by the Ministry of International Trade and Industry.

(iii) Eligible Directors, employees and persons who have contributed to the success of our Group

10,386,000 Shares, representing 3.13% of its enlarged issued and paid-up share capital, will be reserved for eligible Directors, employees and persons who have contributed to the success of the Inari group.

The purpose of the Inari IPO is follows:

- (a) to obtain the listing of and quotation for its entire enlarged issued and paid-up share capital on the ACE Market of Bursa Securities;
- (b) to enable the Inari group to raise funds for the purposes of capital expenditure and working capital;
- (c) to enable Inari to gain access to the capital market to raise funds for its future expansion and growth;

- (d) to provide an opportunity for the Malaysian Public, its eligible Directors, employees and persons who have contributed to the success of the Inari group to participate in its equity and continuing growth; and
- (e) to enable the Inari group to gain recognition through its listing status and further enhance its corporate reputation and image which is aimed at expanding its customer base.

The principal adviser and sponsor for the Inari IPO is M&A Securities Sdn Bhd, a wholly-owned subsidiary company of Insas.

Barring any unforeseen circumstances, the Inari IPO is expected to be completed during the first half of 2011.

This announcement is dated 24 February 2011.