




Building a better
working world

**INGRESS INDUSTRIAL (MALAYSIA)
SDN. BHD.
(1119193-H)
(Incorporated in Malaysia)**

**Directors' Report and Audited Financial Statements
31 January 2016**

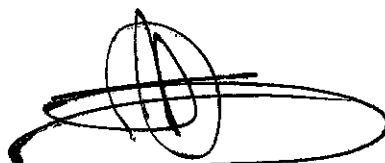

A. Wain

 
A. Wain

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Ingress Industrial (Malaysia) Sdn. Bhd.
(Incorporated in Malaysia)

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Abu
S. Wain'

Ingress Industrial (Malaysia) Sdn. Bhd.
(Incorporated in Malaysia)

Directors' report

The directors have pleasure presenting their report together with the audited financial statements of the Company for the financial year ended 31 January 2016.

Principal activities

The principal activities of the Company are investment holding and provides management services for its group of companies. The Company commenced its operation in the previous financial year.

The principal activities of the subsidiaries are described in Note 11 to the financial statements.

Results

RM

Net profit for the financial year

7,901,018

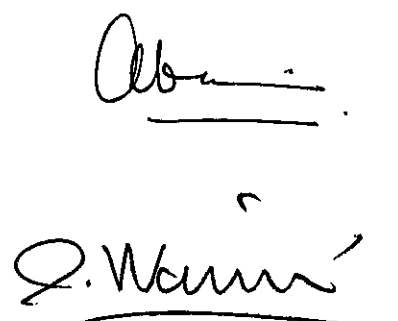
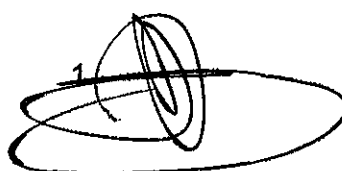
There were no material transfers to or from reserves or provisions during the financial year other than as disclosed in the financial statements.

In the opinion of the directors, the results of the operations of the Company during the financial year were not substantially affected by any item, transaction or event of a material and unusual nature.

Directors

The names of the directors of the Company in office since the date of the last report and at the date of this report are:

Datuk Rameli bin Musa
Dato' Dr Ab Wahab bin Ismail
Affandi bin Mokhtar
Abdul Rahim bin Hj Hitam



Ingress Industrial (Malaysia) Sdn. Bhd.
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Directors' benefits

Neither at the end of the financial year, nor at any time during that financial year, did there subsist any arrangement to which the Company was a party, whereby the directors might acquire benefits by means of the acquisition of shares in the Company or any other body corporate.

Since the end of the previous financial period, no director has received or become entitled to receive a benefit (other than benefits included in the aggregate amount of emoluments received or due and receivable by the directors or the fixed salary of a full time employee of the related corporations) by reason of a contract made by the Company or a related corporation with any director or with a firm of which he is a member, or with a company in which he has a substantial financial interest.

Directors' interests

According to the register of directors' shareholdings, the interests of directors in office at the end of the financial period in shares in the Company or its related corporations during the financial period were as follows:

<-----Number of ordinary shares of RM1 each----->
1.2.2015 Acquired Sold 31.1.2016

Ultimate Holding Company
- Ramdawi Sdn. Bhd.

Datuk Rameli bin Musa	7,000,000	-	-	7,000,000
Dato' Dr Ab Wahab bin Ismail	3,000,000	-	-	3,000,000

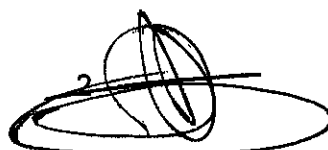
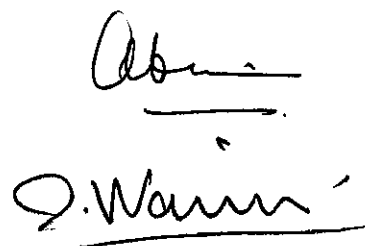
Penultimate Holding Company
- Ingress Corporation Berhad

Direct interest

Datuk Rameli bin Musa	8,602,800	-	-	8,602,800
Dato' Dr Ab Wahab bin Ismail	700,000	-	-	700,000

Deemed interest

Datuk Rameli bin Musa	75,097,200	-	-	75,097,200
Dato' Dr Ab Wahab bin Ismail	75,097,200	-	-	75,097,200

Ingress Industrial (Malaysia) Sdn. Bhd.
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Issue of shares

There were no changes in the issued and paid up capital of the Company during the financial year.

Dividends

The amount of dividends paid by the Company since 31 January 2015 was as follows:

RM

In respect of the financial year ended 31 January 2015 as reported in the directors' report of that financial year:

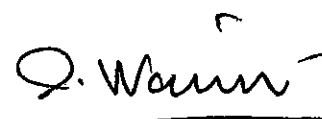
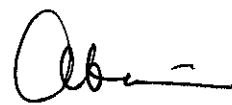
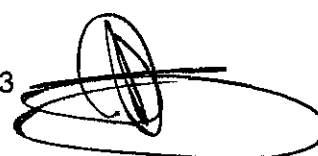
Single tier final dividend of 2.22% on 118,395,002 ordinary shares,
declared on 29 December 2015 and paid on 19 January 2016

2,625,000

At the forthcoming Annual General Meeting, a final dividend in respect of the financial year ended 31 January 2016, of 2.22% single tier dividend on 118,395,002 ordinary shares, amounting to a dividend payable of RM2,625,000 will be proposed for shareholders' approval. The financial statements for the current financial year do not reflect this proposed dividend. Such dividend, if approved by the shareholders, will be accounted for in equity as an appropriation of retained earnings in the financial year ending 31 January 2017.

Other statutory information

- (a) Before the statement of comprehensive income and statement of financial position of the Company were made out, the directors took reasonable steps:
- (i) 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 known bad debts and that no provision for doubtful debts was necessary; and
 - (ii) to ensure that any current assets which were unlikely to realise their values as shown in the accounting records in the ordinary course of business had been written down to an amount which they might be expected so to realise.

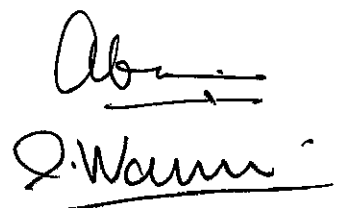


Ingress Industrial (Malaysia) Sdn. Bhd.
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Other statutory information (cont'd.)

- (b) At the date of this report, the directors are not aware of any circumstances which would render:
- (i) it necessary to write off any bad debts or to make any provision for doubtful debts in respect of the financial statements of the Company; and
 - (ii) the values attributed to the current assets in the financial statements of the Company misleading.
- (c) At the date of this report, the directors are not aware of any circumstances which have arisen which would render adherence to the existing method of valuation of assets or liabilities of the Company misleading or inappropriate.
- (d) At the date of this report, the directors are not aware of any circumstances not otherwise dealt with in this report or financial statements of the Company which would render any amount stated in the financial statements misleading.
- (e) As at the date of this report, there does not exist:
- (i) any charge on the assets of the Company which has arisen since the end of the financial year which secures the liabilities of any other person; or
 - (ii) any contingent liability of the Company which has arisen since the end of the financial year.
- (f) In the opinion of the directors:
- (i) no contingent or other liability has become enforceable or is likely to become enforceable within the period of twelve months after the end of the financial year which will or may affect the ability of the Company to meet its obligations when they fall due; and
 - (ii) no item, transaction or event of a material and unusual nature has arisen in the interval between the end of the financial year and the date of this report which is likely to affect substantially the results of the operations of the Company for the financial year in which this report is made.

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Ingress Industrial (Malaysia) Sdn. Bhd.
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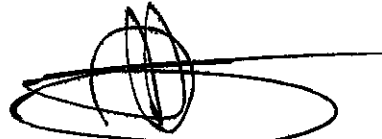
Auditors

The auditors, Ernst & Young, have expressed their willingness to continue in office.

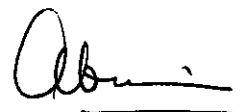
Signed on behalf of the Board in accordance with a resolution of the directors dated 28 March 2016.



Dato' Dr Ab Wahab bin Ismail



Affandi bin Mokhtar



Ingress Industrial (Malaysia) Sdn. Bhd.
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Statement by directors

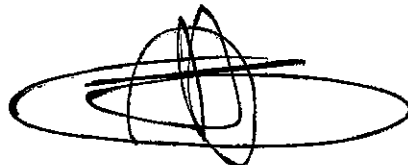
Pursuant to Section 169(15) of the Companies Act, 1965

We, Dato' Dr Ab Wahab bin Ismail and Affandi bin Mokhtar, being two of the directors of Ingress Industrial (Malaysia) Sdn. Bhd., do hereby state that, in the opinion of the directors, the accompanying financial statements set out on pages 9 to 40 are drawn up in accordance with the Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act, 1965 in Malaysia so as to give a true and fair view of the financial position of the Company as at 31 January 2016 and of its financial performance and cash flows for the financial year then ended.

Signed on behalf of the Board in accordance with a resolution of the directors dated 28 March 2016.



Dato' Dr Ab Wahab bin Ismail



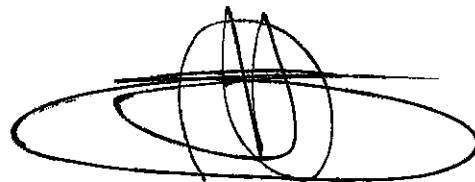
Affandi bin Mokhtar

Statutory declaration

Pursuant to Section 169(16) of the Companies Act, 1965

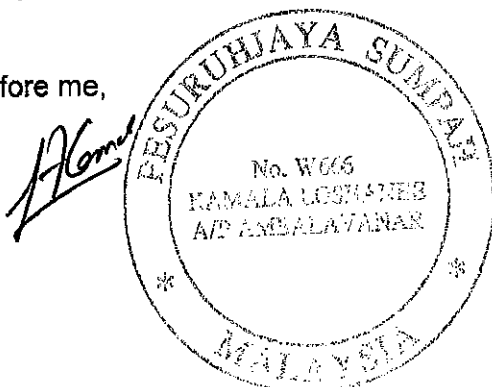
I, Affandi bin Mokhtar, being the director primarily responsible for the financial management of Ingress Industrial (Malaysia) Sdn. Bhd., do solemnly and sincerely declare that the accompanying financial statements set out on pages 9 to 40 are in my opinion correct, and I make this solemn declaration conscientiously believing the same to be true and by virtue of the provisions of the Statutory Declarations Act, 1960.

Subscribed and solemnly declared by
the abovenamed Affandi bin Mokhtar
at Kuala Lumpur, Malaysia
on 28 MAR 2016

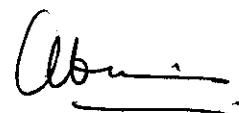


Affandi bin Mokhtar

Before me,



Suite 1706, B1-1, Plaza Damas 3,
Jalan Sri Hartamas 1, 50480 Kuala Lumpur.





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Ernst & Young AF 0039
GST Reg No: 001556430848
Chartered Accountants
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**Independent auditors' report to the member of
Ingress Industrial (Malaysia) Sdn. Bhd.
(Incorporated in Malaysia)**

Report on the financial statements

We have audited the financial statements of Ingress Industrial (Malaysia) Sdn. Bhd., which comprise the statement of financial position as at 31 January 2016 of the Company, and the statement of comprehensive income, statement of changes in equity and statement of cash flows for the financial year then ended, and a summary of significant accounting policies and other explanatory information, as set out on pages 9 to 40.

Directors' responsibility for the financial statements

The directors of the Company are responsible for the preparation of financial statements so as to give a true and fair view in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act, 1965 in Malaysia. The directors are also responsible for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with approved standards on auditing in Malaysia. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on our judgement, including the assessment of risks of material misstatement of the financial statements, whether due to fraud and error. In making those risk assessments, we consider internal control relevant to the Company's preparation of financial statements that give a true and fair view 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 Company's internal control. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

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**Independent auditors' report to the member of
Ingress Industrial (Malaysia) Sdn. Bhd. (cont'd.)
(Incorporated in Malaysia)**

Opinion

In our opinion, the financial statements give a true and fair view of the financial position of the Company as at 31 January 2016 and of its financial performance and cash flows for the year then ended in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act, 1965 in Malaysia.

Report on other legal and regulatory requirements

In accordance with the requirements of the Companies Act, 1965 in Malaysia, we also report that in our opinion, the accounting and other records and the registers required by the Act to be kept by the Company have been properly kept in accordance with the provisions of the Act.


Other matters

This report is made solely to the member of the Company, as a body, in accordance with Section 174 of the Companies Act, 1965 in Malaysia and for no other purpose. We do not assume responsibility to any other person for the content of this report.



Ernst & Young
AF: 0039
Chartered Accountants

Kuala Lumpur, Malaysia
28 March 2016



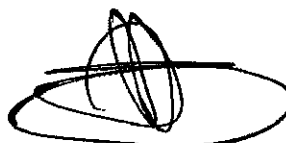
Nik Rahmat Kamarulzaman Bin Nik Ab. Rahman
No. 1759/02/18(J)
Chartered Accountant

Ingress Industrial (Malaysia) Sdn. Bhd.
(Incorporated in Malaysia)

Statement of comprehensive income
For the financial year ended 31 January 2016

		From 1.2.2015 to 31.1.2016 RM	From 21.11.2014 (date of incorporation) to 31.1.2015 RM
	Note		
Revenue	3	12,066,806	-
Other income	4	2,893,228	-
Administrative expenses		(3,310,562)	(83,985)
Depreciation and amortisation		(92,176)	-
Finance costs	5	(2,891,989)	-
Profit/(loss) before tax	6	8,665,307	(83,985)
Income tax expense	8	(764,289)	-
Net profit/(loss) for the year/period, representing total comprehensive income/(loss) for the year/period		<u>7,901,018</u>	<u>(83,985)</u>

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

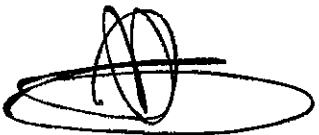




Ingress Industrial (Malaysia) Sdn. Bhd.
(Incorporated in Malaysia)

Statement of financial position
As at 31 January 2016

	Note	2016 RM	2015 RM
Assets			
Non-current assets			
Equipment	9	3,308	-
Intangible assets	10	408,333	-
Investment in subsidiaries	11	118,395,000	118,395,000
Other receivables	12	45,945,294	51,074,526
		<u>164,751,935</u>	<u>169,469,526</u>
Current assets			
Other receivables	12	10,691,968	4,981,030
Cash and bank balances	13	1,583,546	2,003
		<u>12,275,514</u>	<u>4,983,033</u>
Total assets		<u>177,027,449</u>	<u>174,452,559</u>
Equity and liabilities			
Equity attributable to equity holder of the Company			
Share capital	14	118,395,002	118,395,002
Retained earning/ (accumulated losses)	15	5,192,033	(83,985)
Total equity		<u>123,587,035</u>	<u>118,311,017</u>
Non-current liabilities			
Loans and borrowings	16	45,945,294	51,074,526
Deferred tax liabilities	17	50,427	-
		<u>45,995,721</u>	<u>51,074,526</u>
Current liabilities			
Other payables	18	1,542,551	85,986
Loans and borrowings	16	5,188,280	4,981,030
Income tax payable		713,862	-
		<u>7,444,693</u>	<u>5,067,016</u>
Total liabilities		<u>53,440,414</u>	<u>56,141,542</u>
Total equity and liabilities		<u>177,027,449</u>	<u>174,452,559</u>

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

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Ingress Industrial (Malaysia) Sdn. Bhd.
(Incorporated in Malaysia)

Statement of changes in equity
For the financial year ended 31 January 2016

	Share capital RM	Distributable (Accumulated losses)/ Retained earning RM	Total RM
At 21 November 2014			
(at date of incorporation)	2	-	2
Total comprehensive loss for the period	-	(83,985)	(83,985)
Transaction with owner			
Issuance of ordinary shares	118,395,000	-	118,395,000
At 31 January 2015	118,395,002	(83,985)	118,311,017
At 1 February 2015	118,395,002	(83,985)	118,311,017
Total comprehensive income for the year	-	7,901,018	7,901,018
Dividends on ordinary shares (Note 20)	-	(2,625,000)	(2,625,000)
At 31 January 2016	118,395,002	5,192,033	123,587,035

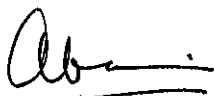
The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

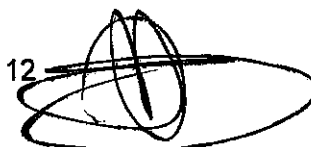
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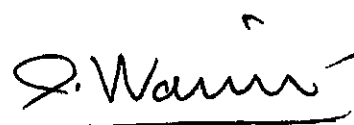
Statement of cash flows
For the financial year ended 31 January 2015

	2016 RM	2015 RM
Cash flows from operating activities		
Profit/(loss) before tax	8,665,307	(83,985)
Adjustments for:		
Interest expense	2,892,876	-
Interest income	(2,893,228)	-
Depreciation of property, plant and equipment	509	-
Amortisation of intangible assets	91,667	-
Operating profit/(loss) before working capital changes	8,757,131	(83,985)
Changes in working capital:		
Increase in trade and other payables	1,438,007	85,986
Increase in due from subsidiaries	(563,147)	-
Cash generated from operations	9,631,991	2,001
Interest paid	(2,892,876)	-
Net cash flows generated from operating activities	6,739,115	2,001
Cash flows from investing activities		
Purchase of property, plant and equipment	(3,817)	-
Purchase of intangible assets	(500,000)	-
Interest received	2,893,228	-
Net cash flows generated from investing activities	2,389,411	-
Cash flows from financing activities		
Proceeds from issuance of ordinary shares	-	2
Repayment of long-term loans	(4,921,983)	-
Dividends paid	(2,625,000)	-
Net cash flows (used in)/generated from financing activities	(7,546,983)	2
Net increase in cash and bank balances	1,581,543	2,003
Cash and bank balances at beginning of the financial year/period	2,003	-
Cash and bank balances at end of financial year/period (Note 13)	1,583,546	2,003

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.



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Ingress Industrial (Malaysia) Sdn. Bhd.
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Notes to the financial statements
For the financial year ended 31 January 2016

1. Corporate information

The Company is a private limited liability company, incorporated and domiciled in Malaysia. The registered office of the Company is located at Lot 2778, 5th Floor, Jalan Damansara, Sungai Penchala, 60000, Kuala Lumpur.

The immediate holding company is Ingress Industrial (Thailand) Co. Ltd. ("IIT") which is incorporated and domiciled in Thailand. IIT is a wholly owned subsidiary of Ingress Corporation Berhad ("ICB" or "ultimate holding company"), a company incorporated and domiciled in Malaysia and ICB is a wholly owned subsidiary of Ramdawi Sdn Bhd ("penultimate holding company"), a company incorporated and domiciled in Malaysia.

The principal activity of the Company is investment holding company.

The Company commenced its operation in the previous financial year.

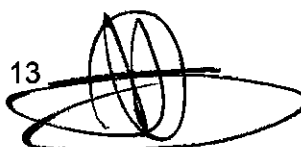
The financial statements were authorised for issue by the Board of Directors in accordance with a resolution of the directors on 28 March 2016.

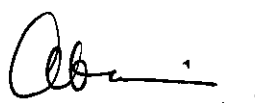

2. Summary of significant accounting policies

2.1 Basis of preparation

The financial statements of the Company have been prepared in accordance with the Malaysian Financial Reporting Standards ("MFRSs"), International Financial Reporting Standards ("IFRS") and the requirements of the Companies Act, 1965 in Malaysia.

The financial statements of the Company have also been prepared on a historical basis. The financial statements are presented in Ringgit Malaysia ("RM") except when otherwise indicated.



Ingress Industrial (Malaysia) Sdn. Bhd.
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2. Significant accounting policies (cont'd.)

2.2 Adoption of new and revised MFRSs

As of 1 January 2015, the Company have adopted the following new and revised MFRSs and IC Interpretation, Amendments to MFRSs and IC Interpretation that have been issued by the Malaysian Accounting Standards Board:

Effective for annual periods beginning on or after 1 July 2014

Amendments to MFRS 13	Fair Value Measurement (Annual Improvements 2011-2013 Cycle)
Amendments to MFRS 124	Related Party Disclosures (Annual Improvements 2010-2012 Cycle)
Amendments to MFRS 3	Business Combinations (Annual Improvements 2010-2012 Cycle and 2011-2013 Cycle)
Amendments to MFRS 116	Property, Plant and Equipment and MFRS 138 Intangible Assets (Annual Improvements 2010-2012 Cycle)
Amendments to MFRS 119	Employee Benefits (Annual Improvements to MFRSs 2012 - 2014 Cycle)

Effective for annual periods beginning on or after 1 January 2016

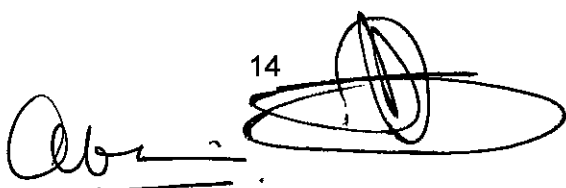
Amendments to MFRS 5	Non-current Assets Held for Sale and Discontinued Operations (Annual Improvements to MFRSs 2012-2014 Cycle)
Amendments to MFRS 11	Joint Arrangements - Accounting for Acquisitions of Interests in Joint Operations
MFRS 14	Regulatory Deferral Accounts
Amendments to MFRS 116	Property, Plant and Equipment – Agriculture: Bearer Plants
Amendments to MFRS 138	Intangible Assets: Clarification of Acceptable Methods of Depreciation and Amortisation
Amendments to MFRS 141	Agriculture – Agriculture: Bearer Plants

The adoption of the abovementioned pronouncements did not have any significant financial impact to the Company.

2.3 Pronouncements not yet in effect

The following pronouncements that have been issued by the Malaysian Accounting Standards Board will become effective in future financial reporting periods and have not been adopted by the Company in these financial statements:

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Ingress Industrial (Malaysia) Sdn. Bhd.
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2. Significant accounting policies (cont'd.)

2.3 Pronouncements not yet in effect (cont'd.)

Effective for annual periods beginning on or after 1 January 2016

Amendments to MFRS 7	Financial Instruments Disclosures: (Annual Improvements to MFRSs 2012 - 2014 Cycle)
Amendments to MFRS 10	Consolidated Financial Statements: Sale or Contribution of Assets between an Investor and its Associate or Joint Venture
Amendments to MFRS 10	Consolidated Financial Statements - Investment Entities: Applying the Consolidation Exception
Amendments to MFRS 12	Disclosure of Interests in Other Entities - Investment Entities: Applying the Consolidation Exception
Amendments to MFRS 101	Presentation of Financial Statements - Disclosure Initiative
Amendments to MFRS 116	Property, Plant and Equipment: Clarification of Acceptable Methods of Depreciation and Amortisation
Amendments to MFRS 127	Separate Financial Statements: Equity Method in Separate Financial Statements

Effective for annual periods beginning on or after 1 January 2018

MFRS 9	Financial Instruments
MFRS 15	Revenue from Contracts with Customers

Effective for annual periods beginning on or after a date to be determined by the MASB

Amendments to MFRS 10	Consolidated Financial Statements: Sale or Contribution of Assets between an Investor and its Associate or Joint Venture
Amendments to MFRS 128	Investments in Associates and Joint Ventures: Sale or Contribution of Assets between an Investor and its Associate or Joint Venture

The adoption of the above pronouncements is not expected to have material impact on the financial statements of the Company in the period of initial application.

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2. Significant accounting policies (cont'd.)

2.4 New pronouncements not applicable to the Group and the Company

As of 1 January 2015, Malaysian Accounting Standards Board (MASB) has issued the following pronouncements:

Effective for annual periods beginning on or after 1 July 2014

Amendments to MFRS 140	Investment Property (Annual Improvements 2011-2013 Cycle)
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The abovementioned pronouncements are not relevant to the operations of the Company and hence, no further disclosure is warranted.

In addition to that, MASB has issued pronouncements which are not effective, but for which are not relevant to the operations of the Company and hence, no further disclosure is warranted.

Effective for annual periods beginning on or after 1 January 2016

Amendments to MFRS 5	Non-current Assets Held for Sale and Discontinued Operations (Annual Improvement to MFRSs 2012-2014 Cycle)
Amendments to MFRS 11	Joint Arrangements - Accounting for Acquisitions of Interests in Joint Operations
MFRS 14	Regulatory Deferral Accounts
Amendments to MFRS 116	Property, Plant and Equipment – Agriculture: Bearer Plants
Amendments to MFRS 138	Intangible Assets: Clarification of Acceptable Methods of Depreciation and Amortisation
Amendments to MFRS 141	Agriculture – Agriculture: Bearer Plants

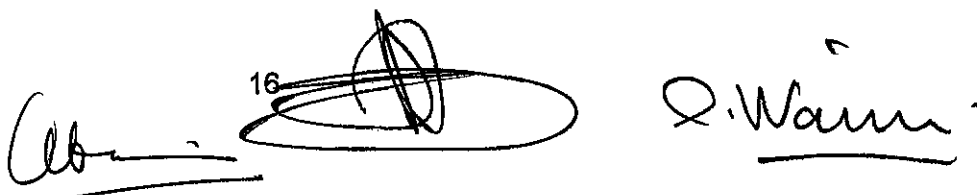
2.5 Basis of consolidation

The consolidated financial statements comprise the financial statements of the Company and its subsidiaries as at the reporting date. The financial statements of the subsidiaries used in the preparation of the consolidated financial statements are prepared for the same reporting date as the Company. Consistent accounting policies are applied for like transactions and events in similar circumstances.

The Company controls an investee if and only if the Company has all the following:

- (i) Power over the investee (i.e. existing rights that give it the current ability to direct the relevant activities of the investee);
- (ii) Exposure, or rights, to variable returns from its investment with the investee;
- (iii) The ability to use its power over the investee to affect its returns.

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Ingress Industrial (Malaysia) Sdn. Bhd.
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2. Significant accounting policies (cont'd.)

2.5 Basis of consolidation (cont'd.)

When the Company has less than a majority of the voting rights of an investee, the Company considers the following in assessing whether or not the Company's voting rights in an investee are sufficient to give it power over the investee:

- (i) The size of the Company's holding of voting rights relative to the size and dispersion of holdings of the other vote holders;
- (ii) Potential voting rights held by the Company, other vote holders or other parties;
- (iii) Rights arising from other contractual arrangements; and
- (iv) Any additional facts and circumstances that indicate that the Company has, or does not have, the current ability to direct the relevant activities at the time that decisions need to be made, including voting patterns at previous shareholders' meetings.

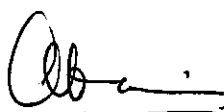
A subsidiary is consolidated when the Company obtains control over the subsidiary and ceases when the Company loses control of the subsidiary. All intra-group balances, income and expenses and unrealised gains and losses resulting from intra-group transactions are eliminated in full.

Losses within a subsidiary are attributed to the non-controlling interests even if that results in a deficit balance.

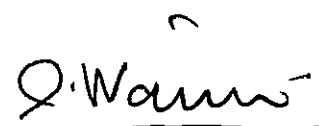
Changes in the Group's ownership interests in a subsidiary that do not result in the Group losing control over the subsidiary are accounted for as equity transactions. The carrying amounts of the Group's interests and the non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiary. The resulting difference is recognised directly in equity and attributed to owners of the Company.

When the Group loses control of a subsidiary, a gain or loss calculated as the difference between (i) the aggregate of the fair value of the consideration received and the fair value of any retained interest and (ii) the previous carrying amount of the assets and liabilities of the subsidiary and any non-controlling interest, is recognised in profit or loss. The subsidiary's cumulative gain or loss which has been recognised in other comprehensive income and accumulated in equity are reclassified to profit or loss or where applicable, transferred directly to retained earnings. The fair value of any investment retained in the former subsidiary at the date control is lost is regarded as the cost on initial recognition of the investment.

Persuant to MFRS 127: Consolidated and Separate Financial Statement, no consolidated financial statements have been prepared as the Company is a wholly-owned subsidiary company of another company, Ingress Industrial (Thailand) Co., Ltd., a wholly-owned subsidiary company of another company, Ingress Corporation Berhad ("ICB"), a company incorporated in Malaysia, which prepares consolidated financial statements. In accordance with the requirement of the Ninth Schedule of the Companies Act, 1965, the financial statements of the subsidiary is annexed. The registered address of ICB is at Lot 2778, Jalan Damansara, Sungai Penchala, 60000 Kuala Lumpur.



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2. Significant accounting policies (cont'd.)

2.6 Impairment of non-financial assets

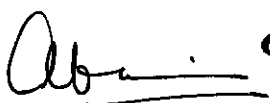
The Company assesses at each reporting date whether there is an indication that an asset may be impaired. If any such indication exists, or when an annual impairment assessment for an asset is required, the Company makes an estimate of the asset's recoverable amount.

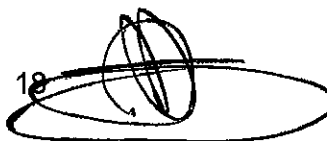
An asset's recoverable amount is the higher of an asset's fair value less costs to sell and its value in use. For the purpose of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units ("CGU")).

In assessing value in use, the estimated future cash flows expected to be generated by the asset are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. Where the carrying amount of an asset exceeds its recoverable amount, the asset is written down to its recoverable amount. Impairment losses recognised in respect of a CGU or groups of CGUs are allocated first to reduce the carrying amount of any goodwill allocated to those units or groups of units and then, to reduce the carrying amount of the other assets in the unit or groups of units on a pro-rata basis.

Impairment losses are recognised in profit or loss except for assets that are previously revalued where the revaluation was taken to other comprehensive income. In this case the impairment is also recognised in other comprehensive income up to the amount of any previous revaluation.

An assessment is made at each reporting date as to whether there is any indication that previously recognised impairment losses may no longer exist or may have decreased. A previously recognised impairment loss is reversed only if there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognised. If that is the case, the carrying amount of the asset is increased to its recoverable amount. That increase cannot exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised previously. Such reversal is recognised in profit or loss unless the asset is measured at revalued amount, in which case the reversal is treated as a revaluation increase. Impairment loss on goodwill is not reversed in a subsequent period.



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Ingress Industrial (Malaysia) Sdn. Bhd.
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2. Significant accounting policies (cont'd.)

2.7 Subsidiary

A subsidiary is an entity over which the Group has all the following:

- (i) Power over the investee (i.e. existing rights that give it the current ability to direct the relevant activities of the investee);
- (ii) Exposure, or rights, to variable returns from its investment with the investee;
- (iii) The ability to use its power over the investee to affect its returns.

Investments in subsidiary are accounted for at cost less impairment losses. On disposal of such investments, the difference between net disposal proceeds and their carrying amounts is included in profit or loss.

2.8 Financial assets

Financial assets are recognised in the statement of financial position when, and only when, the Company become a party to the contractual provisions of the financial instrument.

When financial assets are recognised initially, they are measured at fair value, plus, in the case of financial assets not at fair value through profit or loss, directly attributable transaction costs.

The Company determine the classification of their financial assets at initial recognition, and the categories include loans and receivables.

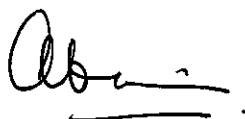
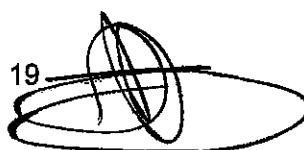
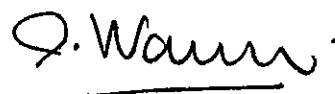
(i) Loans and receivables

Financial assets with fixed or determinable payments that are not quoted in an active market are classified as loans and receivables.

Subsequent to initial recognition, loans and receivables are measured at amortised cost using the effective interest method. Gains and losses are recognised in statement of comprehensive income when the loans and receivables are derecognised or impaired, and through the amortisation process.

Loans and receivables are classified as current assets, except for those having maturity dates later than 12 months after the reporting date which are classified as non-current.

A financial asset is derecognised when the contractual right to receive cash flows from the asset has expired. On derecognition of a financial asset in its entirety, the difference between the carrying amount and the sum of the consideration received and any cumulative gain or loss that had been recognised in other comprehensive income is recognised in profit or loss.

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2. Significant accounting policies (cont'd.)

2.8 Financial assets (cont'd.)

(i) Loans and receivables (cont'd.)

Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the period generally established by regulation or convention in the marketplace concerned. All regular way purchases and sales of financial assets are recognised or derecognised on the trade date i.e., the date that the Company commit to purchase or sell the asset. The Company designated its due from subsidiaries and cash and bank balances as loans and receivables.

2.9 Impairment of financial assets

The Company assesses at each reporting date whether there is any objective evidence that a financial asset is impaired.

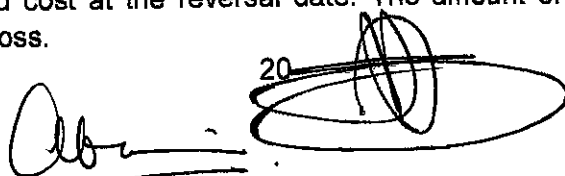
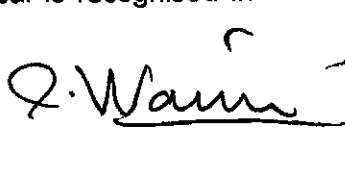
(i) Trade and other receivables and other financial assets carried at amortised cost

To determine whether there is objective evidence that an impairment loss on financial assets has been incurred, the Company consider factors such as the probability of insolvency or significant financial difficulties of the debtors and default or significant delay in payments. For certain categories of financial assets, such as trade receivables, assets that are assessed not to be impaired individually are subsequently assessed for impairment on a collective basis based on similar risk characteristics. Objective evidence of impairment for a portfolio of receivables could include the Company's past experience of collecting payments, an increase in the number of delayed payments in the portfolio past the average credit period and observable changes in national or local economic conditions that correlate with default on receivables.

If any such evidence exists, the amount of impairment loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows discounted at the financial asset's original effective interest rate. The impairment loss is recognised in profit or loss.

The carrying amount of the financial asset is reduced by the impairment loss directly for all financial assets with the exception of trade receivables, where the carrying amount is reduced through the use of an allowance account. When a trade receivable becomes uncollectible, it is written off against the allowance account.

If in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, the previously recognised impairment loss is reversed to the extent that the carrying amount of the asset does not exceed its amortised cost at the reversal date. The amount of reversal is recognised in profit or loss.

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2. Significant accounting policies (cont'd.)

2.10 Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and on hand, demand deposits, and short-term, highly liquid investments that are readily convertible to known amount of cash and which are subject to an insignificant risk of changes in value. These also include bank overdrafts that form an integral part of the Company's cash management.

2.11 Financial liabilities

Financial liabilities are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability.

Financial liabilities, within the scope of MFRS 139, are recognised in the statement of financial position when, and only when, the Company become a party to the contractual provisions of the financial instrument. Financial liabilities are classified as either financial liabilities at fair value through statement of comprehensive income or other financial liabilities.

(i) Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss.

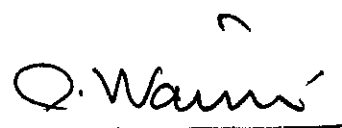

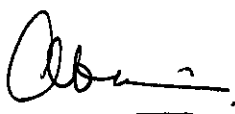
Financial liabilities held for trading include derivatives entered into by the Company that do not meet the hedge accounting criteria. Derivative liabilities are initially measured at fair value and subsequently stated at fair value, with any resultant gains or losses recognised in profit or loss. Net gains or losses on derivatives include exchange differences.

The Company have not designated any financial liabilities as at fair value through profit or loss.

(ii) Other financial liabilities

The Company's other financial liabilities include trade payables, other payables and loans and borrowings.

Trade and other payables are recognised initially at fair value plus directly attributable transaction costs and subsequently measured at amortised cost using the effective interest method.



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2. Significant accounting policies (cont'd.)

2.11 Financial liabilities (cont'd.)

(ii) Other financial liabilities (cont'd.)

Loans and borrowings are recognised initially at fair value, net of transaction costs incurred, and subsequently measured at amortised cost using the effective interest method. Borrowings are classified as current liabilities unless The Company has an unconditional right to defer settlement of the liability for at least 12 months after the reporting date.

For other financial liabilities, gains and losses are recognised in statement of comprehensive income when the liabilities are derecognised, and through the amortisation process.

A financial liability is derecognised when the obligation under the liability is extinguished. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability, and the difference in the respective carrying amounts is recognised in profit or loss.

2.12 Income taxes

(i) Current tax

Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted by the reporting date.

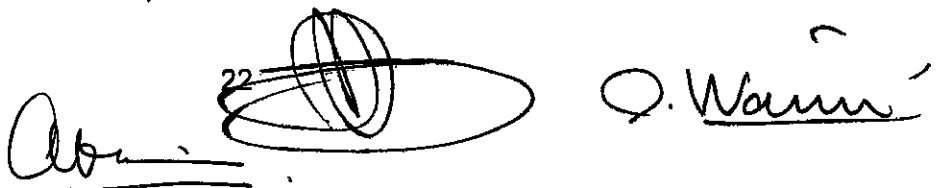
Current taxes are recognised in profit or loss except to the extent that the tax relates to items recognised outside profit or loss, either in other comprehensive income or directly in equity.

(ii) Deferred tax

Deferred tax is provided using the liability method on temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred tax liabilities are recognised for all temporary differences, except:

- where the deferred tax liability arises from the initial recognition of goodwill or of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and

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2. Significant accounting policies (cont'd.)

2.12 Income taxes (cont'd.)

(ii) Deferred tax (cont'd.)

- in respect of taxable temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, where the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax assets are recognised for all deductible temporary differences, carry forward of unused tax credits and unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised except:

- where the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and
- in respect of deductible temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, deferred tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are reassessed at each reporting date and are recognised to the extent that it has become probable that future taxable profit will allow the deferred tax assets to be utilised.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the financial period when the asset is realised or the liability is settled, based on tax rates and tax laws that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognised outside statement of comprehensive income is recognised outside statement of comprehensive income. Deferred tax items are recognised in correlation to the underlying transaction either in other comprehensive income or directly in equity and deferred tax arising from a business combination is adjusted against goodwill on acquisition.

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J. Wain

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2. Significant accounting policies (cont'd.)

2.12 Income taxes (cont'd.)

(ii) Deferred tax (cont'd.)

Deferred tax assets and deferred tax liabilities are offset, if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

2.13 Share capital and share issuance expenses

An equity instrument is any contract that evidences a residual interest in the assets of the Company after deducting all of its liabilities. Ordinary shares are equity instruments.

Ordinary shares are recorded at the proceeds received, net of directly attributable incremental transaction costs. Ordinary shares are classified as equity. Dividends on ordinary shares are recognised in equity in the period in which they are declared.

2.14 Current versus non-current classification

The Company present assets and liabilities in the statements of financial position based on current/non-current classification. An asset is classified as current when it is:

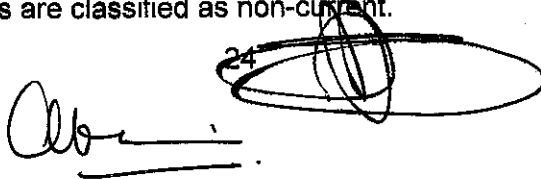
- (a) expected to be realised or intended to be sold or consumed in a normal operating cycle;
- (b) held primarily for the purpose of trading;
- (c) expected to be realised within twelve months after the reporting period; or
- (d) cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current. A liability is classified as current when:

- (a) it is expected to be settled in a normal operating cycle;
- (b) it is held primarily for the purpose of trading;
- (c) it is due to be settled within twelve months after the reporting period; or
- (d) there is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

All other liabilities are classified as non-current.

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2. Significant accounting policies (cont'd.)

2.15 Equipment

All items of equipment are initially recorded at cost. The cost of an item of property, plant and equipment is recognised as an asset if, and only if, it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably.

Subsequent to recognition, equipment measured at cost less accumulated depreciation and accumulated impairment losses. When significant parts of equipment are required to be replaced in intervals, the Company recognises such parts as individual assets with specific useful lives and depreciation, respectively. Likewise, when a major inspection is performed, its cost is recognised in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognised in profit or loss as incurred. Freehold land and buildings are measured at fair value less accumulated depreciation on buildings and impairment losses recognised after the date of the revaluation. Valuations are performed with sufficient regularity to ensure that the carrying amount does not differ materially from the fair value of the freehold land and buildings at the reporting date.

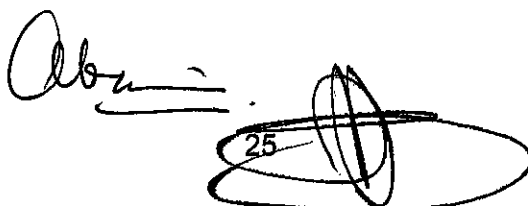
Any revaluation surplus is recognised in other comprehensive income and accumulated in equity under the asset revaluation reserve, except to the extent that it reverses a revaluation decrease of the same asset previously recognised in profit or loss, in which case the increase is recognised in profit or loss. A revaluation deficit is recognised in profit or loss, except to the extent that it offsets an existing surplus on the same asset carried in the asset revaluation reserve.

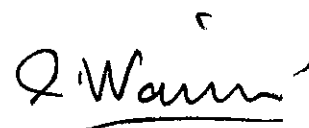
Any accumulated depreciation as at the revaluation date is eliminated against the gross carrying amount of the asset and the net amount is restated to the revalued amount of the asset. The revaluation surplus included in the asset revaluation reserve in respect of an asset is transferred directly to retained earnings on retirement or disposal of the asset. The surplus is transferred as the asset is used and the amount of surplus transferred would be the depreciation on the valuation surplus. Transfer from revaluation surplus to retained earnings are not made through profit and loss.

Office Equipment

20%

The carrying values of equipment are reviewed for impairment when events or changes in circumstances indicate that the carrying value may not be recoverable.





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2. Significant accounting policies (cont'd.)

2.15 Equipment (cont'd)

The residual value, useful life and depreciation method are reviewed at the end of each financial year, and adjusted prospectively, if appropriate.

An item of equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss on derecognition of the asset is included in the profit or loss in the year the asset is derecognised.

2.16 Intangible assets

Intangible assets acquired separately are measured initially at cost. The cost of intangible assets acquired in a business combination is their fair value as at the date of acquisition. Following initial acquisition, intangible assets are measured at cost less any accumulated amortisation and accumulated impairment losses.

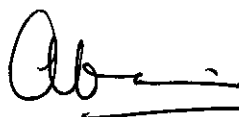
Intangible assets with finite useful lives are amortised over the estimated useful lives and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method are reviewed at least at each financial year-end. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset is accounted for by changing the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on intangible assets with finite lives is recognised in profit or loss.

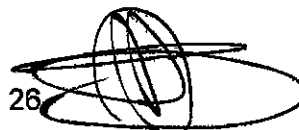
Intangible assets with indefinite useful lives or not yet available for use are tested for impairment annually, or more frequently if the events and circumstances indicate that the carrying value may be impaired either individually or at the cash-generating unit level. Such intangible assets are not amortised. The useful life of an intangible asset with an indefinite useful life is reviewed annually to determine whether the useful life assessment continues to be supportable. If not, the change in useful life from indefinite to finite is made on a prospective basis.

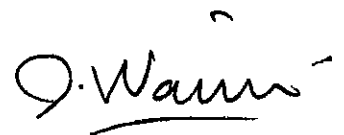
Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in profit or loss when the asset is derecognised.

Software

The software was acquired separately and is amortised on a straight line basis over its finite useful life of 5 years.



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2. Significant accounting policies (cont'd.)

2.17 Revenue recognition

Revenue is recognised when it is probable that the economic benefits associated with the transaction will flow to the enterprise and the amount of the revenue can be measured reliably.

(i) Management Fees

Management fees are recognised when services are rendered.

(ii) Dividend Income

Dividend income is recognised when the shareholders' right to receive payment is established.

(iii) Interest Income

Interest income is recognised on an accrual basis using the effective interest method.


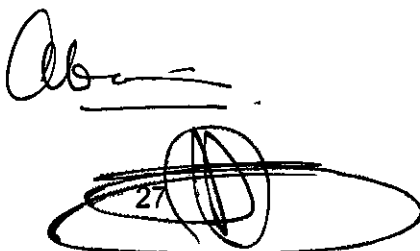
2.18 Employee benefits

(i) Short Term Benefits

Wages, salaries, bonuses and social security contribution are recognised as an expense in the financial year in which the associated services are rendered by employees of the Company. Short term accumulating compensated absences such as paid annual leave are recognised when services are rendered by employees that increase their entitlement to future compensated absences. Short term non-accumulating compensated absences such as sick leave are recognised when the absences occur.

(ii) Defined contribution plan

The Group and the Company participates in the national pension schemes as defined by the laws of the countries in which it has operations. The Malaysian companies in the Group make contributions to the Employee Provident Fund ("EPF") in Malaysia, a defined contribution pension scheme. Contributions to defined contribution pension schemes are recognised as an expense in the period in which the related service is performed.



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2. Significant accounting policies (cont'd.)

2.19 Fair value measurement

Fair value of an asset or a liability, except for lease transactions, is determined as 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 measurement assumes that the transaction to sell the asset or transfer the liability takes place either in the principal market or in the absence of a principal market, in the most advantageous market.

(i) Financial instruments

The fair value of financial instruments that are actively traded in organised financial markets is determined by reference to quoted market within the bid-ask spread at the close of business at the end of reporting date. For financial instruments where there is no active market, fair value is determined using valuation techniques. Such techniques may include using recent arm's length market transactions; reference to the current fair value of another instrument that is substantially the same; discounted cash flow analysis or other valuation models.

(ii) Non-financial assets

For non-financial assets, the fair value measurement 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.

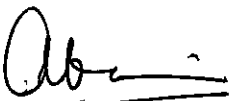

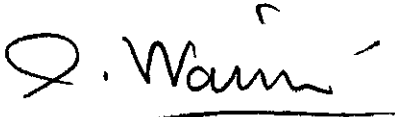
When measuring the fair value of an asset or a liability, the Group/Company uses observable market data as far as possible. Fair values are categorised into different levels in a fair value hierarchy based on the input used in the valuation technique as follows:

Level 1 – Quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2 – Inputs other than quoted prices included within Level 1 that are observable for the asset or liability.

Level 3 – Inputs for the asset or liability that are not based on observable market data (unobservable input).

The fair value of an asset to be transferred between levels is determined as of the date of the event or change in circumstances that caused the transfer.

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3. Revenue

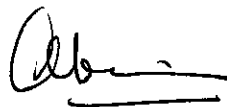
	From 1.2.2015 to 31.1.2016 RM	From 21.11.2014 (date of incorporation) to 31.1.2015 RM
Management fees from subsidiaries	6,186,806	-
Dividend income from subsidiaries	5,880,000	-
	<u>12,066,806</u>	<u>-</u>


4. Other income

	From 1.2.2015 to 31.1.2016 RM	From 21.11.2014 (date of incorporation) to 31.1.2015 RM
Interest received from subsidiaries	2,891,989	-
Miscellaneous income	1,239	-
	<u>2,893,228</u>	<u>-</u>

5. Finance costs

	From 1.2.2015 to 31.1.2016 RM	From 21.11.2014 (date of incorporation) to 31.01.2015 RM
Finance costs on Tawarruq Term-Financing	2,891,989	-





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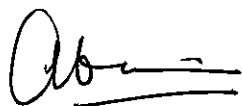
6. Profit/(loss) before tax

The following amounts have been included in arriving at profit/(loss) before taxation:


	From 1.2.2015 to 31.1.2016 RM	From 21.11.2014 (date of incorporation) to 31.1.2015 RM
Employee benefits expense (Note 7)	2,396,986	-
Auditors' remuneration	10,000	10,000
Depreciation of property, plant and equipment	509	-
Amortisation of intangible assets	91,667	-
	<u>2,396,986</u>	<u>-</u>

7. Employee benefits expense

	From 1.2.2015 to 31.1.2016 RM	From 21.11.2014 (date of incorporation) to 31.1.2015 RM
Wages and salaries	1,776,610	-
Bonus	111,567	-
Contribution to defined contribution plan	274,685	-
Social security contributions	7,681	-
Other benefits	226,443	-
	<u>2,396,986</u>	<u>-</u>







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8. Income tax expenses

There is no tax charge in prior year as there is no chargeable income.

The major components of income tax expense for the years ended 31 January 2016 and 2015 are as follows :

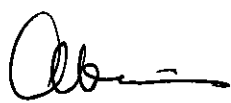
	From 1.2.2015 to 31.1.2016 RM	From 21.11.2014 (date of incorporation) to 31.1.2015 RM
Current income tax	713,862	-
Deferred tax (Note 17)	50,427	-
	<u>764,289</u>	<u>-</u>

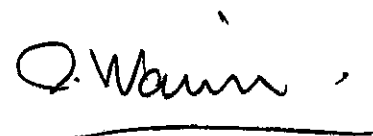
Reconciliation between tax expense and accounting profit

Domestic income tax is calculated at the Malaysian statutory tax rate of 24% (2015: 25%) of the estimated assessable profit for the year.

A reconciliation of income tax expense applicable to profit/(loss) before tax at the statutory income tax rate to income tax expense at the effective income tax rate of the Company is as follows:

	From 1.2.2015 to 31.1.2016 RM	From 21.11.2014 (date of incorporation) to 31.1.2015 RM
Profit/(loss) before tax	<u>8,665,307</u>	<u>(83,985)</u>
Taxation at Malaysia statutory tax rate of 24% (2015 : 25%)	2,079,674	(20,996)
Income not subject to tax	(1,411,200)	-
Expenses not deductible for tax purpose	95,815	20,996
Tax expense for the period	<u>764,289</u>	<u>-</u>





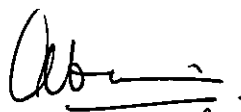

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9. Equipment

	Office Equipment RM
At 31 January 2016	
At cost	
At 1 February 2015	-
Additions	3,817
At 31 January 2016	<u>3,817</u>
Accumulated depreciation	
At 1 February 2015	-
Charge for the financial year	509
At 31 January 2016	<u>509</u>
Net carrying amount	<u>3,308</u>

10. Intangible assets

	RM
At cost	
At 1 February 2015	-
Additions	500,000
At 31 January 2016	<u>500,000</u>
Accumulated depreciation	
At 1 February 2015	-
Charge for the financial year	91,667
At 31 January 2016	<u>91,667</u>
Net carrying amount	<u>408,333</u>



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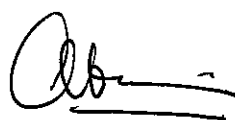
11. Investment in subsidiaries

	2016 RM	2015 RM
Unquoted shares, at cost	<u>118,395,000</u>	<u>118,395,000</u>

Details of the subsidiaries are as follows:

Name of subsidiaries	Country of Incorporation	Proportion of ownership interest		Principal activities
		(%) 2016	(%) 2015	
Ingress Technologies Sdn. Bhd.	Malaysia	70	70	Manufactures automotive components.
Ingress Precision Sdn. Bhd.	Malaysia	90	90	Manufactures automotive components.
PT Ingress Malindo Ventures*	Indonesia	70	70	Manufactures automotive components.
PT Ingress Technologies Indonesia*	Indonesia	54	54	Manufactures automotive components.

* Audited by firms of auditors other than Ernst & Young





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12. Other receivables

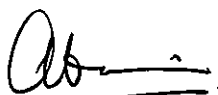
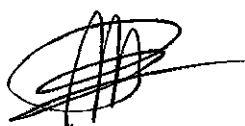
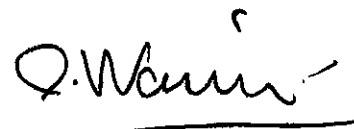
Included in other receivables are amounts due from subsidiaries which in relation to the the novation of Tawarruq Term Financing 2 Islamic Facility ("TTF2") from the penultimate holding company which is sub loaned back to back to its 2 subsidiaries, i.e. Ingress Technologies Sdn. Bhd. and Ingress Precision Sdn. Bhd..

The terms of amounts due from subsidiaries are in line with the terms stipulated for Tawarruq Term Financing 2 Islamic Facility disclosed in Note 15.

	2016 RM	2015 RM
Current		
Third parties	93,958	-
Due from subsidiaries - TTF2	5,188,280	4,981,030
Due from subsidiaries - others	4,873,113	-
Due from immediate holding company - others	293,742	-
Due from penultimate holding company - others	242,875	-
	<u>10,691,968</u>	<u>4,981,030</u>
Non-current		
Due from subsidiaries - TTF2	<u>45,945,294</u>	<u>51,074,526</u>
Total other receivables	<u>56,637,262</u>	<u>56,055,556</u>
Total due from subsidiaries	56,637,262	56,055,556
Add: Cash and bank balances (Note 13)	<u>1,583,546</u>	<u>2,003</u>
Total loans and receivables	<u>58,220,808</u>	<u>56,057,559</u>

13. Cash and bank balances

	2016 RM	2015 RM
Cash on hand	3,050	2
Cash at a licensed bank	<u>1,580,496</u>	<u>2,001</u>
	<u>1,583,546</u>	<u>2,003</u>

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14. Share capital

	Number of shares		Amount	
	2016	2015	2016	2015
	RM	RM	RM	RM
Ordinary shares of RM1 each:				
Authorised				
At 1 February 2015/				
At date of incorporation	200,000,000	400,000	200,000,000	400,000
Created during the period	-	199,600,000	-	199,600,000
At 31 January	<u>200,000,000</u>	<u>200,000,000</u>	<u>200,000,000</u>	<u>200,000,000</u>
Issued and fully paid				
At 1 February 2015/				
At date of incorporation	118,395,002	2	118,395,002	2
Issued during the period	-	118,395,000	-	118,395,000
At 31 January	<u>118,395,002</u>	<u>118,395,002</u>	<u>118,395,002</u>	<u>118,395,002</u>

15. Retained earning/accumulated losses

The Company may distribute dividends out of its entire retained earning as at 31 December 2015 under the single tier system.

16. Loans and borrowings

	2016	2015
	RM	RM
Current		
TTF2	<u>5,188,280</u>	<u>4,981,030</u>
Non-current		
TTF2	<u>45,945,294</u>	<u>51,074,526</u>
Total current and non-current	<u>51,133,574</u>	<u>56,055,556</u>
<u>Maturity of borrowing:</u>		
Within one year	5,188,280	4,981,030
More than 1 year and less than 2 years	10,663,766	5,240,843
More than 2 years and less than 5 years	19,917,201	17,420,497
More than 5 years	15,364,327	28,413,186
	<u>51,133,574</u>	<u>56,055,556</u>

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16. Loans and borrowings (cont'd.)

Tawarruq Term Financing 2 Islamic Facility ("TTF2")

During the financial year ended 31 January 2015, the Board of Directors of ultimate holding company, Ingress Corporation Berhad ("ICB") had decided to pursue an initial public offering ("IPO") and listing of the Group's Automotive Component Manufacturing ("ACM") business/operation on the Stock Exchange of Thailand ("SET") via Ingress Industrial Thailand Co., Ltd. ("IIT"). The restructuring exercise involved the novation of TTF2 from the ultimate holding company to the Company.

The ultimate holding company, the Company and the bank had on 30 January 2015, signed a novation agreement to novate TTF2 from the penultimate holding company to the Company.

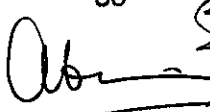
The facility is secured over the following assets:

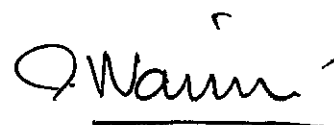
- (i) Certain land and buildings of the subsidiaries, namely Ingress Technologies Sdn. Bhd. and Ingress Precision Sdn. Bhd.;
- (ii) Corporate Guarantee from penultimate holding company and the subsidiaries namely Ingress Technologies Sdn. Bhd. and Ingress Precision Sdn. Bhd.;
- (iii) Ingress Corporation Berhad's irrevocable undertaking and instructions in respect of dividends from the subsidiaries, namely Ingress Technologies Sdn. Bhd. and Ingress Precision Sdn. Bhd.; and
- (iv) Other security or terms deemed necessary as advised by the Bank's Solicitor.

The Company's weighted average effective interest rates and finance cost per annum during the financial year for borrowings is 5.70% (2015: 4.36%) per annum.

17. Deferred tax liabilities

	2016 RM	2015 RM
At 1 February	-	-
Recognised in profit or loss (Note 8)	50,427	-
At 31 January	<u>50,427</u>	<u>-</u>
		Accelerated capital allowance RM
At 1 February 2015		-
Recognised in profit or loss (Note 8)		50,427
At 31 January 2016		<u>50,427</u>





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18. Other payables

	2016	2015
	RM	RM
Third parties	390,463	10,000
Due to penultimate holding company	74,708	75,986
Due to immediate holding company	66,417	-
Due to subsidiaries	1,010,963	-
Total other payables	<u>1,542,551</u>	<u>85,986</u>
 Add: loans and borrowings (Note 16)	 <u>51,133,574</u>	 <u>56,055,556</u>
Total financial liabilities	<u>52,676,125</u>	<u>56,141,542</u>

(a) Third parties

These amounts are non-interest bearing and normally settled on 30 to 60 days terms.
 (2015 : 30 to 60 days)


(b) Related parties balances

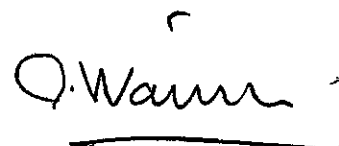
Amounts due to intercompanies are unsecured, non-interest bearing and are repayable upon demand.

19. Related party disclosures

In addition to the transactions detailed in the financial statements, the Company had the following transactions with related parties during the financial period.

	2016	2015
	RM	RM
Dividend income received from subsidiaries	5,880,000	-
Management fees received from subsidiaries	6,186,806	-
Dividend paid to immediate holding company	2,625,000	-
Novation of debt from subsidiaries	<u>-</u>	<u>56,055,556</u>





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20. Dividends

	Amount		Net dividends	
	2016	2015	per ordinary share	
	RM	RM	2016	2015
Recognised during the financial year:			Sen	Sen
Interim				
2.22% single tier dividend on 118,395,002 ordinary shares, declared on 29 December 2015 and paid on 19 January 2016	2,625,000	-	22.17	-

21. Fair value of financial instruments

Determination of fair value

Financial instruments that are not carried at fair value and whose carrying amounts are reasonable approximation of fair value.

The following are classes of financial instruments that are not carried at fair value and whose carrying amounts are reasonable approximation of fair value:

	Note
<u>Current</u>	
Other receivables	12
Other payables	18
Loans and borrowings	16

The carrying amounts of these financial assets and liabilities are reasonable approximation of fair values, either due to their short-term nature or that they are floating rate instruments that are re-priced to market interest rate on or near reporting date.

The carrying amounts of the current portion of loans and borrowings are reasonable approximations of fair values due to the insignificant impact of discounting.

22. Financial risk management objectives and policies

The Company's financial risk management policy seeks to ensure that adequate financial resources are available for the development of the Company's business whilst managing its liquidity risks. The Company operates within clearly defined guidelines that are approved by the Board of Directors and it is the Company's policy not to engage in speculative transactions.

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22. Financial risk management objectives and policies (cont'd.)

(a) Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting financial obligations due to shortage of funds. The Company's exposure to liquidity risk arises primarily from mismatches of the maturities of financial assets and liabilities.

The Company's liquidity risk management policy is to maintain a level of cash and cash equivalents and bank facilities deemed adequate by the management. Also, the immediate holding company has agreed to provide the Company with continuing financial support to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they fall due.

Analysis of financial instruments by remaining contractual maturities

The table below summarises the maturity profile of the Company's liabilities at the reporting date based on contractual undiscounted repayment obligations.

	2016			Total
	On demand or within one year	One to five years	More than five years	
Financial liabilities:				
Other payables	1,542,551	-	-	1,542,551
Loan and borrowings	-	-	-	-
Total undiscounted	7,822,332	39,111,660	16,278,316	63,212,308
financial liabilities	9,364,883	39,111,660	16,278,316	64,754,859

	2015			Total
	On demand or within one year	One to five years	More than five years	
Financial liabilities:				
Other payables	85,986	-	-	85,986
Loan and borrowings	-	-	-	-
Total undiscounted	7,722,000	39,111,660	23,307,840	70,141,500
financial liabilities	7,807,986	39,111,660	23,307,840	70,227,486

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23. Capital management

The primary objective of the Company's capital management is to ensure that it maintains a strong credit rating and healthy capital ratios in order to support its business and maximise shareholder value.

The Company manages its capital structure and makes adjustments to it, in light of changes in economic conditions. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. No changes were made in the objectives, policies or processes during the financial period.

