

1.0 Business Policy and Overview of Business Operation

1.1 The Group's Vision, Objectives and Goal

1.1.1 The Group's Vision

To create a business organisation that combines a high-trust culture which enables Ingress to develop meaningful partnerships, both inside and outside the organisation – with entrepreneurial and professional attributes.

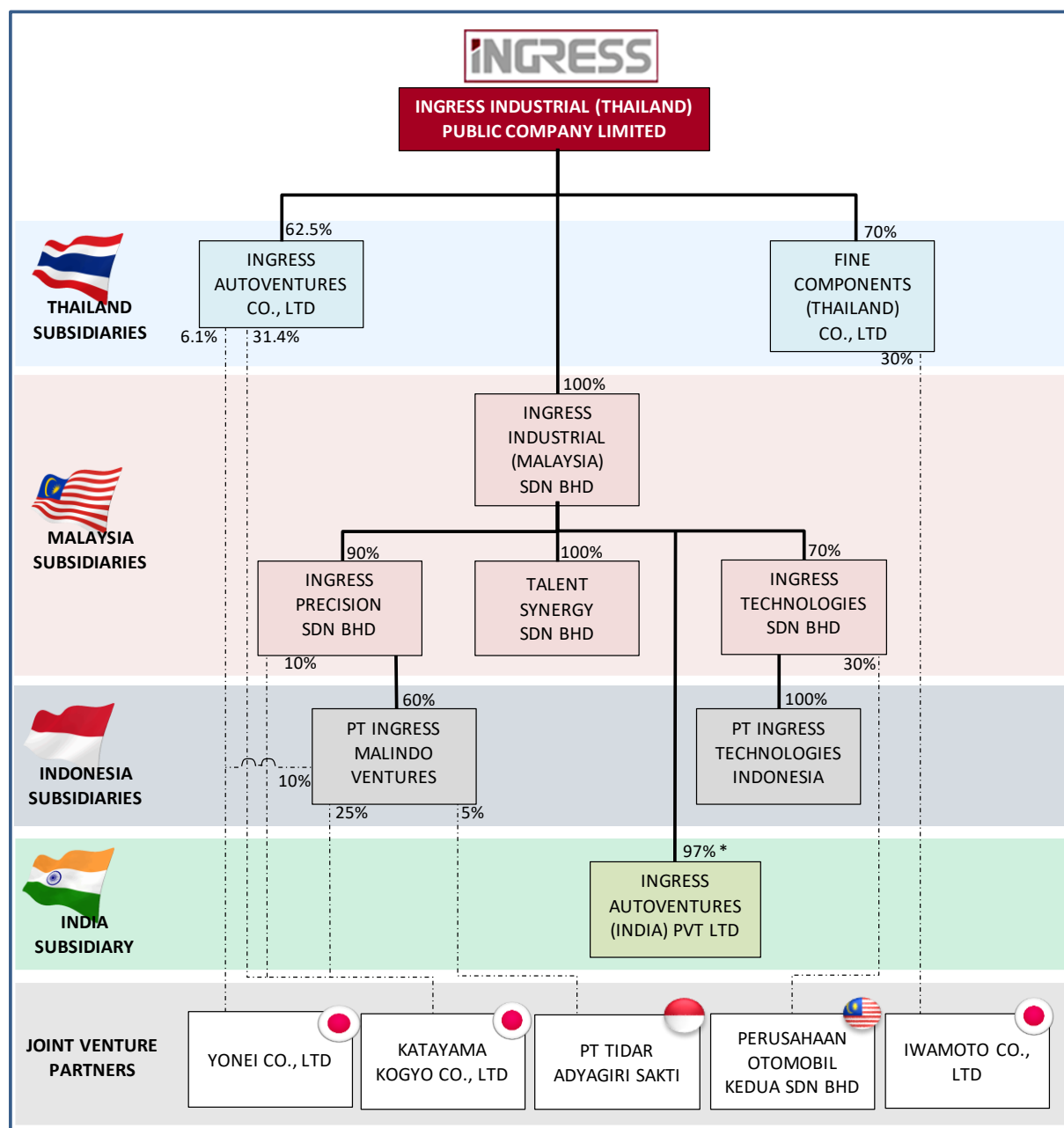
1.1.2 The Group's Business Goal and Mission

The Group aims to become the leading automotive components manufacturer in Asian market and globally expands customer base with advanced and widely accepted production technology.

1.1.3 The Group's Quality Policy

The Group aims to maximize customer satisfaction by enhancing the competitiveness, developing the product quality, and achieving human resource excellence.

1.2 The Group's Shareholding Structure as at 31 January 2019



* The remaining 3% shares owned by individual.

1.3 Location of Main Facilities



1.4 Key Business of Each Company under the Group

The Group aims to maximize customer satisfaction by enhancing the competitiveness, developing the product quality, and achieving human resource excellence.

1.4.1 Ingress Industrial (Thailand) Public Company Limited (“IIT”, “INGRS” or “the Company”)

INGRS was incorporated in March 2014 as an investment holding company for the automotive component manufacturing business within the Ingress Group. The establishment of INGRS enable all the components manufacturing business in Thailand, Malaysia, Indonesia and India to be grouped together, hence consolidating its strength and resources in addressing specific customers’ needs and also focusing in expanding its operation within and beyond the current plant locations.

Subsidiaries in Thailand

1.4.2 Ingress Autoventures Co., Ltd (“IAV”)

IAV runs the business in the manufacturing and distributing the co-extruded mould parts, mouldings and door frames and other automotive components which are produced by the roll-forming techniques for the OEM customers in Thailand. IAV is ranked as Tier-1 supplier who manufactures and sells the products directly to the OEMs as well as other similar Tier-1 suppliers. Having Katayama Kogyo Co., Ltd and Yonei Co., Ltd of Japan as its partner, IAV managed to penetrate into all the leading OEM customers from Japan and United States such as Mitsubishi, Honda, Isuzu, AAT, Ford, Mazda, Nissan, Suzuki and General Motors. IAV has two automotive manufacturing factories which are located at the Eastern Seaboard Industrial Estate in Rayong Province and the Hi Tech Industrial Estate in Phra Nakhon Sri Ayutthaya.

1.4.3 Fine Components (Thailand) Co., Ltd (“FCT”)

FCT is the joint venture company with Iwamoto Co., Ltd of Japan. Operating from its plant in Banchang Rayong Province, FCT is mainly involved in the manufacturing and distributing of automotive metal parts, produced by stamping and fine blanking technology. FCT main customers are the leading Tier-1 and Tier-2 OEM suppliers of the automotive industry of Thailand such as Thai Asakawa, Bridgestone NCR, Valeo Automotive, Schott, Toyota Boshoku, AAPICO, Adient Summit and INGRS Group. FCT also involved in design, fabrication and die maintenance services of fine blanking and stamping press die. Beside for in-house usage, FCT also supply dies to local and oversea automotive customers.

Subsidiaries in Malaysia

1.4.4 Ingress Industrial (Malaysia) Sdn Bhd (“IIM”)

IIM was incorporated in November 2014 as an investment holding company. It serves as a holding company for Ingress Technologies Sdn Bhd (“ITSB”), Ingress Precision Sdn Bhd (“IPSB”) and Talent Synergy Sdn Bhd (“TSSB”) which are the automotive businesses in Malaysia. This is to ensure that ITSB, IPSB and TSSB follow the requirements of Malaysian officials on the production license, which indicates that the ordinary person/juristic person with Malaysian nationality must have the minimum direct equity interest in both companies as required on 31 January 2019. IIM was also a holding company for Ingress Autoventures (India) Pvt Ltd which is the automotive business in India.

1.4.5 Ingress Technologies Sdn Bhd (“ITSB”)

ITSB runs the business in manufacturing and assembling of medium to high tonnage press automotive parts for sales to the OEM customers in Malaysia. With technical support from AOI Machine and Metal Tech of Japan, ITSB maintain its position as the leading Tier-1 supplier in Malaysia, manufacturing and selling the products directly to the OEMs as well as other similar Tier-1 suppliers. ITSB customers include major automotive manufacturers in Malaysia including Perodua, Proton and Honda. ITSB operates from two plants, in Bukit Beruntung, Selangor and Kelemak, Malacca. The plants are equipped with modern technology, high speed press machines and automated assembly lines with the latest manufacturing system.

1.4.6 Ingress Precision Sdn Bhd (“IPSB”)

IPSB was established in 1994 involved in the manufacturing and sales of car sealing system and door frames for all the major OEM in Malaysia, including Proton, Perodua, Honda and Toyota. IPSB runs its operation in Nilai, Negeri Sembilan, in partnership and technical support from Katayama Kogyo Co., Ltd of Japan. Being ranked as a Tier-1, IPSB manufactures and sells the products directly to the OEMs and other Tier-1 suppliers. Being the pioneer in roll forming technology in Malaysia, IPSB maintains as the market leader for roll forming parts in Malaysia.

1.4.7 Talent Synergy Sdn Bhd (“TSSB”)

SSB was established in 1995 and is mainly involved in the automation solution system provider for the automotive and other industry. TSSB focuses on the services of design, fabrication and installation of industrial automation system, customised to specific technical requirements of the customers. TSSB customers include INGRS Group, OEM’s, other Tier-1 and other manufactures. Some of TSSB products also being used by learning institutions and testing bodies. TSSB also provides after-sales service for the customers for the mutually agreed period of time.

Subsidiaries in Indonesia

1.4.8 PT Ingress Malindo Ventures (“PTIMV”)

IMV was established in 2004 and operates from its factory in Jababeka, Indonesia. PTIMV, in partnership with a local company PT Tidar Adyagiri Sakti, Katayama Kogyo Co., Ltd and Yonei Co., Ltd of Japan, runs the business in manufacturing and distributing car sealing system and door frames to the main OEM customers in Indonesia, including Mitsubishi, Honda, Suzuki, Toyota and Daihatsu. PTIMV is ranked as Tier-1 supplier which manufactures and sells the products directly to the OEMs as well as to similar Tier-1 suppliers.

1.4.9 PT Ingress Technologies Indonesia (“PTITI”)

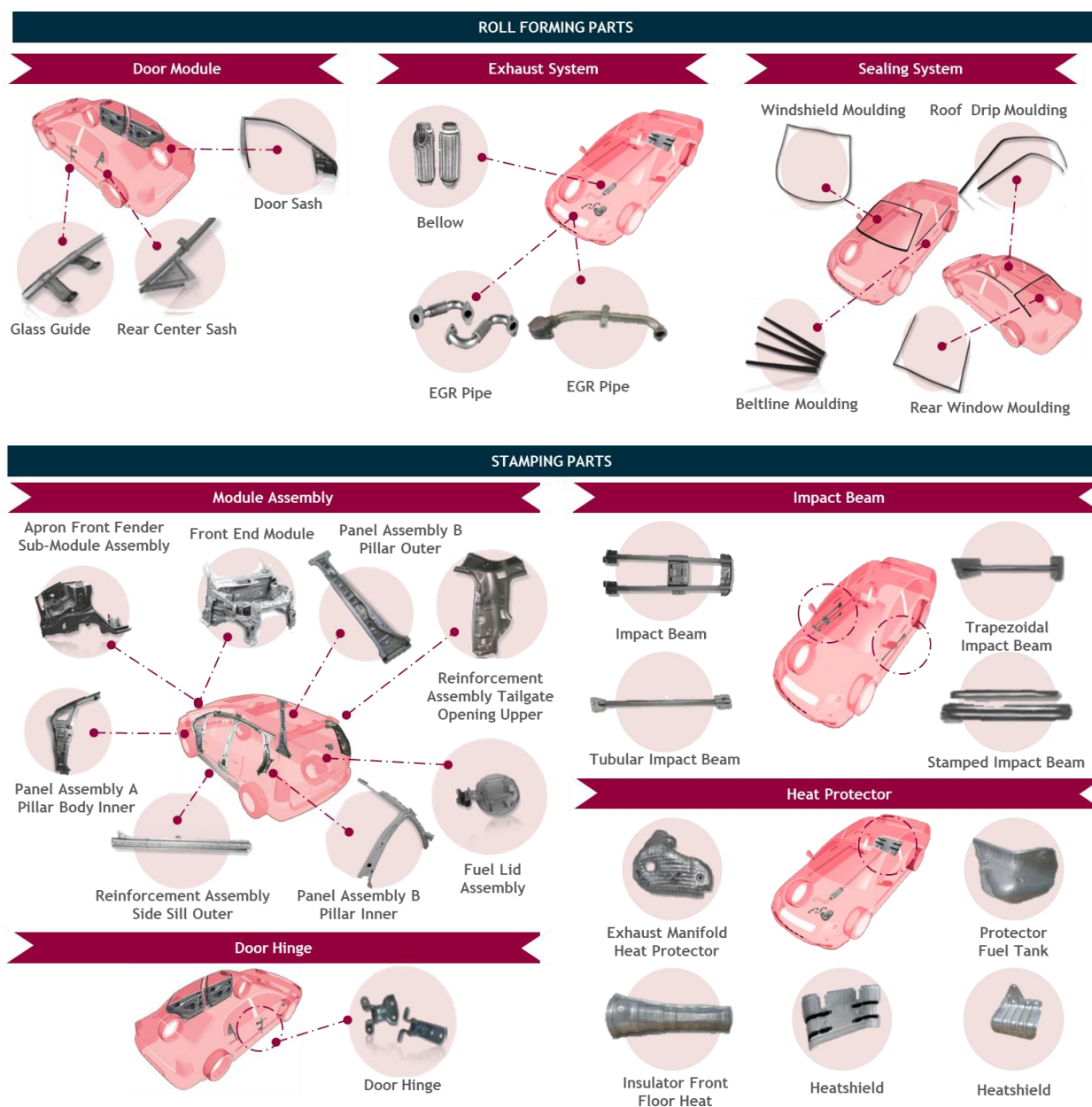
TITI located in Jababeka, Indonesia is a wholly owned subsidiary of ITSB. PTITI is mainly involved in small parts stamping and heat shield production. PTITI manufactures and sells product as Tier-2 to Tier-1 suppliers namely PTIMV and Miyuki Indonesia.

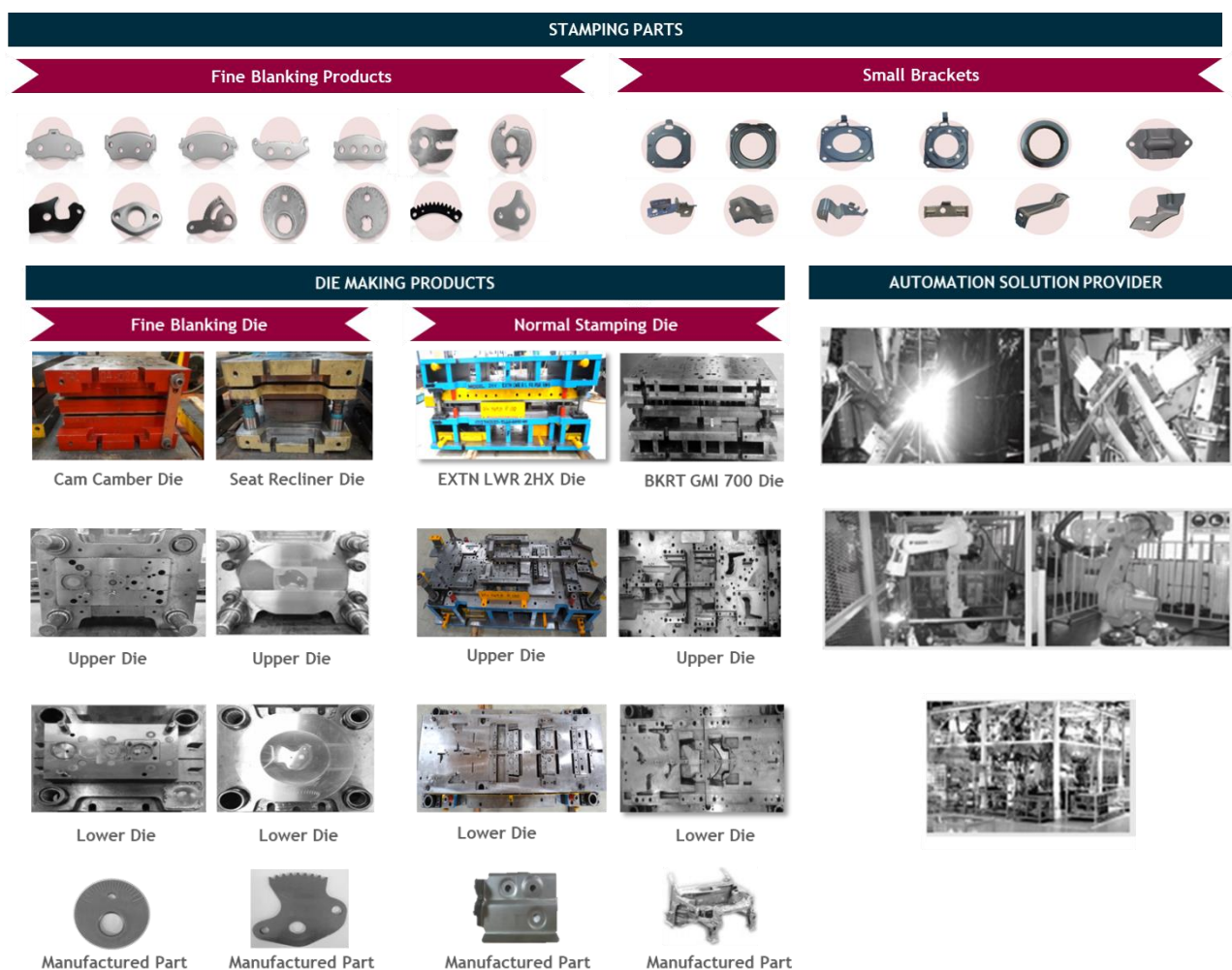
Subsidiary in India

1.4.10 Ingress Autoventures (India) Pvt Ltd ("IAIPL")

IAIPL was established in 2010 with the main parts manufactures and sells by IAIPL were roll forming products under the sealing system module, including, weatherstrip moulding, roof drip moulding and windshield moulding. IAIPL's main OEM customers in India are Maruti-Suzuki, Mahindra & Mahindra and Fiat. IAIPL also ranked as Tier-1 and Tier-2 suppliers in India. IAIPL's manufacturing plant is currently located at Gurugram, Haryana, India and will be relocated to Manesar which is closer to Maruti-Suzuki Manufacturing Plant in early 2019.

1.5 Product Highlights





1.6 Shareholding Structure




The shareholding structure of individual subsidiaries is as follows:




































Company	Nature of business	Percentage of shares with voting right		Paid-up capital as at 31 January 2019
		within the Group	Others	
IAV	A manufacturer and supplier of plastic parts, roll-formed weatherstrips, roll-formed metal automotive door sashes, and other relevant components. Classified as Tier-1 Supplier, IAV was established in Thailand.	IIT: 62.5%	KK: 31.43% Yonei: 6.07%	Baht 300,000,000
IIM	An investment holding company and IIM was established in Malaysia.	IIT: 100%	-	RM118,395,002

















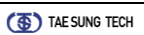




Company	Nature of business	Percentage of shares with voting right		Paid-up capital as at 31 January 2019
		within the Group	Others	
FCT	A manufacturer and supplier of plastic parts, roll-formed weatherstrips, roll-formed metal automotive door sashes, and other relevant components. Classified as Tier-1 Supplier, IAV was established in Thailand.	IIT: 70% (The investment in FCT made by IIT represented 85% of the total paidup capital of FCT)	Iwamoto: 30% (Iwamoto's investment in FCT represented 15% of the total paid-up capital of FCT)	Baht 220,000,000
ITSB	A manufacturer and assembler of medium to high tonnage press parts. Classified as Tier-1 Supplier, ITSB was established in Malaysia.	IIT: 70%	Perodua: 30%	RM20,000,000
IPSB	A manufacturer and supplier of roll-formed metal automotive door sashes (door frames) and relevant components. Classified as Tier-1 Supplier, IPSB was established in Malaysia.	IIM: 90%	KK: 10%	RM7,000,000
TSSB	Automation solution provider and TSSB was established in Malaysia.	IIM: 100%	-	RM500,000
PTIMV	A manufacturer and supplier of sash-related components for the automotive industry. Classified as Tier-1 Supplier, PTIMV was established in Indonesia.	IPSB: 60%	KK: 25% Yonei: 10% PT Tidar: 5%	IDR59,999,996,625
PTITI	Stamping small parts. Classified as Tier-2 Supplier, PTITI was established in Indonesia.	ITSB: 100%	-	IDR6,077,164,863
IAIPL	A manufacturer and supplier for automotive sealing system and operates facilities for plastic extrusions, roll forming and bending of plastic parts. IAIPL was established in India.	IIM: 97%	Mr. Prateek Chitkara: 3%	INR92,725,980











1.7 Milestone

The Group's business milestones are as follows:

YEAR	MILESTONES
 1991	Incorporation of Ingress Group  (Establishment of Ingress Engineering Sdn Bhd ("IESB") in Malaysia  on 7 May 1991)
 1992	IESB entered into a Technical Assistance Agreement ("TAA") with Katayama Kogyo Co., Ltd ("KK")  from Japan on manufacturing of moulding parts
 1993	First delivery by IPSB to PROTON  (Moulding related parts)
 1994	Establishment of Ingress Precision Sdn Bhd ("IPSB") in Malaysia  on 5 January 1994, Joint Venture ("JV") with KK  for manufacturing of door sash and related automotive components
 1995	Relocation of IPSB to Nilai, Negeri Sembilan.
	First delivery by IPSB to PROTON  (Sash related parts) Establishment of Talent Synergy Sdn Bhd ("TSSB") in Malaysia  on 13 July 1995
 1996	Establishment of Ingress Autoventures Co., Ltd ("IAV") in Thailand  on 17 September 1996, JV with KK  and Yonei Co., Ltd  for manufacturing of automotive components
	First delivery by IESB to PERODUA  (Moulding related parts)
 1997	IAV started to operate its automotive parts plant in Rayong, Thailand
	Establishment of Ingress Technologies Sdn Bhd ("ITSB") in Malaysia  on 3 September 1997, JV with PERODUA  for manufacturing and assembly of medium to high tonnage press automotive parts
	First delivery by ITSB to PERODUA  (Stamping related parts)
 1998	First delivery by IAV to AAT  (Sash related parts)
	First delivery by IAV to MITSUBISHI  (Moulding related parts)
 1999	Establishment of Ingress Corporation Sdn. Bhd. ("ICB") in Malaysia  on 9 August 1999
 2000	ITSB started to operate its automotive parts plant located in Bukit Beruntung, Malaysia to produce doors-in-white for Perodua.
	ICB was converted into a public company (change its name to Ingress Corporation Berhad) on 2 March 2000.
 2001	ICB was listed on Bursa Malaysia Stock Exchange  (2 nd Board)
	First delivery by ITSB to PROTON  (Stamping related parts)

YEAR	MILESTONES
 2002	First delivery by IAV to HONDA  (Sash and moulding related parts) First delivery by IAV to ISUZU  (Moulding related parts)
 2003	Establishment of PT Ingress Malindo Ventures (“PTIMV”) in Indonesia  on 19 March 2003, JV with PT Tidar Adyagiri Sakti 
 2004	ICB was transferred to Main Board of Bursa Malaysia Stock Exchange  First delivery by PTIMV to MITSUBISHI  (Moulding related parts) First delivery by PTIMV to SUZUKI  (Sash related parts)
 2005	First delivery by IAV to MITSUBISHI  (Sash related parts) First delivery by IPSB to PERODUA  (Sash related parts) First delivery by IPSB to TOYOTA  (Moulding related parts) First delivery by PTIMV to TOYOTA  (Sash related parts)
 2006	IAV established an automotive parts plant in Rojana Industrial Park, Phra Nakhon Si Ayutthaya, Thailand, with the main purpose to manufacture and distribute automotive components to Honda, Thailand. Acquisition of 100% shares in Fine Components (Thailand) Co., Ltd (“FCT”) in Thailand  from Singaporean shareholders. First delivery by IAV to NISSAN  (Sash related parts) First delivery by ITSb to NAZA  (Stamping related parts)
 2007	First delivery by PTIMV to SUZUKI  (Moulding related parts) First delivery by PTIMV to DAIHATSU  (Moulding related parts)
 2008	Establishment of Ingress Autoventures (India) Pvt Ltd (“IAIPL”) in India  on 24 July 2008
 2010	First delivery by IAIPL to MARUTI SUZUKI  (Moulding related parts)
 2011	PTIMV JV with KK  and Yonei Co., Ltd  for manufacturing of automotive components First delivery by IAV to GENERAL MOTOR  (Sash related parts) First delivery by IPSB to SUZUKI  (Moulding related parts) First delivery by PTIMV to DAIHATSU  (Sash related parts)
 2012	Establishment of PT Ingress Technologies Indonesia (“PTITI”) in Indonesia  on 3 rd October 2012. First delivery by IAV to SUZUKI  (Moulding related parts)

YEAR	MILESTONES
 <p>2013</p>	ICB was delisted from Malaysia' Bursa Stock Exchange  on 22 July 2013
	First delivery by PTIMV to HONDA  (Sash related parts)
	First delivery by PTIMV to GENERAL MOTOR  (Sash related parts)
	First delivery by PTITI (through PTIMV) to TOYOTA  (Stamping related parts)
 <p>2014</p>	Ingress Group's Restructuring started to be listed on Stock Exchange of Thailand ("SET") 
	Establishment of the Company, Ingress Industrial (Thailand) Co., Ltd ("INGRS") in Thailand  on 13 March 2014 with its aimed to operate as a holding company, offer shares, and be listed on the SET
	Establishment of Ingress Industrial (Malaysia) Sdn Bhd ("IIM") in Malaysia  on 21 February 2014 as a holding company of an automotive parts company in Malaysia to ensure that ITSB's and IPSB's permit for manufacturing operations complied with Malaysian Law
	FCT entered into JV Agreement with Iwamoto Co., Ltd ("Iwamoto") 
	First delivery by IPSB to HONDA  (Moulding and sash related parts)
	First delivery by PTIMV to HINO  (Sash related parts)
	First delivery by PTIMV to HONDA  (Moulding related parts)
	First delivery by PTITI (through PTIMV) to HONDA  (Stamping related parts) First delivery by ITSB to HONDA  (Stamping related parts)
 <p>2015</p>	Ingress Group's Restructuring completed on 30 January 2015
	INGRS was converted into public company (change its name to Ingress Industrial (Thailand) Public Company Limited) on 9 December 2015
	ITSB entered into a TAA with Metaltech Limited  from Japan for the development of new project
 <p>2016</p>	ITSB started to operate its automotive parts plant in Malacca, Malaysia for HONDA
	TSSB entered into a TAA with Tae Sung Tech Co., Ltd  from Korea for automation solution
	First delivery by ITSB to HONDA  (Stamping related parts) from Malacca Plant
 <p>2017</p>	Acquisition of 100% shares in TSSB and 40% shares in IA IPL by IIM from ICB
	INGRS was listed on the Stock Exchange of Thailand ("SET")  on 9 August 2017
	ITSB entered into a TAA with AOI Kikai Co., Ltd  from Japan for the development of new model
	Acquisition of the remaining 60% shares in IA IPL from Mayur Industries Pvt Ltd by IIM resulted in IA IPL become a wholly owned subsidiary of IIM which was completed on 13 November 2017

YEAR	MILESTONES
 2017	<p>First delivery by IAIPL to MAHINDRA  (Moulding related parts)</p> <p>First delivery by PTIMV to MITSUBISHI  (Sash related parts)</p> <p>First delivery by PTITI (through PTIMV) to MITSUBISHI  (Stamping related parts)</p>
 2018	<p>IIM entered into TAA with Tae Sung Tech  for Hyundai Project  on 19 December 2018</p> <p>TSSB entered into Distributorship Agreement with Neuromeka  for ASEAN , India  and Gulf countries Collaborative Robots (COBOT) distributor COBOT on 22 January 2019</p>

2.0 Nature of Business Operation

INGRS business is mainly linked to automotive industry. Having operations in ASEAN countries and India with ten (10) operating factories, INGRS has elevated its position to become one of the “preferred Tier-1 supplier” in the region.

Thailand being the main Automotive Hub in the region, emerged as one of INGRS main revenue contributor. Since the start of Thailand Automotive Industry of more than 50 years ago, Thailand’s automotive sector has developed to be the biggest in Southeast Asia and one of the largest in the world. Thailand emerged as the key automotive base in ASEAN which are mainly due to its geographically strategic location, reliable supplier base, experienced industry expertise, larger production capacity and good infrastructure.

2.1 INGRESS AUTOVENTURES CO., LTD. (“IAV”)

2.1.1 IAV Business Strategy

Riding on the continued growth of automotive sector in Thailand, IAV emphasis in improving its manufacturing efficiencies whilst securing more business. Efforts in enhancing the “Lean policy across the organization is in line with INGRS quest for continuous improvement and manufacturing excellence.

In IAV, best manufacturing practices has always been its main management policy. A good example is the SMPQCD management system, consisting of:

- S – Safety – Safety mind at all times
- M – Morale – An essence to becomes a dynamic and conducive organization
- P - Productivity – Improvement through automation concept
- Q - Quality – Build Quality in Process to achieve 0 ppm
- C - Cost - Managing cost and elimination of waste
- D - Delivery – 100% On Time Delivery

IAV’s quest for excellence is also testament to the IAV’s efforts on the implementation of Ingress Lean System or ILS. The ILS initiative includes “Just-In-Time” approach in maintaining reasonable stock level and eliminate waste at each stages of production. IAV is also committed in transforming the manual operations into automation processes, improving productivity, consistent product quality and higher degree of safety.

In line with the Intelligent Technology and as part of our initiative towards “Thailand Industry 4.0”, IAV has established a model line to record real time production information. The “Ingress Production On-Line System” or I-POS will be further extended to cover other production lines progressively. It is aimed that the I-POS will assist the management to make fast and accurate decision.

IAV will also continue with its Cost Awareness and Cost Reduction Program in identifying areas in the organization that can improve the overall profitability.

2.1.2 IAV Future Project

With the end of the first-time buyer scheme, the number of out-of-warranty passenger vehicles in Thailand is expected to exceed 14 million units by 2020, with more than five million units between the age of three and eight years – offering tremendous opportunities for automotive manufacturers in Thailand.

The OEMs such as Honda, Mitsubishi, Mazda, ISUZU and Nissan are expected to introduce new models commencing from 2019. These models are expected to continue to receive favourable market demand with new design and technologies with better fuel efficiencies.

Thailand also keen to expand its automotive manufacturing industry to produce green vehicles. The Eastern Economic Corridor (“EEC”) framework is designed to support various industries including automotive. Supporting this vision is the EEC that places a great importance on bringing next generation automotive industry to Thailand, in particular, the electronic vehicle industry. This has created an added advantage for IAV as its current location in Rayong is within the three provinces of Chonburi, Rayong and Chachoengsao.

2.2 INGRESS PRECISION SDN. BHD. (“IPSB”)

2.2.1 IPSB Business Strategy

IPSB is a joint venture between Ingress and Katayama Kogyo Co. Ltd of Japan. IPSB was established in 1994 with the core expertise is in the manufacturing and supply of:

- Roll-formed metal automotive door sash and related components.
- Roll-formed plastic co-extruded mouldings and weather-strips.
- Extrusion moulding and weather-strips.
- Heat Management system.
- Door Impact systems.

IPSB utilises unique, high-tech and high-precision manufacturing techniques which ensures the superior quality required in the production of those products for the complete assembly of car door module and sealing system.

IPSB major products are beltline moulding, weather-strip inner moulding, roof moulding and windshield moulding under the sealing system. As for door module category, IPSB’s products are door sash, rail assembly or inner sash and glass guide. Currently, IPSB is a sole supplier for door sash in Malaysia.

IPSB has been certified with IATF 16949, OHSAS 18001 and MS ISO 14001. IPSB is also adopting best manufacturing practices in the work place with the implementation of ILS such as 5S, morning market, kaizen and shop floor audits.

In pursuing to become a more efficient operating factory, IPSB has embarked on process automation starting with the glass guide assembly for process stability and consistency with the initial automated production line model in 2017. This initiative has expanded with the second automation line in 2018.

IPSB major customers are the key assemblers in Malaysia namely Proton, Perodua and Honda, as well as second Tier supplier to door trim manufacturers namely APM Plastic Sdn Bhd, Delloyd Industries Sdn Bhd. and Azman Hamzah Plastik Sdn. Bhd.

IPSB has completed the development of Perodua new SUV in 2018 known as Perodua Aruz with the supply of both sealing system and door related products to Perodua.

2.2.2 IPSB Future Project

IPSB had participated in supplying parts for almost all models launched by Proton, Perodua and Honda. Generally, IPSB will be adopting the following strategies for future projects.

- New products for existing customers
- Existing products for new customers
- Non-automotive products utilising current technology

IPSB was awarded with Letter of Intent (LOI) by Honda for their new Passenger segment model that is expected to be launched in 2019. IPSB aims to penetrate one new customer in 2019 for the supply of heat shield, besides targeting new RFQ (Request for Quotation) for Honda and Perodua new models that are to be launched in 2020 and 2021 respectively.

Through Perodua's new approach for model development for models under Daihatsu New Global Architecture (DNGA), IPSB has been shortlisted to conduct a technical study for their new model consists of moulding and door sash related products. In addition, IPSB had also been invited to participate in future new model of Perodua. Besides that, IPSB were given the opportunity to participate in another Honda new model that will be launched in 2020 and 2021.

Internal process improvement is always a major emphasis by IPSB. SAP computerization system for Procurement, Manufacturing and Logistic had been successfully commissioned in February 2018. Besides continuous efforts on operational improvement and automation program, IPSB will also embark on the introduction of Industry 4.0 mainly on the integration between SAP system and manufacturing processes.

2.3 PT. INGRESS MALINDO VENTURES ("PTIMV")

2.3.1 PTIMV Business Strategy

In 2018, PTIMV continue to expand its business whilst sustaining the current business with major car assemblers in Indonesia by gearing up extensive efforts to secure new projects. With the competitive business environment, PTIMV has developed strategies to secure new projects by meeting customer expectation in respect of pricing and enhanced product technology. Besides that, the Quality, Cost and Delivery have been the key elements to fulfil customer satisfaction requirement.

Based on the supply volume and sales revenue in 2018, Mitsubishi, Suzuki, Honda, Toyota and Daihatsu continued to be the major customer for PTIMV. Mitsubishi is expected to maintain as PTIMV's main revenue contributor in 2019 especially after the successful launching of their MPV Xpander into the market in September 2017.

Besides working on the new projects, PTIMV will continue its efforts in ensuring replacement of the phased-out models which will ensure continuity in its revenue stream for business survival in the future.

2.3.2 PTIMV Future Project

PTIMV were awarded with new projects in 2018 and these projects are currently under development by PTIMV.

Among the secured projects are Nissan inner sash and Hino door frame. Further to this jack assembly for Suzuki model has been scheduled to be under mass production in 2019. Besides that, for Nissan/Mitsubishi project, the first sample for exhaust manifold has been submitted in 2018 for their technical evaluation.

PTIMV will continue to enhance its efforts aggressively to introduce more products for a wider range of customers in Indonesia.

2.4 INGRESS TECHNOLOGIES SDN. BHD. (“ITSB”)

2.4.1 ITSB Business strategy

Since its inception in September 1997, ITSB is one of the fastest growing company and major player for medium stamping business in Malaysia. With more than two decades of manufacturing experiences, ITSB has embarked into the business of body assembly and functional parts such as jack assembly, door hinges and brake/clutch pedal assembly. ITSB state-of-the-art manufacturing facilities coupled with modernization of automation assembly line has positioned ITSB ahead of its competitor. Meanwhile, stringent quality control and total implementation of manufacturing best practices such as, ILS, Poka-yoke, Just-In-Time (JIT) and 5S has enabled ITSB to meet the customer’s requirement especially in Quality, Delivery and Cost. ITSB major customers are Perodua, Honda, Proton and as the Tier-2 supplier to PHN Industry Sdn. Bhd that supply to OEM.

In 2015, ITSB has signed Technical Assistance Agreement (TAA) with Metaltech Ltd, a Japanese base company to strengthen its position as Tier-1 to OEMs in Malaysia. ITSB’s technical capability is further enhanced with the signing of another TAA with AOI Machine Co. Ltd., Japan in August 2017. Under these collaborations, ITSB will acquire an access to technology transfer especially in production using high tensile material and higher tonnage press machine.

Realizing the importance of industry evolution, ITSB has actively participated in seminars and conference related to Industrial Revolution 4.0 (IR4.0). The Malaysian Government through its agency – Malaysia International Trade and Industry (MITI) and Malaysia Automotive, Robotics and IoT Institute (MARii) has offered assistance to companies interested to develop a model line for Industry 4.0 that very much related to robotics and IoT. In December 2018, MARii had conducted assessment on ITSB as one of the company representing the automotive vendors in Malaysia for the readiness during the development of National Policy Industry 4.0 preparation. MARii also providing programs that will help the transformation through the incentives offered by the Government. ITSB is also collaborating with University Malaysia Pahang on exploring the potential of adopting the Industry 4.0 at the production line.

2.4.2 ITSB Future Project

As Malaysia is one of important automotive market in ASEAN, global OEMs are continuously introducing new models into the market. Currently, Malaysia market are being dominated by Passenger Car segment while Sports Utility Vehicle (SUV) segment is increasingly becoming customer's preference.

Perodua is preparing for future model development with the introduction of Daihatsu Global New Architecture (DGNA) which utilize common platform to all its new models. Due to new development procedure, Perodua will do the vendor selection and Simultaneous Engineering (SE) for the new model the same time with the development timing.

Honda has successfully remained its No.1 market position for Malaysian for non-national category in 2018. In order to retain its position, Honda will introduce replacement models for their existing models in the next few years. Due to encouraging market feedback, Honda will continue selling hybrid models in the future to optimize the Electric Efficient Vehicle ("EEC") incentive introduced by Malaysian Government. The newly launched HR-V model has been gaining widespread attention and is creating much anticipation in the market. Attractive design, mobility connectivity and safety features are the key selling points of Honda models.

Proton has officially launched the Proton X70, the national carmaker's first ever SUV in December 2018. The X70 is based on the most popular Geely Boyue, having Volvo's DNA in this model. Proton is also expected to introduce new model to replace its current model in the near future.

ITSB aggressively exploring potential project with other OEMs in Malaysia. Expanding customers base is very important to ITSB as part of ITSB's strategy to be less dependent to only a few existing customers.

2.5 PT INGRESS TECHNOLOGIES INDONESIA ("PTITI")

2.5.1 PTITI Business Strategy

PTITI was established on 5th October 2012 and started its operation in November 2012 by supplying small brackets of Suzuki APV model to PTIMV. Currently the core expertise is in the manufacturing and supply of:

- Small stamping products
- Stamping of Heat Shield products

PTITI major products are small stamping parts (below 200 tonnes) and heat shield products. In order to achieve the international standard manufacturing company, PTITI had developed the quality system and had been certified with ISO 9001:2015 in October 2017. PTITI has also adopting best manufacturing practices in the work place such as ILS, 5S, and Kaizen.

PTITI's major customers are PTIMV and PT Miyuki Indonesia that supply direct to the OEMs.

2.5.2 PTITI Future Project

PTITI had secured the supply of stamping child parts for Jack Assembly with PTIMV for new Suzuki replacement model.

Moving forward, a team was set up to look in the business expansion into medium stamping in Indonesia.

2.6 FINE COMPONENTS (THAILAND) CO., LTD. ("FCT")

2.6.1 FCT Business Strategy

FCT is a joint venture company between Ingress and Iwamoto Co. Ltd of Japan. Established in 1980, FCT is the pioneer in Fine Blanking parts manufacturing in South East Asia. Since then, FCT had progressively evolved into a complete stamping manufacturer with various related core businesses:

- Fine Blanking stampers for precision automotive parts
- Normal Stamping for automotive brackets and accessories
- Die Making Services
- Die Maintenance Services

FCT utilises its expertise in precision fine blanking technology to supply components to various automotive Tier-1 and Tier-2 companies in Thailand. FCT also able to supply high precision normal stamping parts to its customers. To complement its stamping business, FCT had also embarked on die making and die maintenance with the support from its partner, Iwamoto Co., Ltd.

FCT major customers for its stamping business are Thai Asakawa, Valeo Group, Bridgestone, Topre, Siam Sera and Adient Summit.

As for the die making, FCT had supplied stamping dies for both fine blanking and normal stamping. Its current expertise and facilities enable FCT to produce dies ranging from small to large dies for both progressive and tandem die types. Currently, FCT supplying its dies to companies in Thailand, Malaysia, Indonesia and Japan like Topre, Hiruta, Ingress group, Valeo group, Thai Yashiro and others.

As part of its commitment to achieve the international standard in manufacturing management, FCT had been certified with IATF16949 and ISO 14001. For its die making & maintenance, FCT was certified with ISO9001. FCT is also adopting best manufacturing practices in the work place such as ILS, 5S, morning market, Kaizen and management shop floor visit.

In 2018, the stamping business benefited from various new products launched in Thailand and abroad which FCT has completed the development of 3 projects in 2018 for Valeo, IAV and Topre. As for die making business, FCT had completed several developments for customers in Thailand and Malaysia. Perodua/ITSB Malaysia, IAV, Valeo.

2.6.2 FCT Future Project

For 2019, FCT forecasted to start mass production for both Schott's Mitsubishi new model and IAV's Honda new model in 4th quarter which Both are now under final stage of development. As a continuous efforts, focus will be given to get Request for Quotations (RFQ) and LOI from Topre, IAV, Able Sanoh, Bangkok Eagle Wing (BEW), Thai Yashiro, Aapico, Mitsui Siam Component and others for various new model's development for Nissan, Honda and Isuzu.

The die making business is currently undertaking developments of new project for IAV, Aapico, Siam Senator, and several other re-tooling projects. FCT is targeted to secure various LOIs from Thailand customers for various new models which will start development in 2019. For Malaysia market, FCT is expecting RFQ from ITSB and Ingress Katayama Technical Centre Sdn Bhd for Proton and Perodua new model developments.

To ensure that our business stay competitive, FCT will continuously upgrade its competitive advantages. In 2019, FCT will further upgrade the die making capability with additional double column machine and Coordinate Measuring Machine (CMM) Laser scanner. For stamping business, on top of implementing best practices, more automation will be introduced to improve our productivity, quality and safety.

2.7 INGRESS AUTOVENTURES (INDIA) PVT LTD. (“IAIPL”)

2.7.1 IAIPL Business Strategy

IAIPL operates in the automotive parts industry and is engaged in the business of manufacturing automotive sealing systems. Technologies deployed in its current operations include plastic extrusions, roll forming and bending. IAIPL’s product range includes mouldings, trim Door openings, seat catches, PVC beading and injection moulded components.

Key customers of the IAIPL includes Maruti Suzuki Industries Limited (“Maruti Suzuki”), Mahindra & Mahindra (“Mahindra”) and Fiat India Automobile Limited (“Fiat Group”) on Jeep and Fiat brands. Others are Tier-1 and -2 customers (which in turn supply to OEM’s).

In line with IAIPL’s growth objectives and strategies, IAIPL will be shifting its current manufacturing facilities Gurugram to a new location by early 2019 which is located in key industrial zone of Manesar, Gurugram. This new factory offers sufficient expansion room to accommodate for additional capacities and also introducing more product segments in IAIPL.

Going forward, IAIPL aims to strengthen its presence in Maruti Suzuki supply chain through new products in new projects as currently, Maruti Suzuki dominated almost 51% of market share in India. Besides that, Mahindra is the biggest Utility Vehicle OEM and fourth biggest in terms of total volumes of approximately 0.46 million vehicles in India. IAIPL started direct supplies to Mahindra from 2018.

With IAIPL’s focus on furthering product portfolio for Mahindra, IAIPL has received nomination for new Mahindra flagship projects. This breakthrough has metamorphosed IAIPL from being a single component supplier to key partner in designing and development of comprehensive sealing system components.

IAIPL aims to consolidate business with Fiat Group brands i.e. Fiat and Jeep. IAIPL is already a supplier to Fiat platforms and would start supplying components for Jeep platform from year 2019.

IAIPL successfully transitioned from TS 16949 to IATF 16949 including certification with OHSAS 18001 and ISO 14001 to ensure compliance with OEM system requirements.

On the manufacturing aspect, IAIPL is well on track to implement SAP Management Information Platform to optimize processes and reporting system and embarked ILS to compliment best practices in the work place such as 5S, kaizen and morning market.

2.7.2 IAIPL Future Project

It is envisaged that India is expected to become third largest Passenger Vehicle market by year 2020 with a total volume expected to reach 6 million passenger vehicles per year with Maruti Suzuki will continue to dominate the market share in India.

To be in stream with Maruti Suzuki growth, IAIPL have quoted for two new projects and IAIPL is expected to receive more Request for Quotation (RFQ) in 2019.

Honda Cars India will be introducing new projects starting from 2021 with various model line-up to replace current models. IA IPL is aggressively pitching for business in new models and targeted for RFQs for the new models.

As part of IA IPL diversification initiative, IA IPL has started supplies to Piaggio Vespa Scooter and is in final stage of developing two wheeler components for Bajaj Auto Ltd.

2.8 TALENT SYNERGY SDN. BHD. (“TSSB”)

2.8.1 TSSB Business Strategy

TSSB was established in 1995 and TSSB main activities are design, prototype development, fabrication, control system, assembly, testing, integration, installation/commissioning and after sale service.

TSSB core competencies are:

- Robotic and Programmable Logic Controller (PLC)
- System Integrator (SI)
- Simulation
- Design
- Engineering Services
- Industry 4.0

TSSB main products are:

1. Automated cell type lines for automotive and other industries
2. Specialized machineries
3. Testing equipment
4. Jigs and fixtures
5. Palletizing Robot
6. Engineering services

Since 2015, TSSB had initiated in-house self-development program and had finally supplied fully automated system for inner sash assembly lines for IPSB and IAV. TSSB also had successfully supplied and installed the Press tending automation line for ITSB using the services of Korean Engineering Company.

To fulfil the Group ambition to increase automation level for productivity, quality engineering capability and safety, TSSB has signed a Technical Assistance Agreement (“TAA”) with Tae Sung Tech Co. Ltd, Korea on 16 May 2016. The objective of the TAA with Tae Sung Tech Co., Ltd is to enhance TSSB capability to be full-fledge machineries and automation system integrator.

TSSB also has signed the agency agreement with various renowned companies to be the authorized dealer for the following products in Malaysia:

- Yajima Giken, INC Japan – Authorized dealer for various kinds of feeder system
- Fuji Yusoki Kogyo Co. Ltd, Japan – Authorized dealer for palletizing robot

- Nawootec Co. Ltd, Korea – Authorized dealer for welding equipment
- Neuromeka co., Ltd. Korea – Authorised distributor for Collaboration Robots (COBOT)

In enhancing INGRS competitiveness, TSSB has helped the Group gradually transforming the manual to fully automated cell type production line using the above technology.

2.8.2 TSSB Future Project

TSSB had mostly participated in automotive automation projects in INGRS companies such as IAV, ITSB, IPSB and PT IMV.

Moving forward, TSSB will explore a vast potential automation projects outside automotive industry. In December 2017, TSSB received a letter of intent (LOI) to supply and develop a high-speed filling machine and robotized packaging lines from local company (Organic Gain Sdn Bhd - OGSB). The project is categorized under food industry.

TSSB also now working to enter furniture and beverages industry. Furthermore, initial discussion towards a win-win collaboration with renowned design house and robot integration companies is already being held.

As the Government now embarks on industry 4.0 implementation in all industries, TSSB has been assigned to initiate and coordinate the implementation of the system the Group. TSSB also has been shortlisted as one of the recipient for Industry 4.0 grant via Malaysia Automotive Institute (MAI) from MITI. This grant will further enhance TSSB core competencies to support TSSB and INGRS business vision.

Currently TSSB is studying on establishing a complete Industry 4.0 pilot projects at IPSB and IAV. With these projects, TSSB will offer customer with a “complete automated line” with linkages to SAP and Production Monitoring System (PMS) whereby information will be in real-time connected to PC and HP Managements.

3.0 Risk Factors

Ingress Industrial (Thailand) Public Company Limited remains committed in meeting its vision and strategic objectives. In order to achieve our commitment, it is critical for the Company to possess the capability of managing risks to an acceptable level for the achievement of strategic objectives in line with its vision. The Board has a stewardship responsibility to understand these risks, provide guidance on dealing with these risks and to ensure risks are managed proactively, in a structured and consistent manner.

The Group Risk Management unit has been assigned to embark into Enterprise Risk Management (“ERM”) framework where it will be used as a tool to manage Ingress’s key risks on a continuous basis. ERM risk policy was developed, which has been communicated and implemented throughout the organization. ERM process covers all activities in a systematic and productive way to reduce the magnitude of impact and likelihood of occurrence of an event that causes a company to not achieve its objectives and goals.

For the financial year ended 31 January 2019, together with the management, the Group Risk Management unit has reviewed and assessed IIT’s key risk factors which can be categorized and described as follows:

3.1 STRATEGIC RISKS

3.1.1 Changes in government’s policies & regulations

As a result of political or socio-economic instability of any foreign country, where Thailand had experienced several upheavals in the past, any changes to the government's policies or regulations would have an impact to the growth of domestic economy and automotive industry in terms of product demand and production volume. This will generally affect the automotive components manufacturing business and directly to the Company's business strategy and direction. Management’s key strategy to address this risk is by building closer relationship with the local authorities.

3.1.2 Investment-related risk

Investment model failure could have significant financial impact towards the Group on the investment amount spent and finance cost incurred from bank borrowings. It may also affect the Group’s long-term sustainability. Therefore, the Group has managed this by enhancing its investment evaluation and monitoring processes.

Continuous monitoring is important in ensuring the performance and quality of the investment is able to meet the expected return of investment. Ineffective investment monitoring where current investment performance data is not generated may affect decision making processes and lead to possible investment failures. Key strategy in addressing this risk is by improving the procedures of investment monitoring within the Group.

3.2 FINANCIAL RISKS

3.2.1 Forex risk

The Group is exposed to forex risk in its overseas business operations and procurement dealings, especially in raw material purchases. Moreover, the Group also faces exchange rate risks in consolidating the financial results from its foreign subsidiaries. Unfavorable changes in the exchange rate between Thai Baht and the relevant foreign currencies could result in adverse financial impact to the Group. To mitigate this, the Management has a system in place to closely monitor exchange rate movements between its base currency, Thai Baht against all other currencies transacted.

The Group protects itself from the risk by keeping up closely with the movement of raw material prices and by using central purchasing systems ("CPS") to source the primary production materials. Under CPS, OEMs determine the type of steel to be used as primary raw materials for automotive components manufacturing, primary raw material supplier and trading price of the primary raw materials. The duty of the Group is to purchase primary production materials based on the order and requirements of OEMs. The Group will negotiate with OEMs for the possibility to appropriately adjust the price of automotive components to correspond with cost and price fluctuation of primary production materials. That agreement can, at certain level, reduce the impact of price fluctuation of the primary production materials that can have on the Group's business performance.

3.2.2 Risks of interest rate fluctuation

A significant portion of the Group's overall outstanding loans are conditioned with floating interest rates. The floating rates pose a risk to the Group as when the reference rate fluctuates upward, the financing cost of the Group will be affected.

The Group has a risk mitigation measures by tracking closely the interest rate movements. The Group also projects that there will not be a significant rate change from the current level in the near future based on the monetary policies adopted in Thailand, Malaysia, Indonesia and India, the major markets of the Group. Being a public listed company, there will be more fund raising options for the Group. The Group will consider many alternatives other than commercial banks that can offer more acceptable financing cost.

3.2.3 Risks of insufficient insurance coverage for the Group

Although the Group attempts to mitigate the risk of losses and/or damage to the major assets as well as its employees by purchasing insurance in the amount believed to be sufficient and at the same standard as other operators in the same industry. However, there is still a risk to the Group as the coverage of losses and/ or damages or impact caused by the damage may not be completely compensated, or the actual damage cost exceeds the sum insured, such as insurance against flooding in Thailand. This may have an effect the financial condition and operating results of the Group. The Group also faces a risk of not getting coverage, partially or in whole, for the losses or damages regarded as cases for exclusions. The Group's policy is to follow the industry practice of the Group in buying the insurance that can cover the sufficient and acceptable amount of potential losses resulting from the business operations.

The Group has taken a preventive action for the risk of damages causing to its operating assets due to controllable or preventive accidents or events. All companies under the Group continuously follow the best practice and safety standards in running the plant in accordance with related laws of all the countries the Group is operating in. This can control the risk from events or accident that may cause material damage to the operating assets of the Group.

3.3 COMPLIANCE RISKS

3.3.1 Non-compliance with regulatory requirements

Failure to comply with regulatory and/or statutory provisions or requirements (such as Stock Exchange of Thailand, Securities and Exchange Commission of Thailand, Thailand Civil and Commercial Code B.E. 2468 (1925), Public Limited Company Act B.E. 2535 (1992), Securities and Exchange Act B.E. 2535 (1992), Thailand's Factory Act, B.E. 2535 (1992) and Enhancement and Conservation of National Environmental Quality Act, B.E. 2535 (1992), Malaysia's Environmental Quality Act 1974, and Indonesia's Law No. 32 of 2009 on Environmental Protection and Management) may cause regulatory bodies to initiate legal actions towards the Company, which in turn could affect the Group's reputation.

Among the key strategies to address this risk is to allocate specific resources to ensure that any regulatory requirements are well monitored and submitted on a timely manner. Enhancement to the procedures of compliance management was also deployed on top of providing more training and education to the relevant personnel in the Group.

3.4 OPERATIONAL RISKS

3.4.1 Customer-related risk

Dependence on a handful of customers for a significant portion of revenue may impair the Group's business profitability. The Group's vulnerability in losing any of these customers within the Group would pose a negative impact towards its growth strategies. Poor customer relationship management or inability to meet customers' expectations may result in customers discontinuing their supply-relationship with any of the subsidiaries.

Among the established action plans to mitigate this risk revolve around applying customer retention strategies and internal resources management in the areas of close monitoring of customer's satisfaction survey results.

Continuously securing new business or customers is crucial for the long-term sustainability of a company apart as an avenue to fund its new investment or project. The inability to secure new business would disrupt the Group to achieve its targeted revenue and possibly loss of market share and its brand recognition.

The Management's action plans in order to minimize the probability of this risk occurring was to carry out situational analysis and response planning by performing a detailed benchmarking against customers' requirements and technological gap analysis between existing capabilities and future demands. In addition to that, it was deemed that the marketing and customer relationship management should also be improved.

3.4.2 Quality issues

Product quality is the key success factor for automotive industry because the defects or low quality product is unacceptable; they can cause serious accident and consequent effects. The Group is at risk of losing customers and its reputation and may be sued by the end consumers for the damages caused by below-standard product.

The Group aims at controlling product quality through a continuous improvement on production process and procedures as well as product's quality control. Such measures give an assurance to a certain level that there is low risk for product quality. The Group and its partners from Japan have taken necessary actions to control and improve the product quality continuously in order to earn acceptance from various OEMs.

3.4.3 Management risks

Loss of key management staff and inability to fill the vacancy via a proper succession planning may disrupt the Group to achieve its desired results. In lieu of this, the Group has taken risk measures by adopting a succession planning framework for critical positions across the companies within the Group.

4.0 Assets Used in Business Operation

4.1 Fixed assets used in business operation

No.	Type/Description of Asset	Net book value as at 31 January 2019 Million Baht	Type of ownership	Encumbrance
1.	Land and land improvement *	652.8	Details in 4.1.1	
2.	Building and building improvements *	755.9	Details in 4.1.2	
3.	Machinery and equipment	1,204.5	Full ownership	Details in 4.1.3
4.	Furniture, fixtures and office equipment	7.6	Full ownership	None
5.	Motor vehicles	14.4	Full ownership	None
6.	Assets under construction and installation	58.9	Full ownership	Details in 4.1.4
TOTAL *		2,694.1		

* The amount includes property classified as Investment Properties (IPSB Bangi Plant).

Fixed assets of the Group which are shown above can be categorized by type of assets and companies as follows:

4.1.1 Land and land improvement

(a) Land in Thailand

No.	Owner	Location and Area	Purpose of possession	Net book value as at 31 January 2019 (Million Baht)	Type of ownership	Encumbrance
1.	IAV	Land in Eastern Seaboard Industrial Estate, Rayong 64/6 Moo 4, Pluakdaeng T,Pluakdaeng A,Rayong (1 plot total of 12 Rai 3 Ngan 14 Square war) Area: 220,183 sq. ft.	Site of the manufacturing plant for IAV in Rayong, Thailand	61.4	Full ownership	Charge registered by a financial institution as guarantee for banking facility
2.	IAV	Land in Hitech Industrial Estate, Ayutthaya 64/6 Moo 1,Ban lane T, Bang Pa-in A,Ayutthaya (1 plot total of 11 Rai,27 Square war) Area: 191,664 sq. ft	Site of the manufacturing plant for IAV in Ayutthaya, Thailand	66.4	Full ownership	Charge registered by a financial institution as guarantee for banking facility

No.	Owner	Location and Area	Purpose of possession	Net book value as at 31 January 2019 (Million Baht)	Type of ownership	Encumbrance
3.	FCT	Land in Tambun Makhamkhu 600 Moo 4, T Makhamkhu King-Am-Pur Nikhompattana, Rayong 21180 Thailand (1 plot total of 24 Rai) Area: 413,334 sq.ft.	Site of the manufacturing plant for FCT in Rayong, Thailand	40.3	Full ownership	Charge registered by a financial institution as guarantee for banking facility
4.	FCT	Land in Hemaraj Eastern Seaboard Industrial Estate Plot D.23B of Hemaraj Eastern Seaboard Industrial Estate located in Tambon Tasith and Tambon Pluak Daeng Amphur Pluak Daeng, Rayong Province, Thailand] (1 plot total 23 Rai 1 Ngan 95.5 Square war)	Vacant land	94.0	Full ownership	Charge registered by a financial institution as guarantee for banking facility
TOTAL				262.1		

(b) Land in Malaysia

No.	Owner	Location and Area	Purpose of possession	Net book value as at 31 January 2019 (Million Baht)	Type of ownership	Encumbrance
1.	IPSB	Lands in Nilai area (a)PN 38504, Lot 9144;and (b)PN 38503, Lot 9145, both in Mukim of Setul, District of Seremban, State of Negeri Sembilan, Malaysia (total of 2 plots) Area: 303,069 sq. ft.	Site of the manufacturing plant for IPSB in Nilai, Malaysia	113.9	Leasehold for 99 years, expiring on 3 July 2092	Charge registered by a financial institution as guarantee for banking facility

No.	Owner	Location and Area	Purpose of possession	Net book value as at 31 January 2019 (Million Baht)	Type of ownership	Encumbrance
2.	IPSB	Land in Bangi area HS(M) 9638, PT 11469 Seksyen 13, Bandar Baru Bangi, Mukim of Kajang, District of Hulu Langat, State of Selangor, Malaysia (1 plot) Area: 43,560 sq.ft.	Site for manufacturing facility of IKTC in Bangi, Malaysia.	31.3	Leasehold for 99 years, expiring on 29 September 2086	Charge registered by a financial institution as guarantee for banking facility
3.	ITSB	Land in Bukit Beruntung area HS(D) 39152, PT 13990 Seksyen 20, Bandar Serendah, District of Ulu Selangor, State of Selangor, Malaysia (1 plot) Area: 365,564 sq.ft.	Site of the manufacturing plant for ITSB in Bukit Beruntung, Malaysia.	126.1	Full ownership	Charge registered by a financial institution as guarantee for banking facility
TOTAL				271.3		

(c) Land in Indonesia

No.	Owner	Location and Area	Purpose of possession	Net book value as at 31 January 2019 (Million Baht)	Type of ownership	Encumbrance
1.	PTIMV	Land in Kawasan Industri Jababeka, Cikarang Blok GG-7A, 7B & GG-8, Jln Industri Jababeka, Tahap II Cikarang, Indonesia (3 plots) Area: 132,083 sq. ft. HGB Certificate No. 2612 dated 5 September 2002 HGB Certificate No. 2613 dated 5 September 2002 HGB Certificate No. 2667 dated 26 May 2003	Site of the manufacturing plant for PTIMV and PTITI in Cikarang, Indonesia	119.4	Right to Build, valid until 24 September 2026	Charge registered by a financial institution as guarantee for banking facility
TOTAL				119.4		

4.1.2 Building and building improvements

(a) Building and building improvements in Thailand

No.	Owner	Location and Area	Purpose of possession	Net book value as at 31 January 2019 (Million Baht)	Type of ownership	Encumbrance
1.	IAV	Factory in Eastern Seaboard Industrial Estate, Rayong 64/6 Moo 4, Pluakdaeng T,Pluakdaeng A,Rayong	IAV manufacturing plant in Rayong, Thailand	191.8	Full ownership	Charge registered by a financial institution as guarantee for banking facility
2.	IAV	Factory in Hitech Industrial Estate, Ayutthaya 64/6 Moo 1,Ban lane T, Bang Pa-in A,Ayutthaya	IAV manufacturing plant in Ayuthaya, Thailand	51.3	Full ownership	Charge registered by a financial institution as guarantee for banking facility
3.	FCT	Factory in Tambun Makhamkhu 600 Moo 4, T Makhamkhu King-Am-Pur Nikhompattana, Rayong 21180 Thailand	FCT manufacturing plant in Rayong, Thailand	53.2	Full ownership	Charge registered by a financial institution as guarantee for banking facility
4.	IIT	Building Improvements No. 9/141 UM Tower Floor 14th Unit A1 Ramkhamhaeng Road Suanluang Bangkok Thailand	IIT Corporate Office	0.3	Rental	None
TOTAL				296.6		

(b) Building and building improvements in Malaysia

No.	Owner	Location and Area	Purpose of possession	Net book value as at 31 January 2019 (Million Baht)	Type of ownership	Encumbrance
1.	IPSB	Factory in Nilai PT 2475 & PT 2476, Kawasan Perindustrian Nilai, P.O. Box 45, 71807 Nilai, Negeri Sembilan	IPSB manufacturing plant in Nilai, Malaysia	145.2	Leasehold for 99 years, expiring on 3 July 2092	Charge registered by a financial institution as guarantee for banking facility
2.	IPSB	Factory in Bangi Lot 9, Jalan P/7, Seksyen 13, Kawasan Perindustrian Bangi, P.O Box 9, 43650 Bandar Baru Bangi, Selangor	IKTC manufacturing plant in Bangi, Malaysia.	14.5	Leasehold for 99 years, expiring on 29 September 2086	Charge registered by a financial institution as guarantee for banking facility
3.	IPSB	14 units of apartments B.M. No 12, Lot 9132, Mukim of Setul, District of Seremban, State of Negeri Sembilan, Malaysia Area: 9,494 sq. ft.	Apartments for IPSB staff	4.7	Freehold	None
4.	ITSB	Factory in Bukit Beruntung Lot 11, Jalan Jasmine 4, Kawasan Perindustrian Bukit Beruntung, 48300 Rawang, Selangor	ITSB manufacturing plant in Bukit Beruntung, Malaysia.	248.0	Freehold	Charge registered by a financial institution as guarantee for banking facility
5.	ITSB	20 units of apartments Rose Court Block E, Bandar Bukit Sentosa, 48300 Rawang, State of Selangor, Malaysia Area: 15,640 sq. ft.	Apartments for ITSB staff	11.2	Freehold	None
6.	TSSB	Building improvements Lot 11A, Jalan P/7, Seksyen 13, Kawasan Perindustrian Bangi, P.O Box 9, 43650 Bandar Baru Bangi, Selangor	TSSB manufacturing plant in Bangi, Malaysia	0.6	Rental	None
TOTAL				424.2		

(c) Building and building improvements in Indonesia

No.	Owner	Location and Area	Purpose of possession	Net book value as at 31 January 2019 (Million Baht)	Type of ownership	Encumbrance
1.	PTIMV	Factory in Cikarang Jln. Industri Selatan 6A, Block GG-7A/B, Kawasan Industri Jababeka II, Cikarang Selatan, 17854 Bekasi, Indonesia	PTIMV manufacturing plant in Cikarang, Indonesia	35.1	Right to Build, valid until 24 September 2026	Charge registered by a financial institution as guarantee for banking facility
				35.1		

4.1.3 Machinery and equipment

(a) Machinery and equipment in Thailand

No.	Owner	Assets	Purpose of possession	Net book value as at 31 January 2019 (Million Baht)	Type of ownership	Encumbrance
1.	IAV	Tools, machinery and equipment for the manufacture of automotive parts	Business operation	232.8	Owner	Charge registered by a financial institution as guarantee for banking facility
2.	FCT	Tools, machinery and equipment for the manufacture of automotive parts	Business operation	91.0	Owner	None
				323.8		

(b) Machinery and equipment in Malaysia

No.	Owner	Assets	Purpose of possession	Net book value as at 31 January 2019 (Million Baht)	Type of ownership	Encumbrance
1.	ITSB	Tools, machinery and equipment for the manufacture of automotive parts	Business operation	468.3	Owner	Charge registered by a financial institution as guarantee for banking facility

No.	Owner	Assets	Purpose of possession	Net book value as at 31 January 2019 (Million Baht)	Type of ownership	Encumbrance
2.	IPSB	Tools, machinery and equipment for the manufacture of automotive parts	Business operation	307.9	Owner	Charge registered by a financial institution as guarantee for banking facility
3.	TSSB	Machinery and equipment for automation solution provider	Business operation	0.0	Owner	None
				776.2		

(c) Machinery and equipment in Indonesia

No.	Owner	Assets	Purpose of possession	Net book value as at 31 January 2019 (Million Baht)	Type of ownership	Encumbrance
1.	PTIMV	Tools, machinery and equipment for the manufacture of automotive parts	Business operation	60.8	Owner	Charge registered by a financial institution as guarantee for banking facility
2.	PTITI	Tools, machinery and equipment for the manufacture of automotive parts	Business operation	2.8	Owner	None
				63.6		

(d) Machinery and equipment in India

No.	Owner	Assets	Purpose of possession	Net book value as at 31 January 2019 (Million Baht)	Type of ownership	Encumbrance
1.	IAIPL	Tools, machinery and equipment for the manufacture of automotive parts	Business operation	40.9	Owner	None
				40.9		

4.1.4 Assets under construction and installation

(a) Assets under construction and installation in Thailand

No.	Owner	Assets	Purpose of possession	Net book value as at 31 January 2019 (Million Baht)	Type of ownership	Encumbrance
1.	IAV	Assets under construction and installation	Business operation	38.1	Owner	None
2.	FCT	Assets under construction and installation	Business operation	0.6	Owner	None
				38.7		

(b) Assets under construction and installation in Malaysia

No.	Owner	Assets	Purpose of possession	Net book value as at 31 January 2019 (Million Baht)	Type of ownership	Encumbrance
1.	ITSB	Assets under construction and installation	Business operation	17.8	Owner	None
2.	IPSB	Assets under construction and installation	Business operation	1.7	Owner	None
				19.5		

(c) Assets under construction and installation in Indonesia

No.	Owner	Assets	Purpose of possession	Net book value as at 31 January 2019 (Million Baht)	Type of ownership	Encumbrance
1.	PTIMV	Assets under construction and installation	Business operation	0.7	Owner	None
				0.7		

4.2 Trademark

As at 31 January 2019, the Group does not own any copyright or trademark. However, Ingress Corporation Berhad (ICB), a major shareholder of the Company has entered into a license agreement on 10 August 2015 with the Group (including the Company, IAV, FCT, IIM, ITSB, IPSB, PT ITI and PT IMV). The agreement allows the Group to use “INGRESS” brand in the manufacture, marketing and sale of automotive parts in Thailand, Malaysia, Indonesia and India. The details of the trademark are as follows:

No.	Owner	Trademark	Registration number	Protected products	Malaysia's statutory right to trade marks is the exclusive property of the ICB (Protection Period)
1.	ICB		2012019064	Category 12: automotive parts and components All are in Category 12.	10 years from 9 November 2012 to 9 November 2022
2.	ICB		2012019065	Category 35: Dealers, sales, marketing, advertising, services and service providers for automotive and automobiles. All are in category 35.	10 years from 9 November 2012 to 9 November 2022

4.3 Intangible assets

As at 31 January 2019, the Group have intangible assets of the computer software and customer relationships. The net book value of computer software as at 31 January 2019 was Baht 10.4 million (Baht 11.8 million as at 31 January 2018). The customer relationships value was arising from the allocation of goodwill arising from the acquisition of IAIPL on 13 November 2017 of which the measurement of goodwill have been completed during the fourth quarter of the financial year ended 31 January 2019. The customer relationships is amortised on a systematic basis over 10 years period. The net book value of customer relationships as at 31 January 2019 was Baht 11.7 million (Baht 14.6 million as at 31 January 2018).

5.0 Legal Dispute

As at 31 January 2019, the Company and its subsidiaries in Thailand, Malaysia, Indonesia and India have no legal disputes (of more than 5% of the shareholders' equity based on the consolidated financial statements of the Group) that could cause damage to the Company and its subsidiaries.

6.0 Other Important Information

Other than as disclosed in this Annual Registration Statement (Form 56-1) and the audited financial statements of the Group and the Company for the financial year ended 31 January 2019, there is no other important information to be disclosed as at 31 January 2019.