LAPORAN TAHUNAN 2012 / 2013 ANNUAL REPORT

INGRESS

Corporate 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.

Creating meaning in life and bringing harmony to its surroundings is the embodiment of the Ingress vision.

Quality Policy Statement

To achieve total customer satisfaction, we shall strive for competitiveness, continuous improvement and excellence through Human Resource Development.

CONTENTS

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the **FOURTEENTH (14TH) ANNUAL GENERAL MEETING ("AGM") of INGRESS CORPORATION BERHAD** ("the Company") will be held on Wednesday, 24 July 2013 at The Royale Boardroom, Level 2, The Royale Bintang Damansara, 2, Jalan PJU 7/3, Mutiara Damansara, 47810 Petaling Jaya, Selangor Darul Ehsan at 11.00 a.m for the following businesses:

AGENDA

1. To receive, consider and adopt the Audited Financial Statements for the financial year ended 31 January 2013 together with the Report of the Directors and Auditors thereon; **RESOLUTION 1**

2. To approve the Directors' fees for the financial year ended 31 January 2013; **RESOLUTION 2**

3. To re-elect Datuk (Dr.) Rameli Bin Musa, a Director retiring pursuant to Article 103 of the Articles of Association of the Company; **RESOLUTION 3**

4. To re-elect Dato' Zulkifly @ Ibrahim Bin Ab Rahman, a Director retiring pursuant to Article 103 of the Articles of Association of the Company: **RESOLUTION 4**

5. To re-elect En. Mohamad Bin Hassan, a Director retiring pursuant to Article 109 of the Articles of Association of the Company; **RESOLUTION 5**

6. To re-appoint Messrs Ernst & Young as Auditors of the Company for the ensuing financial year and to authorize the Directors to fix their remuneration. **RESOLUTION 6**

AS SPECIAL BUSINESS

To consider and, if thought fit, to pass the following resolutions with or without modifications:

7. **Ordinary Resolution**
To consider and, if thought fit, to pass the following resolution in accordance with Recommendation 3.3 of the Malaysian Code on Corporate Governance 2012 ("MCCG 2012")
"THAT En. Shamsudin @ Samad Bin Kassim who has served the Board as an Independent Non-Executive Director of the Company for a term of more than nine (9) years since 2 November 2001 be and is hereby retained as an Independent Non-Executive Director of the Company and to hold office until the conclusion of the next AGM of the Company pursuant to the MCCG 2012". **RESOLUTION 7**

8. **Ordinary Resolution**
To consider and, if thought fit, to pass the following resolution in accordance with Recommendation 3.3 of the MCCG 2012
"THAT Dato' Vaseehar Hassan Bin Abdul Razack who has served the Board as an Independent Non-Executive Director of the Company for a term of more than nine (9) years since 23 October 2000 be and is hereby retained as an Independent Non-Executive Director of the Company and to hold office until the conclusion of the next AGM of the Company pursuant to the MCCG 2012". **RESOLUTION 8**

9. **Ordinary Resolution**
Authority to issue new ordinary shares pursuant to Section 132D of the Companies Act, 1965 ("the Act")
"THAT pursuant to Section 132D of the Act and the Articles of Association of the Company and subject to the approvals from Bursa Malaysia Securities Berhad ("Bursa Malaysia") and other relevant government / regulatory authorities, where such approval(s) is/are necessary, the Directors of the Company be and hereby authorized to allot and issue shares in the Company at any time and upon such terms and conditions and for such purposes as the Directors may, in their absolute discretion, deem fit provided that the aggregate number of shares issued pursuant to this resolution does not exceed 10% of the issued share capital of the Company as at the date of this AGM and that the Directors be and are also empowered to obtain the approval for the listing of quotation for the additional shares so issued on the Bursa Malaysia and that such authority shall continue to be in force until the conclusion of the next AGM of the Company". **RESOLUTION 9**

10. **Special Resolution**
Proposed Amendments to the Articles of Association of the Company
"THAT the Proposed Amendments to the Articles of Association of the Company ("Proposed Amendments") as set out in Part A of the Circular to Shareholders dated 3 July 2013 be and hereby approved and adopted AND THAT the Directors and the Secretaries of the Company be and hereby authorized to take all steps as are necessary and expedient in order to implement, finalize and give full effect to the Proposed Amendments". **RESOLUTION 10**

11. To transact any other business of the Company of which due notice has been received.

By Order of the Board
INGRESS CORPORATION BERHAD

Nolida Binti Md Hashim (LS 0007254)
Azhari Bin Ahmad (LS 0009040)
Company Secretaries

Kuala Lumpur
Date: 3 July 2013

Notes:

1. A member entitled to attend and vote at this AGM is entitled to appoint a proxy or proxies to attend and vote in his or her stead. A proxy may, but need not be a member of the Company and the provisions of Section 149(1)(b) of the Act shall not apply to the Company.

2. The instrument appointing a proxy shall be in writing under the hand of appointer or his or her attorney duly appointed under a power of attorney or if such appointer is a corporation either under its common seal or under the hand of an officer or attorney duly appointed under a power of attorney.

3. Where a member appoints more than one proxy, the appointment is invalid unless the proportions of holdings represented to each proxy are specified.

4. Where a member of the Company is an authorized nominee as defined under the Securities Industry (Central Depositories) Act 1991, it may appoint at least one (1) proxy in respect of each securities account it holds with ordinary shares of the Company standing to the credit of the said securities account.

5. The instrument appointing a proxy must be deposited at the registered office of the Company at Lot 2778, 5th Floor, Jalan Damansara, Sungai Penchala, 60000 Kuala Lumpur, at least forty-eight (48) hours before the time appointed for holding the meeting or any adjournment thereof.

6. Registration of members/proxies attending the meeting will be from 10.00 a.m. on the day of the meeting. Members/proxies are required to produce their identification documents for registration.

7. Explanatory Notes to Special Business:

(a) Resolution 7 and Resolution 8
Having assessed the independence of En. Shamsudin @ Samad Bin Kassim and Dato' Vaseehar Hassan Bin Abdul Razack who have served as Independent Non-Executive Directors of the Company for a cumulative term of more than nine (9) years, the Board, upon recommendation by the Nomination Committee, is satisfied with the assessment and therefore recommends that both En. Shamsudin @ Samad Bin Kassim and Dato' Vaseehar Hassan Bin Abdul Razack to continue to act as Independent Non-Executive Directors of the Company based on the following justifications:-

(i) Both have met the criteria under the definition of "Independent Director" as stated in Main Market Listing Requirements of Bursa Malaysia ("MMLR") and therefore, they would be able to function as check and balance to the Board and Senior Management;

(ii) Both have never transacted or entered into any transactions with, nor provided any services to the Group within the scope and meaning of MMLR;

(iii) Both have been with the Company for more than 9 years and are familiar with the business operations of the Group and related industries; and

(iv) Both have exercised due care and diligence during their tenure as Independent Non-Executive Directors of the Company and have carried out their professional duties in the best interest of the Company and Group and shareholders.

(b) Resolution 9
The Proposed Resolution 9, if passed, will give the Directors of the Company, from the date of the above AGM, authority to issue and allot ordinary shares in the Company up to and not exceeding Ten Percent (10%) of the issued share capital of the Company for the time being, for such purposes as the Directors consider would be in the interest of the Company. This authority, unless revoked or varied by the Shareholders of the Company in a general meeting, will expire at the conclusion of the next AGM.

A renewal of this authority is being sought at the 14th AGM under the proposed Ordinary Resolution No.9. As at the date of this Notice, no new shares in the Company were issued pursuant to the mandate granted to the Directors at the 13th AGM held on 17 July 2012 and which will lapse at the conclusion of this AGM.

The renewed mandate will provide flexibility to the Company for any possible fund raising activities, including but not limited to further placing of shares, for purpose of funding future investment and/or for working capital purpose as the Directors deem fit and in the best interest of the Company.

(c) Resolution 10
The Proposed Amendments are to enable the Company to adopt the recent amendments made to the MMLR where applicable in its Articles of Association.

STATEMENT ACCOMPANYING
The Notice Of Annual General Meeting

Pursuant to paragraph 8.27 (2) of the Listing Requirements of Bursa Malaysia Securities Berhad ("Listing Requirements")

Directors standing for re-election under Article 103 and Article 109 respectively are as follows:

ARTICLE	NAME	APPOINTED ON
103	Datuk (Dr.) Rameli Bin Musa	23 October 2000
103	Dato' Zulkifly @ Ibrahim Bin Ab Rahman	17 December 2007
109	Mohamad Bin Hassan	4 October 2012

Further details of the Directors who stand for re-election at the fourteenth AGM are as set out on pages 24 and 27 respectively which include the details of any interest in the securities of the Company and its subsidiaries.

CORPORATE INFORMATION

BOARD OF DIRECTORS

1. SHAMSUDIN @ SAMAD BIN KASSIM
   Chairman / Independent Non-Executive Director

2. DATUK (DR.) RAMELI BIN MUSA
   Executive Vice-Chairman / Non-Independent Executive Director

3. DATO' VASEEHAR HASSAN BIN ABDUL RAZACK
   Independent Non-Executive Director

4. DATO' ZULKIFLY @ IBRAHIM BIN AB RAHMAN
   Independent Non-Executive Director

5. ABDUL KHUDUS BIN MOHD NAAIM
   Independent Non-Executive Director

6. MOHAMAD BIN HASSAN
   Independent Non-Executive Director

7. UNGKU FARID BIN UNGKU ABD RAHMAN
   Non-Independent Executive Director

8. ABDUL RAHIM BIN HAJI HITAM
   Non-Independent Executive Director

BOARD COMMITTEES

- AUDIT COMMITTEE

Chairman
ABDUL KHUDUS BIN MOHD NAAIM

Members
SHAMSUDIN @ SAMAD BIN KASSIM
DATO' VASEEHAR HASSAN BIN ABDUL RAZACK
DATO' ZULKIFLY @ IBRAHIM BIN AB RAHMAN
MOHAMAD BIN HASSAN

- NOMINATION COMMITTEE

Chairman
DATO' VASEEHAR HASSAN BIN ABDUL RAZACK

Members
SHAMSUDIN @ SAMAD BIN KASSIM
DATO' ZULKIFLY @ IBRAHIM BIN AB RAHMAN
ABDUL KHUDUS BIN MOHD NAAIM
MOHAMAD BIN HASSAN

- REMUNERATION COMMITTEE

Chairman
DATO' VASEEHAR HASSAN BIN ABDUL RAZACK

Members
SHAMSUDIN @ SAMAD BIN KASSIM
DATUK (DR.) RAMELI BIN MUSA
DATO' ZULKIFLY @ IBRAHIM BIN AB RAHMAN
ABDUL KHUDUS BIN MOHD NAAIM
MOHAMAD BIN HASSAN

OTHER INFORMATION

Registered Office
Lot 2778, 5th Floor, Jalan Damansara, Sungai Penchala, 60000 Kuala Lumpur.
Tel: 603-7725 5565 • Fax: 603-7725 5560

Company Secretaries
Nolida Binti Md Hashim (LS 0007254)
Azhari Bin Ahmad (LS 0009040)

Principal Bankers

Malaysia
- Al-Rajhi Banking & Investment Corporation (Malaysia) Berhad
- AmIslamic Bank Berhad
- Bangkok Bank Berhad
- Bank Islam Malaysia Berhad
- Bank Muamalat Malaysia Berhad
- CIMB Bank Berhad
- Malayan Banking Berhad
- Maybank Islamic Berhad
- Maybank Investment Bank Berhad
- Public Bank Berhad

Thailand
- Bangkok Bank Public Company Limited
- Kasikorn Bank Public Company Limited
- TMB Bank Public Company Limited
- United Overseas Bank (Thai) Public Company Limited
- Industrial and Commercial Bank of China (Thai) Public Company Limited

Indonesia
- PT Bank Maybank Syariah Indonesia
- PT Bank Syariah Mandiri

Stock Exchange Listing
Main Market of Bursa Malaysia Securities Berhad (“Bursa Malaysia”)

Auditors
Ernst & Young (AF 0039)
Chartered Accountants
Level 23A, Menara Milenium, Jalan Damanlela, Pusat Bandar Damansara, 50490 Kuala Lumpur.

Principal Solicitors
Messrs Azmi & Associates
Messrs Ainul Azam & Co.

Share Registrar
Equiniti Services Sdn. Bhd.
Level 8, Menara MIDF, 82, Jalan Raja Chulan, 50200 Kuala Lumpur.
Tel: 603-2166 0933 • Fax: 603-2166 0688

Website
http://www.ingresscorp.com.my

E-Mail Address
enquiry@ingresscorp.com.my

CORPORATE OFFICE & SUBSIDIARIES

INGRESS CORPORATION BERHAD (490799-K)

CORPORATE OFFICE
Lot 2778, 5th Floor, Jalan Damansara, Sungai Penchala, 60000 Kuala Lumpur, Malaysia.
Tel: 603-7725 5565 • Fax: 603-7725 5560 / 61 • E-mail: enquiry@ingresscorp.com.my

AUTOMOTIVE DIVISION

INGRESS ENGINEERING SDN BHD (216594-T)	**Nilai Plant** PT 2475-2476, Kawasan Perindustrian Nilai, P.O. Box 45, 71807 Nilai, Negeri Sembilan Darul Khusus, Malaysia. Tel: 606-799 5599 • Fax: 606-799 5597 / 8 E-mail: iesb_nilai@ingresscorp.com.my
INGRESS PRECISION SDN BHD (285861-D)	PT 2475-2476, Kawasan Perindustrian Nilai, P.O. Box 45, 71807 Nilai, Negeri Sembilan Darul Khusus, Malaysia. Tel: 606-799 5599 • Fax: 606-799 5597 / 8 E-mail: ipsb_nilai@ingresscorp.com.my
INGRESS TECHNOLOGIES SDN BHD (235492-V)	Lot 11, Jalan Jasmine 4, Kawasan Perindustrian Bukit Beruntung, 48300 Rawang, Selangor Darul Ehsan, Malaysia. Tel: 603-6028 3003 • Fax: 603-6028 3001 / 4 E-mail: itsb@ingresscorp.com.my
INGRESS AUTOVENTURES CO., LTD	**Rayong Plant** Eastern Seaboard Industrial Estate (Rayong) 64/6 Moo 4, Pluakdaeng Rayong 21140, Thailand. Tel: (66-38) 954942-5 • Fax: (66-38) 954946 E-mail: iav@ingress.co.th **Ayutthaya Plant** Hi-Tech Industrial Estate (Ayutthaya) 64/6 Moo 1, Banlane Bangpa-in Ayutthaya, 13160, Thailand. Tel: (66-35) 314404-45 • Fax: (66-35) 314410 E-mail: iav@ingress.co.th
FINE COMPONENTS	600 Moo 4, Tambol Makhamkhu, King-Am-Pur Nikhompattana, Rayong 21180, Thailand. Tel: (66-38) 893746-8 / 917035-7 • Fax: (66-38) 893 750 E-mail: fct@finecom.th
PT INGRESS MALINDO VENTURES	Jln. Industri Selatan 6A, Block GG-7A/B, Kawasan Industri Jababeka II, Cikarang Selatan, 17854 Bekasi, Indonesia. Tel: (62-21) 8983 4330 / 31 / 32 • Fax: (62-21) 8983 4329 E-mail: ptimv@ingressmalindo.co.id
PT. INGRESS TECHNOLOGIES INDONESIA	Jln. Industri Selatan 6A, Block GG-7A/B, Kawasan Industri Jababeka II, Cikarang Selatan, 17854 Bekasi, Indonesia. Tel: 021-8256 1907 / 08
TALENT SYNERGY SDN BHD (350866-U)	Lot 9, Jalan P/7, Seksyen 13, Kawasan Perindustrian Bangi, P.O. Box 9, 43650 Bandar Baru Bangi, Selangor Darul Ehsan, Malaysia. Tel: 603-8926 4806 / 07 / 08 / 10 • Fax: 603-8926 2152 E-mail: tssb@ingresscorp.com.my

AUTOMOTIVE DIVISION

INGRESS AUTO SDN BHD (709466-X)	Lot 2779, Jalan Damansara, Sungai Penchala, 60000 Kuala Lumpur, Malaysia. Tel: 603-7721 2288 • Fax: 603-7721 2299 E-mail: info@ingressauto.com.my No. 3, Lebuh Puteri, Bandar Puteri, 47100, Puchong, Selangor, Malaysia. Tel: 603-8063 3222 • Fax: +603-8063 3666 / 603-8068 3000 65, Jalan Maarof, Bangsar Baru, 59100 Kuala Lumpur, Malaysia. Tel: 603-2287 9988 • Fax: 603-2287 9888
INGRESS MOTORS CENTRE SDN BHD (1035927-X)	No.12, Jalan BP 4/4, Bandar Bukit Puchong, 47120 Puchong, Selangor Darul Ehsan, Malaysia. Tel: 603-8066 0264 Fax: 603-8066 0351
INGRESS MAYUR AUTO VENTURES PRIVATE LIMITED	Behrampur Road, Behind Haryana Roadways Workshop Nh-8 Jaipur Highway, Gurgaon 122001 Haryana, India. Tel / Fax: +911244033160 / 161 E-mail: info@ingressmayur.com

ENERGY AND RAILWAY DIVISION

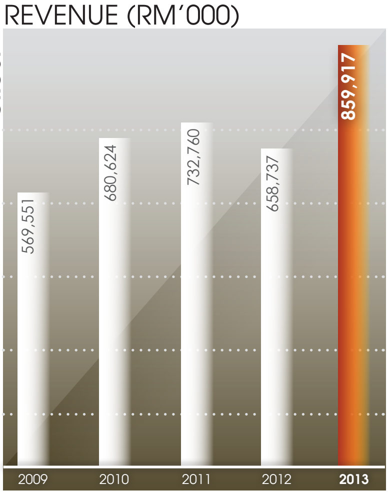
MULTI DISCOVERY SDN BHD (286861-K)	Lot 2778, 4th Floor, Bangunan Ingress Auto, Jalan Damansara, Sungai Penchala, 60000 Kuala Lumpur, Malaysia. Tel: 603-7722 5767 • Fax: 603-7722 5594 / 7725 5161 E-mail: multidiscovery@ingresscorp.com.my
RAMUSA ENGINEERING SDN BHD (92530-V)	Lot 2778, 4th Floor, Bangunan Ingress Auto, Jalan Damansara, Sungai Penchala, 60000 Kuala Lumpur, Malaysia. Tel: 603-7722 5767 • Fax: 603-7722 5594 / 7725 5161 E-mail: ramusa@ingresscorp.com.my
INGRESS FABRICATORS SDN BHD (657862-D)	Lot 2778, 4B, 4th Floor, Jalan Damansara, Sungai Penchala, 60000 Kuala Lumpur, Malaysia. Tel: 603-7722 3135 • Fax: 603-7722 3136 E-mail: fabricators@ingresscorp.com.my
Balfour Beatty Rail Sdn Bhd (359284-H)	Lot 1E, 1st Floor, Plaza Flamingo, No. 2, Tasik Ampang, Jalan Hulu Kelang, 68000 Ampang, Selangor Darul Ehsan, Malaysia. Tel: 603-4254 7366 • Fax: 603-4252 4088 Website: www.bbrail.com

FINANCIAL HIGHLIGHTS

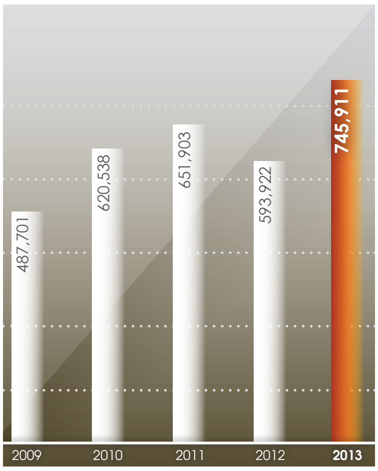
		GROUP				
		2009	2010	2011	2012	2013
Revenue	RM'000	569,551	680,624	732,760	658,737	859,917
(Loss) / profit before taxation	RM'000	(42,434)	20,906	30,003	27,326	34,419
(Loss) / profit after taxation and minority interest	RM'000	(40,808)	11,686	16,424	22,149	20,129
Total assets	RM'000	662,064	660,326	593,515	588,079	715,453
Shareholders' equity	RM'000	113,912	143,969	153,938	182,494	233,299
Return on total assets	%	-	1.8	2.8	3.8	2.8
Return on shareholders' equity	%	-	8.1	10.7	12.1	8.6
Basic earnings per share	sen	(53.1)	15.2	21.4	28.8	23.8
Dividend per share	sen	-	-	-	-	3.0
Dividend cover	times	-	-	-	-	7.9
Net tangible assets per share	RM	1.42	1.82	1.96	2.33	2.73

REVENUE (RM'000)

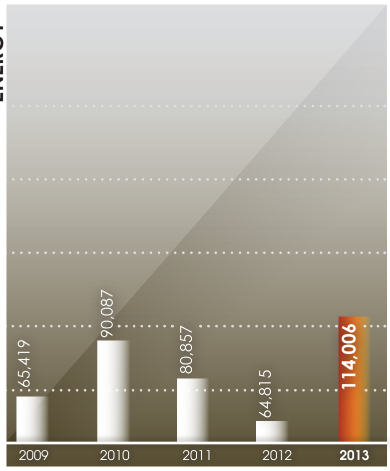
GROUP



AUTOMOTIVE

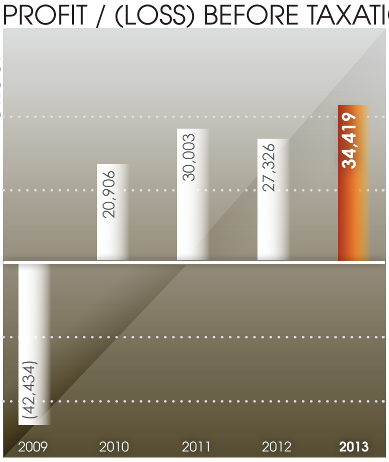


ENERGY

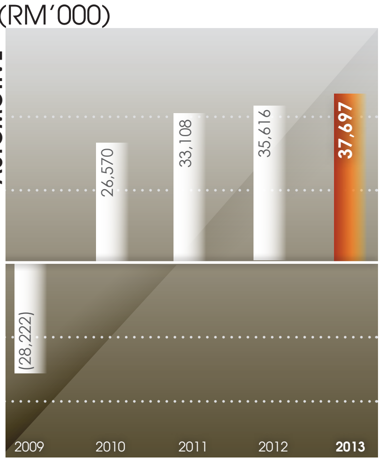


PROFIT / (LOSS) BEFORE TAXATION (RM'000)

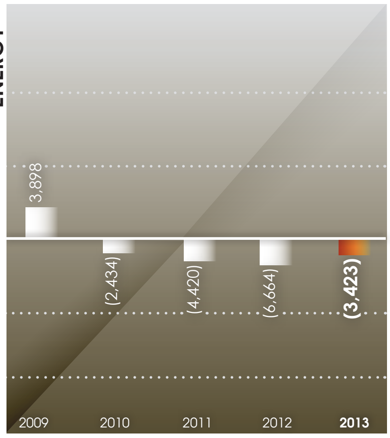
GROUP



AUTOMOTIVE



ENERGY

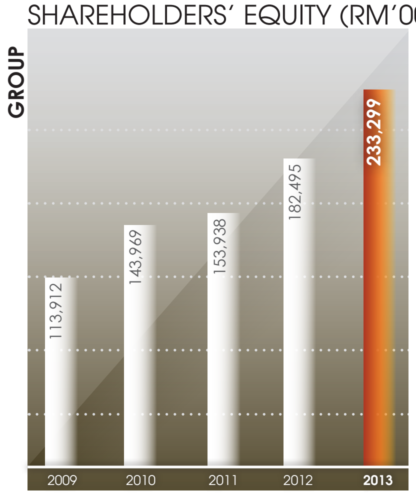


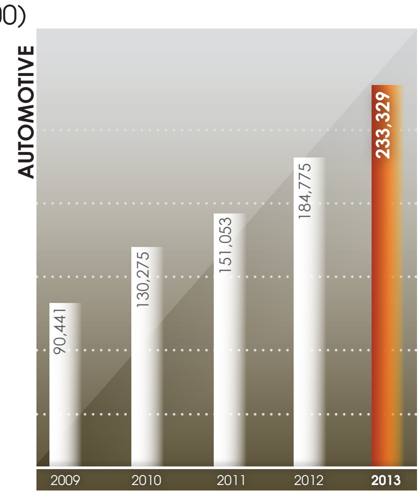
SHARE PRICE

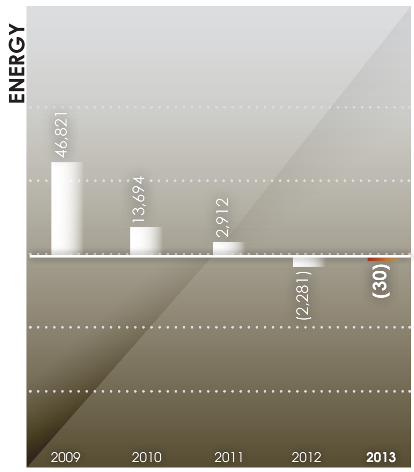
	FINANCIAL YEAR ENDED 31 JANUARY				
	2009	2010	2011	2012	2013
Highest	RM0.69	RM0.82	RM0.92	RM0.97	RM1.43
Lowest	RM0.18	RM0.15	RM0.53	RM0.70	RM0.78

AUTOMOTIVE					ENERGY				
2009	2010	2011	2012	2013	2009	2010	2011	2012	2013
487,701	620,538	651,903	593,922	745,911	65,419	90,087	80,857	64,815	114,006
(28,222)	26,570	33,108	35,616	37,697	3,898	(2,434)	(4,420)	(6,664)	(3,423)
(27,817)	26,487	31,383	35,942	24,616	3,104	(3,529)	(5,769)	(4,969)	(4,603)
536,325	570,226	505,706	497,504	583,503	95,196	90,100	87,809	88,125	131,950
90,441	130,275	151,053	184,775	233,329	46,821	13,694	2,912	(2,281)	(30)
-	4.6	6.2	7.2	4.2	3.3	-	-	-	-
-	20.3	20.8	19.5	10.5	6.6	-	-	-	-

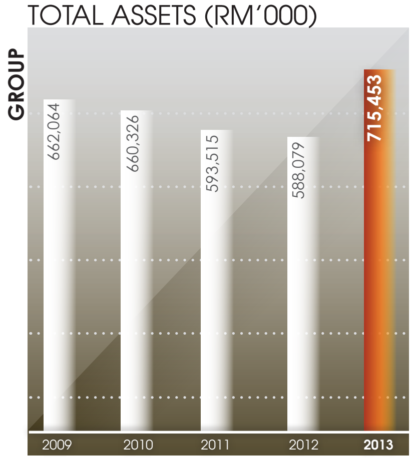
SHAREHOLDERS' EQUITY (RM'000)

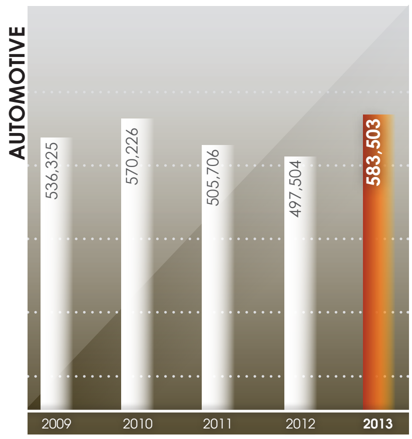


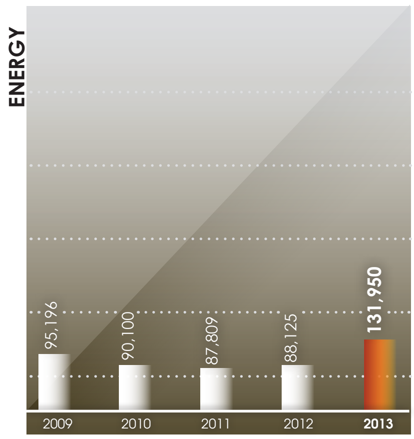




TOTAL ASSETS (RM'000)







FINANCIAL CALENDAR

ANNOUNCEMENT OF RESULTS:			ANNUAL REPORT DESPATCH DATE:	THE FOURTEENTH (14TH) ANNUAL GENERAL MEETING OF THE COMPANY WILL BE HELD AS FOLLOWS:
First Quarter	:	27 June 2012	3 July 2013	**DATE** : 24 July 2013 **TIME** : 11.00 a.m.
Second Quarter	:	26 September 2012		**VENUE** : The Royale Boardroom, Level 2, The Royale Bintang Damansara, 2, Jalan PJU 7/3, Mutiara Damansara, 47810 Petaling Jaya, Selangor Darul Ehsan.
Third Quarter	:	18 December 2012		
Fourth Quarter	:	26 March 2013		

MEDIA HIGHLIGHTS

Big plans for Ingress

Looking to expand in India and Indonesia to tap growing p

Making speedy progress

英格利斯放眼普腾更大合约

Ingress shares surge

Ingress bags automotive contracts worth RM25m

Ingress wins RM25mil automotive contracts

Ingress seeks partnership with South Korean auto part maker

Ingress Auto appointed as Mini dealer

Ingress set to expand ops in Indonesia

Ingress Group to set up tool and die business in Asean countries

Ingress bags RM69.7mil contract from Proton

GROUP STRUCTURE

INGRESS CORPORATION BERHAD (490799-K)

AUTOMOTIVE DIVISION

• AUTOMOTIVE COMPONENTS MANUFACTURING ("ACM")

MALAYSIA
- INGRESS ENGINEERING SDN. BHD. **100%**
- INGRESS PRECISION SDN. BHD. **90%**
- INGRESS TECHNOLOGIES SDN. BHD. **70%**
- TALENT SYNERGY SDN. BHD. **100%**

THAILAND
- INGRESS AUTOVENTURES CO., LTD. **62.5%**
- FINE COMPONENTS (THAILAND) CO., LTD. **100%**

INDONESIA
- PT INGRESS MALINDO VENTURES **49.5%**
- PT INGRESS TECHNOLOGIES INDONESIA **70%**

INDIA
- INGRESS MAYUR AUTO VENTURES PRIVATE LIMITED **40%**

• AUTOMOTIVE DEALERSHIP ("AD")

- INGRESS AUTO SDN. BHD. **100%**
- INGRESS MOTORS CENTRE SDN. BHD. **100%**

ENERGY AND RAILWAY DIVISION

• ENERGY

- MULTI DISCOVERY SDN. BHD. **100%**
- RAMUSA ENGINEERING SDN. BHD. **95.5%**
- INGRESS FABRICATORS SDN. BHD. **100%**

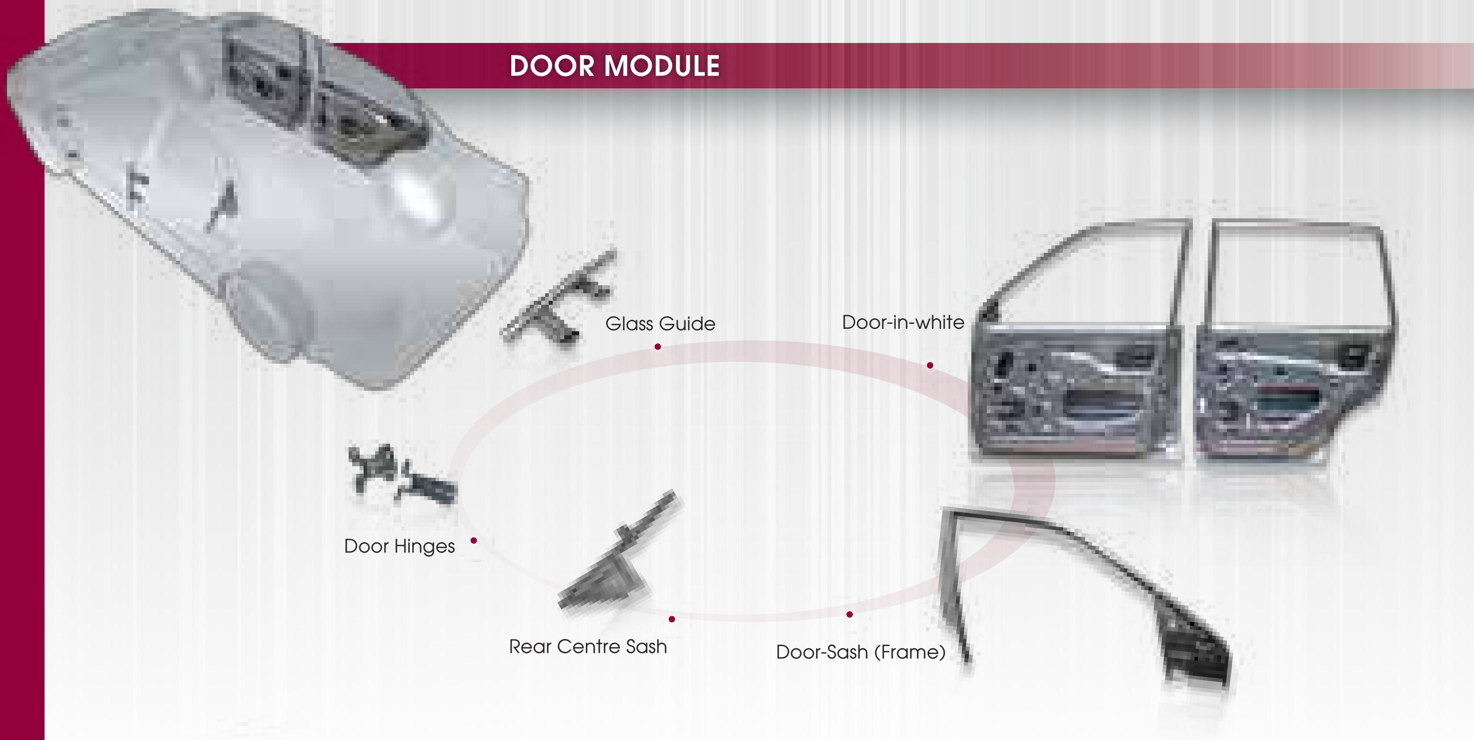
• RAILWAY

- BALFOUR BEATTY RAIL SDN. BHD. **30%**

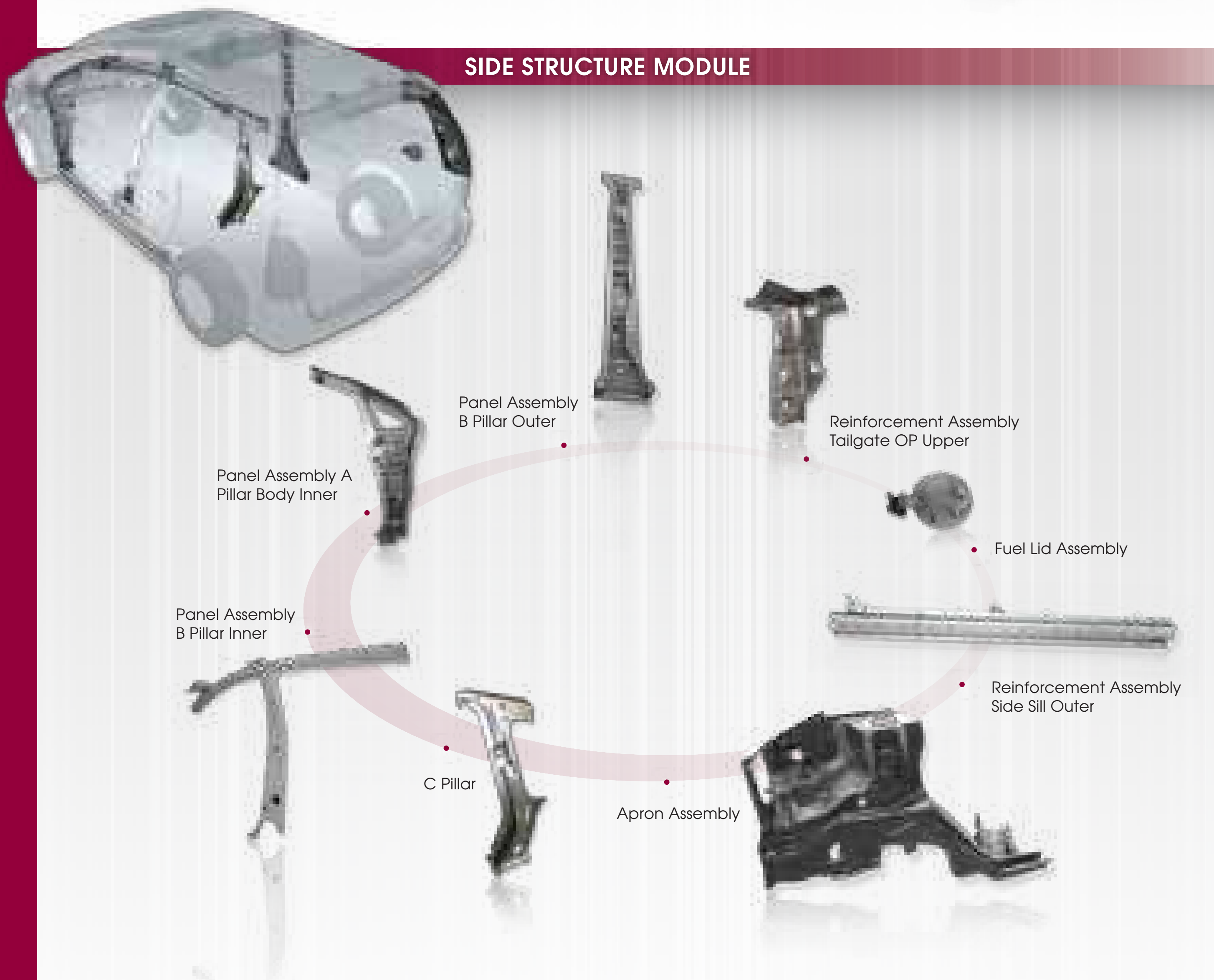
% - Effective Equity Interest

OUR PRODUCTS & SERVICES

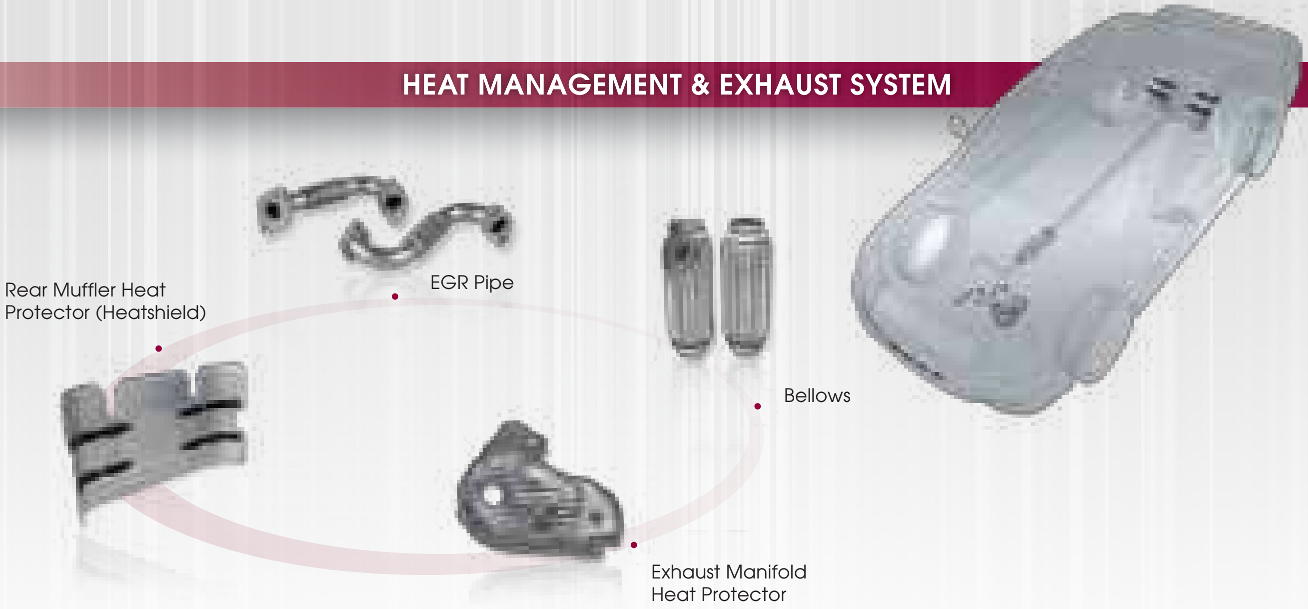
DOOR MODULE



SIDE STRUCTURE MODULE



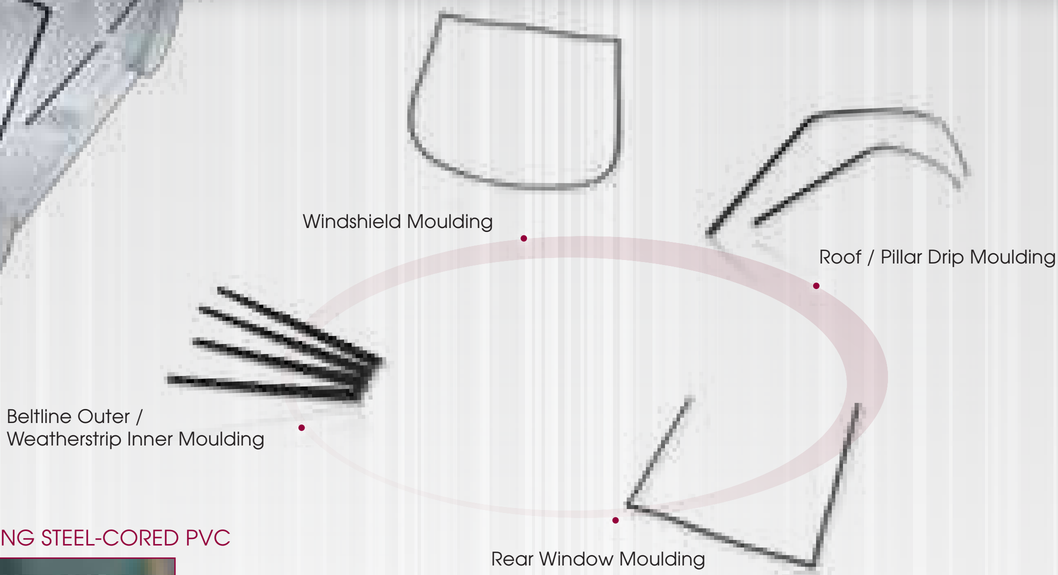
HEAT MANAGEMENT & EXHAUST SYSTEM



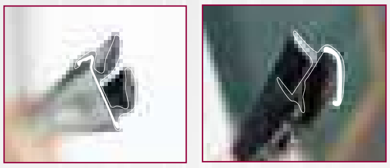
UNDER BODY MODULE

OUR PRODUCTS & SERVICES

SEALING SYSTEM



SEALING SYSTEM USING STEEL-CORED PVC

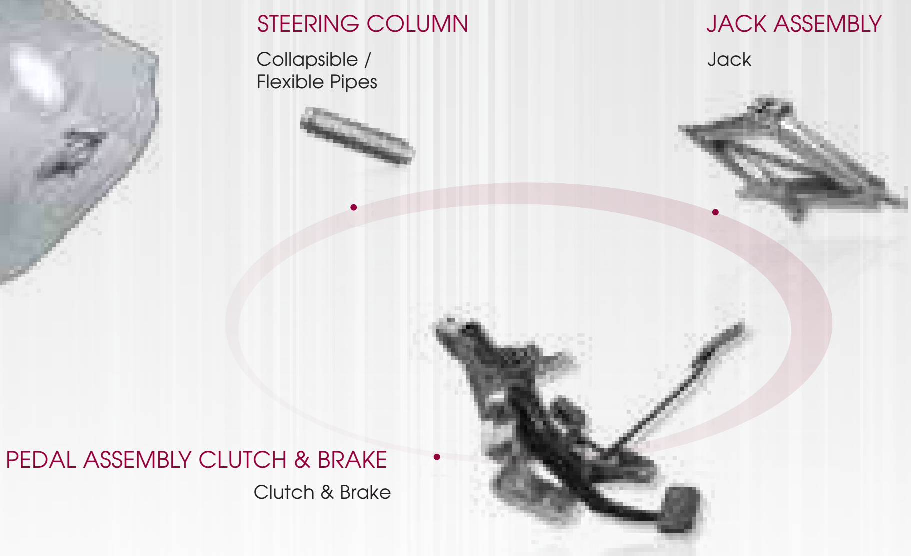


- Roll form metal sheetco-extruded with PVC

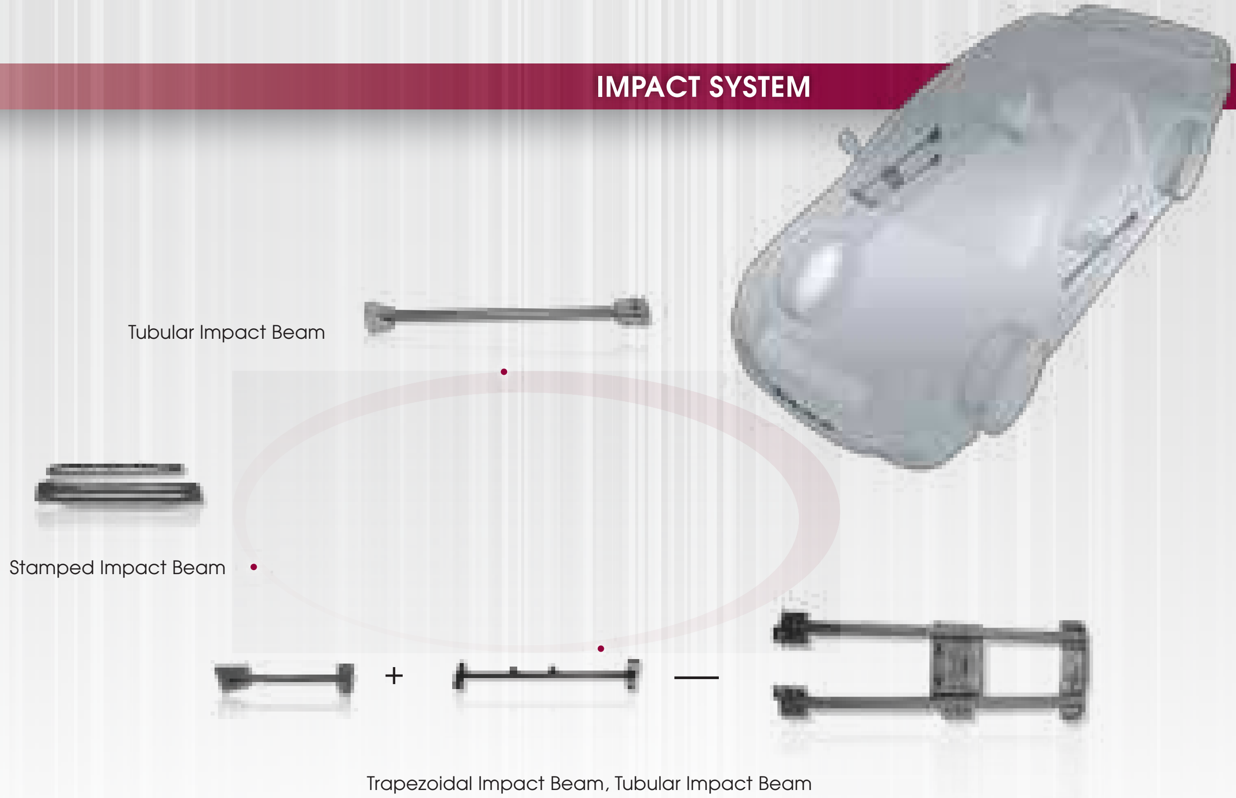
SEALING SYSTEM USING POLYPROPYLENE (PP) / THERMOPLASTICS OLEFIN (TPO)

- Eliminate the use of metal insert
- Co-extruded PP / TPO profile
- Environmental friendly (SOC Free and recyclable)

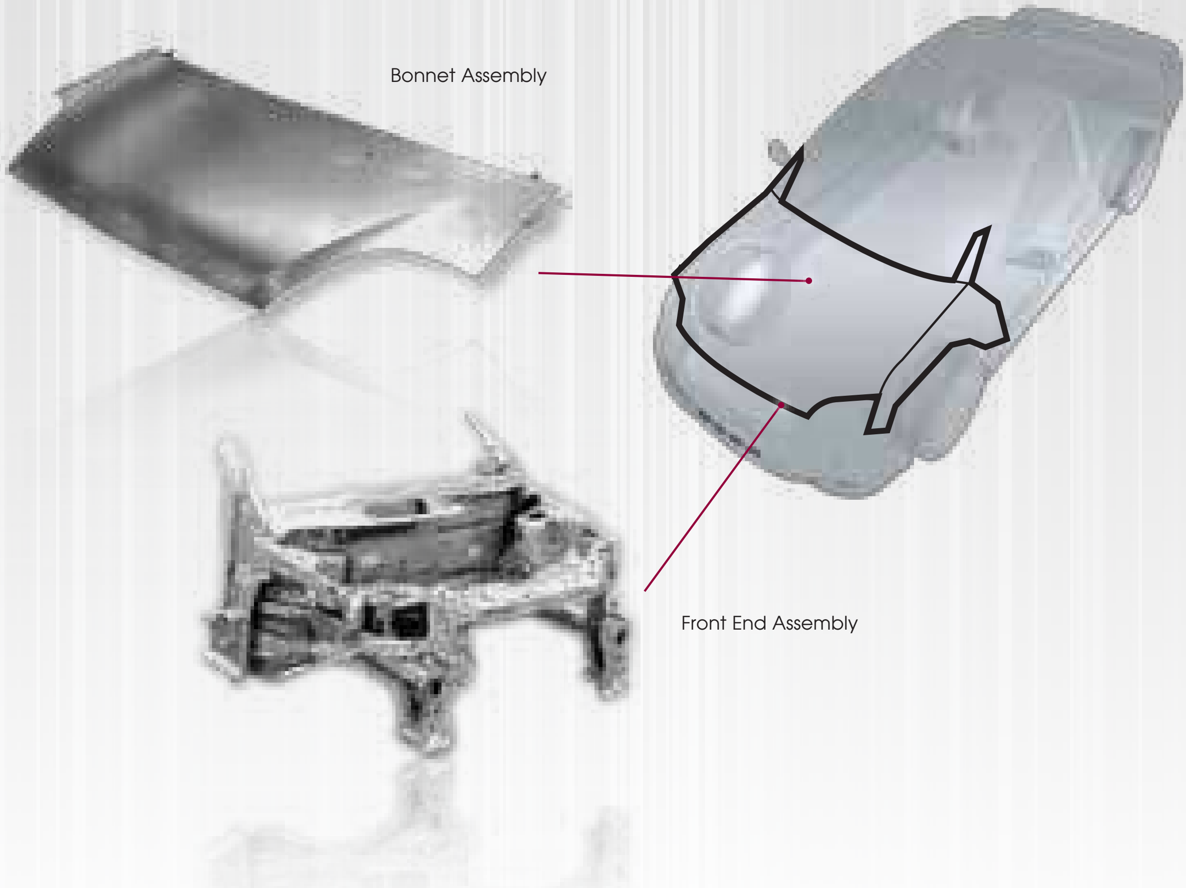
INSTALLATION PRODUCT



IMPACT SYSTEM

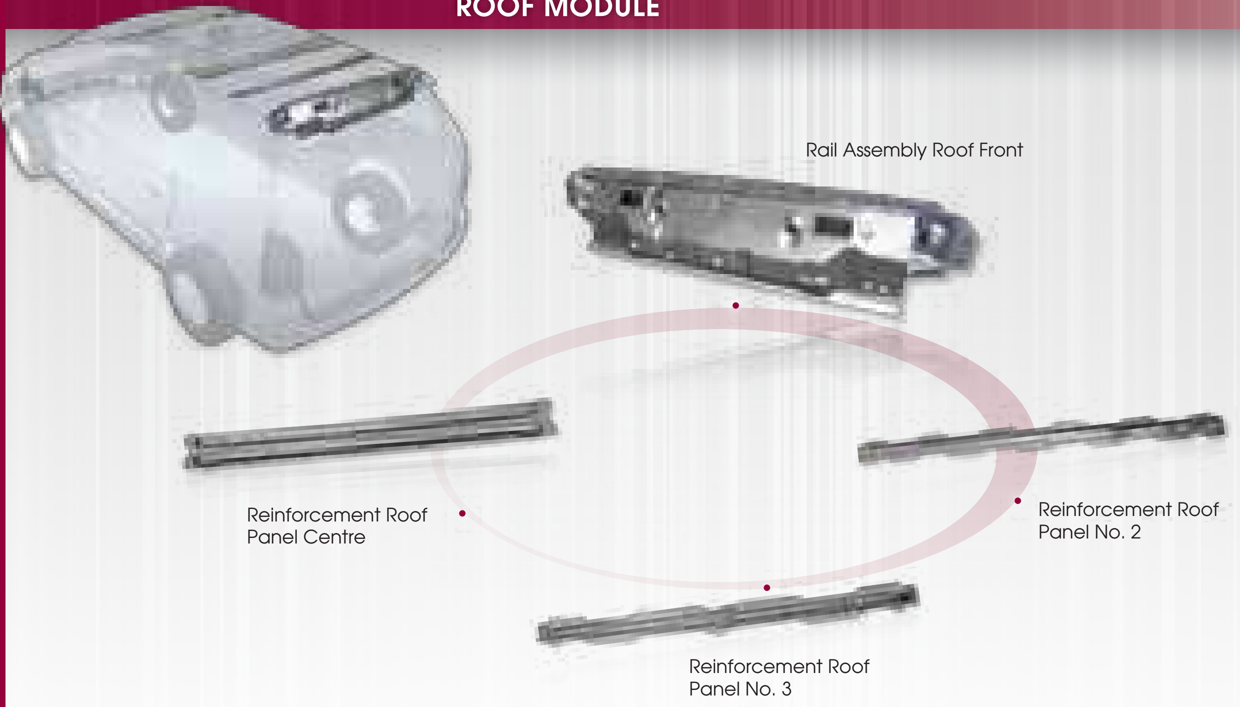


FRONT BODY MODULE



OUR PRODUCTS & SERVICES

ROOF MODULE



FINE BLANKING PRODUCTS

PASSENGER CAR
- PROTON GEN2
- PROTON SATRIA NEO
- PROTON WAJA
- PROTON PERSONA
- PROTON SAGA
- PROTON PREVE

MPV
- PROTON EXORA

PASSENGER CAR
- PERODUA VIVA
- PERODUA MYVI

MPV
- PERODUA ALZA

PASSENGER CAR
- NAZA SUTERA / FORZA

PASSENGER CAR
- TOYOTA VIOS

SUV
- TOYOTA FORTUNER
- TOYOTA RUSH

MPV
- TOYOTA INNOVA

PICK UP
- TOYOTA HILUX
- TOYOTA VIGO

PASSENGER CAR
- HONDA CIVIC
- HONDA JAZZ
- HONDA CITY
- HONDA ACCORD

SUV
- HONDA CRV

PASSENGER CAR
- MITSUBISHI LANCER
- MIRAGE

PICK UP
- MITSUBISHI STRADA
- MITSUBISHI TRITON

SUV
- MITSUBISHI SPORT PAJERO

TRUCK
- MITSUBISHI CANTER

PICK UP
- ISUZU D-MAX

SUV
- ISUZU MU7

PICK UP
- FORD RANGER

SUV
- FORD EVEREST

PASSENGER CAR
- MAZDA 2

PICK UP
- MAZDA FIGHTER
- BT50

PICK UP
- NISSAN NAVARA

PASSENGER CAR
- SWIFT

MPV
- SUZUKI APV

VAN
- SUZUKI FUTURA

SUV
- DAIHATSU TERIOS

MPV
- DAIHATSU GRAND MAX
- DAIHATSU LUXIO

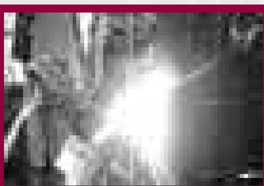
PICK UP
- COLORADO
- TRAILBLAZER

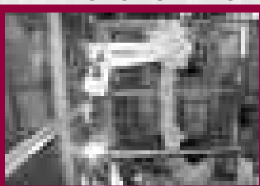
MOTORCYCLE

ENGINEERING SERVICES

ROBOTIC INTEGRATION AND SERVICING

Press Tending Automation





Robotic Welding System (Plasma) / CO2

AUTOMATED EQUIPMENT

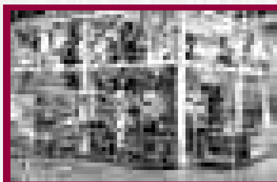
Multi Layer Aluminium Embossing Machine

Hydraulic Press / Cutting Machine

Scrap Conveyor

Rotor Spraying Machine

ENGINEERING WORKS



Assembly Line

Die Transfer Dolly

Pallet

TESTING EQUIPMENT

Side Mirror Final Tester

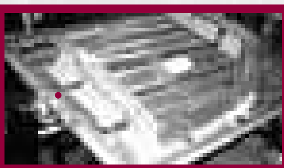
Power Window Tester

OUR PRODUCTS & SERVICES

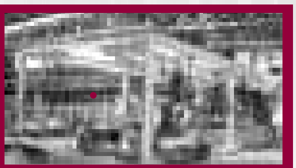
PRODUCT DEVELOPMENT TOOLING

PRODUCTION TOOLING JIGS


Plasma Welding Jigs and Assembly Jigs


Die Matching Jigs


Checking Fixture for Metal and Plastic Parts


Assembly Jigs

OTHER SERVICES


POWER ENGINEERING SERVICES

- Design and construction of substation, overhead transmission and distribution lines and underground cable.
- Supply, install, testing and commissioning of communication cable, network equipment and provision for maintenance services for utility network.
- Maintenance of substation, street lighting and electrical facilities for buildings.
- Design and installation of electrical wiring, telephone and structured cabling, street lighting, public address and security systems.


OIL AND GAS

- Fabrication works.
- Maintenance, Shutdown and Turnaround works.
- Corrosion Engineering Services.
- Electrical and Instrumentation.


RAIL ELECTRIFICATION

- Services spanning from planning, designing, integration and project management in the field of power and electrification, track works, signaling and asset management.

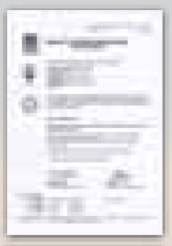

AUTOMOTIVE DEALERSHIP

- BMW 4S Centre
(Sales, Services, Spare Parts and Systems).
- BMW-Approved workshop for body and paint works.
- Mitsubishi 4S Centre.

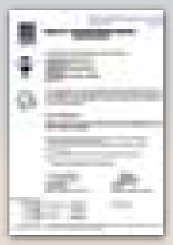
CERTIFICATION

ISO / TS 16949 : 2009

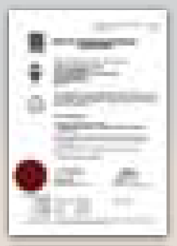
Sirim Cert No: AR 3219
IATF Cert No: 0161690
Serial No: 0391
For IESB
Exp: 29/04/2016



Sirim Cert No: AR 3220
IATF Cert No: 0102167
Serial No: 0236
For IPSB
Exp: 03/05/2013

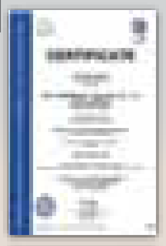


Sirim Cert No: AR 3221
IATF Cert No: 0161779
Serial No: 0393
For ITSB
Exp: 30/05/2016



Cert No: 1211142334 TMS
IATF Cert No: 0151755

For FCT
Exp: 02/12/2015



Cert No: 01111033571/01
IATF Cert No: 0121675

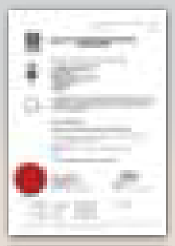
For IAV (Rayong)
Exp: 19/05/2014

Cert No: 01111033571/02
IATF Cert No: 0121674

For IAV (Ayutthaya)
Exp: 19/05/2014

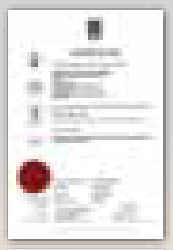
Sirim No: AR 4185
IATF Cert No: 0148429

For PTIMV
Exp: 17/10/2015

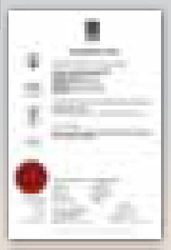


ISO 14001 : 2004

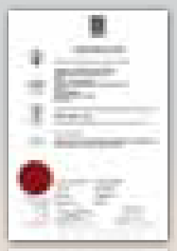
Cert No: ER 0445
For IESB
Exp: 31/03/2014



Cert No: ER 0445
For IPSB
Exp: 31/03/2014



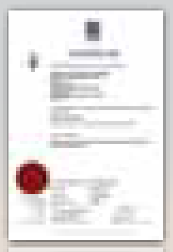
Cert No: ER 0445
For ITSB
Exp: 31/03/2014



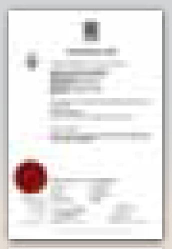
Cert No: 01104010769
For IAV (Rayong)
Exp: 31/03/2015

OHSAS 18001 : 2007

Cert No: SR 0273
For IESB
Exp: 31/03/2014



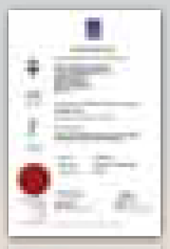
Cert No: SR 0273
For IPSB
Exp: 31/03/2014



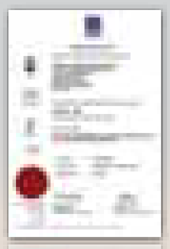
Cert No: SR 0273
For ITSB
Exp: 31/03/2014

ISO 9001 : 2008

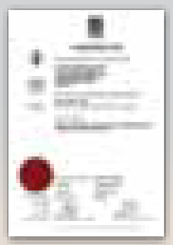
Cert No: AR 2195
For MDSB
Exp: 30/03/2016



Cert No: AR 2196
For RESB
Exp: 30/03/2016



Cert No: AR 3446
For TSSB
Exp: 30/03/2016



CALENDAR OF SIGNIFICANT EVENTS

1


2

4


3


5

1. **Directors & Senior Management Seminar**
   The Aetas Hotel, Bangkok
   1 February 2012

2. **Health Talk & Awareness**
   Ingress Corporation Berhad, Sungai Penchala
   5 April 2012

3. **Plant visit by YB. Dato' Mukhriz Tun Mahathir, Deputy Minister (Trade), Ministry of International Trade and Industry**
   Ingress Technologies Sdn. Bhd., Bukit Beruntung
   15 June 2012

4. **13th Annual General Meeting**
   The Saujana Hotel Kuala Lumpur
   17 July 2012

5. **Iftar Ramadhan**
   Ingress Corporation Berhad, Sungai Penchala
   2 August 2012

6. **Hari Raya Gathering**
   Ingress Corporation Berhad, Sungai Penchala
   11 September 2012

7. **Congratulatory Dinner**
   In conjunction with the conferment of Honorary Doctor of Engineering by UTM to Datuk (Dr.) Rameli Bin Musa
   Sheraton Imperial Hotel Kuala Lumpur
   13 October 2012

8. **Press Conference at MINI Bangsar**
   Ingress Auto Sdn. Bhd., Bangsar
   14 December 2012

9. **Official Launch of MINI Bangsar**
   Ingress Auto Sdn. Bhd., Bangsar
   15 December 2012

BOARD OF DIRECTORS

FROM LEFT

- Abdul Khudus Bin Mohd Naaim *(seated)*
- Dato' Vaseehar Hassan Bin Abdul Razack *(seated)*
- Dato' Zulkifly @ Ibrahim Bin Ab Rahman
- Mohamad Bin Hassan

FROM LEFT
- Datuk (Dr.) Rameli Bin Musa *(seated)*
- Shamsudin @ Samad Bin Kassim *(seated)*
- Ungku Farid Bin Ungku Abd Rahman
- Abdul Rahim Bin Haji Hitam

PROFILE OF DIRECTORS

SHAMSUDIN @ SAMAD BIN KASSIM

Chairman and Independent Non-Executive Director

Aged 66, Malaysian
Appointed on 2 November 2001

En. Samad holds a Bachelor of Economics from University of Malaya and a Master in Public and International Affairs from University of Pittsburg, USA. He commenced his career in 1970 in the Public Service and in 2000 was appointed as Chief Executive Officer of the Small and Medium Industries Development Corporation until his retirement in 2001.

He also sits on the Boards of Century Logistics Holdings Berhad, Supermax Corporation Berhad, Kinsteel Berhad, Perwaja Holdings Berhad and Multi-Code Electronics Industries (M) Berhad. He also sits on the Board of several other private limited companies.

He is a member of the Audit, Nomination and Remuneration Committees of the Company.

Save as disclosed on page 140, En. Samad does not hold any securities in the Company and its subsidiaries and none of his family members have direct or indirect relationship with any director and/or major shareholder of the Company. He has not entered into any transaction, whether directly or indirectly, which has a conflict of interest with the Company and has not been convicted of any criminal offences within the past ten years. He attended all of the seven Board Meetings held during the financial year.

DATUK (DR.) RAMELI BIN MUSA

Executive Vice-Chairman and Non-Independent Executive Director

Aged 66, Malaysian
Appointed on 23 October 2000

Datuk Rameli holds a Bachelor of Telecommunications Engineering and a Master in Microwave Communications both from the University of Sheffield, United Kingdom. He started his career as a lecturer in electronics and microwave telecommunications at Universiti Teknologi Malaysia in 1972. He left Universiti Teknologi Malaysia in 1975 to work with Pernas NEC Telecommunications Sdn. Bhd., where he worked from 1976 to 1980 before joining Sapura Holdings Sdn. Bhd. rising to the post of Executive Vice-Chairman. In 1997, he joined Tap Resources Berhad as its Executive Chairman before his resignation in 1998. He currently sits on the Board of several other private limited companies.

Datuk Rameli is a member of the Remuneration Committee of the Company.

Save as disclosed on page 140, Datuk Rameli does not hold any securities in the subsidiaries. None of his family members have direct or indirect relationship with any director and/or major shareholder of the Company save and except by virtue of his substantial shareholdings and directorship in Ramdawi Sdn Bhd. He has not entered into any transaction, whether directly or indirectly, which has a conflict of interest with the Company and has not been convicted of any criminal offences within the past ten years. He attended all of the seven Board Meetings held during the financial year.

DATO' VASEEHAR HASSAN BIN ABDUL RAZACK

Independent Non-Executive Director

Aged 62, Malaysian
Appointed on 23 October 2000

Dato' Vaseehar Hassan has 28 years of experience in the financial sector. He has a Bachelor's Degree in Accounting, Master in Business Administration as well as Specialised Masters in Consulting and Coaching and is currently pursuing a Doctoral Research at the Vrije Universiteit, Amsterdam.

He also sits on the Board of several other private limited companies. He is the Chairman of the Nomination and Remuneration Committees and a member of the Audit Committee of the Company.

Save as disclosed on page 140, Dato' Vaseehar Hassan does not hold any securities in the subsidiaries and none of his family members have direct or indirect relationship with any director and/or major shareholder of the Company. He has not entered into any transaction, whether directly or indirectly, which has a conflict of interest with the Company and has not been convicted of any criminal offences within the past ten years. He attended five out of the seven Board Meetings held during the financial year.

DATO' ZULKIFLY @ IBRAHIM BIN AB RAHMAN

Independent Non-Executive Director

Aged 65, Malaysian
Appointed on 17 December 2007

Dato' Zulkifly has over 35 years of experience in the administrative and diplomatic service. He has a Bachelor of Art (Hons) from University of Malaya and Diploma in Foreign Service from University of Oxford, United Kingdom.

His career started as Assistant Secretary at the Ministry of Foreign Affairs on 7 April 1971 and later served as a Second Secretary, Embassy of Malaysia in Manila, Philippines on 12 November 1973. In 1977, he was appointed as First Secretary, Embassy of Malaysia in Yangon, Myanmar. On 16 March 1979 he took up the position of Principal Assistant Secretary (Administration) at Ministry of Foreign Affairs. He later joined the Embassy of Malaysia in Cairo, Egypt on 17 June 1981 as a Counsellor. In 1987 he was appointed as Deputy Chief of Protocol, Ministry of Foreign Affairs. He was then posted as the Consul General of Malaysia in Medan, Indonesia in 1989 and in Jeddah, Saudi Arabia on May 1992. Subsequently, he served as the Ambassador/High Commissioner of Malaysia to several countries such as in 1993 to Kuwait and concurrently accredited as an Ambassador to Bahrain, Qatar, Oman and UAE and then to Bangladesh in 1997. He was also the High Commissioner to New Zealand and concurrently accredited as High Commissioner to Cook Islands and Niue in 2000 and later held the same position in New Delhi, India from August 2004 to December 2006.

Dato' Zulkifly is a member of the Audit, Nomination and Remuneration Committees of the Company.

Save as disclosed on page 140, Dato' Zulkifly does not hold any securities in the subsidiaries and none of his family members have direct or indirect relationship with any director and/or major shareholder of the Company. He has not entered into any transaction, whether directly or indirectly, which has a conflict of interest with the Company and has not been convicted of any criminal offences within the past ten years. He attended all of the seven Board Meetings held during the financial year.

PROFILE OF DIRECTORS

ABDUL KHUDUS BIN MOHD NAAIM

Independent Non-Executive Director

Aged 59, Malaysian
Appointed on 10 September 2008

En. Abdul Khudus is a Chartered Accountant in the Malaysian Institute of Accountants, a Fellow, Association of Chartered Certified Accountants United Kingdom, an Associate in the Chartered Malaysian Institute of Taxation, an Associate in the Institute of Co-operative & Management Accountants, Malaysia, and holds a Diploma in Accountancy from Mara Institute of Technology, Malaysia.

His career started as an Audit Junior at Arthur Young & Co, Public Accountants, Kuala Lumpur from January to December 1976 and later served as Audit Senior at Ramoss Jassen & Partners, Chartered Accountants, London from July 1980 to December 1984. He was appointed as Accountant at Islamic Finance House PLC, London from January to December 1985. He joined Syarikat Takaful Malaysia Berhad in January 1986 until August 1993 with the last position as Senior Finance Manager. From September 1993 to December 1996, he was Director of Corporate Affairs at Emile Woolf Group of Colleges, Kuala Lumpur. He later joined SKMN Associates, Chartered Accountants, Malaysia from January 1997 until September 1999 as a Partner. He has been a partner at KS & Associates, Chartered Accountants, Malaysia since October 1999, which has since merged with AKN Arif, Chartered Accountants in August 2008.

He also sits on the board of several private limited companies.

He is the Chairman of the Audit Committee and a member of the Nomination and Remuneration Committees of the Company.

Save as disclosed on page 140, En. Abdul Khudus does not hold any securities in the subsidiaries. None of his family members have direct or indirect relationship with any director and/or major shareholder of the Company. He has not entered into any transaction, whether directly or indirectly, which has a conflict of interest with the Company and has not been convicted of any criminal offences within the past ten years. He attended six out of the seven Board Meetings held during the financial year.

MOHAMAD BIN HASSAN

Independent Non-Executive Director

Aged 66, Malaysian
Appointed on 4 October 2012

En. Mohamad is a Masters of Business Administration Cum Laude Honour holder from Catholic University of Leuven and Bachelor of Economics from University Malaya. Prior to joining Ingress, En. Mohamad worked with Felda Group of Companies where he held various senior management positions. From 1991 to 1993, he was appointed as the General Manager of Felda Oil Products Sdn Bhd and subsequently as the General Manager of Felda Refinery Corporation from 1993 to1998.

En. Mohamad was later appointed as the Executive Director of Felda Palm Industries Sdn Bhd (1995-1998) and Delima Oil Products Sdn Bhd (1998-2002). From 2002 until his retirement in 2008, En. Mohamad was appointed as the Senior Executive Director of Felda Holdings Berhad monitoring the Refinery Division (2002-2005), Manufacturing Division (2005-2007) and Mass Division (2007-2008).

Currently, En. Mohamad serves as a Panel Member of Institut Tadbiran Awam (INTAN), Public Service Department Malaysia for the course of Advanced Leadership Management Program, a program for confirmation of JUZA C officers. He is also a member of Special Committee to monitor Koperasi Permodalan Felda's investment in Felda Holdings Berhad.

En. Mohamad is a member of the Audit, Nomination and Remuneration Committees of the Company.

Save as disclosed on page 140, En. Mohamad does not hold any securities in the subsidiaries. None of his family members have direct or indirect relationship with any director and/or major shareholder of the Company. He has not entered into any transaction, whether directly or indirectly, which has a conflict of interest with the Company and has not been convicted of any criminal offences within the past ten years. He attended all of the Board Meetings held during the financial year subsequent to his appointment.

UNGKU FARID BIN UNGKU ABD RAHMAN
Non-Independent Executive Director

Aged 59, Malaysian
Appointed on 23 October 2000

Ungku Farid is a member of the Malaysian Institute of Accountants and a Fellow of the Chartered Institute of Management Accountants (UK). He holds a Master in Business Administration from Ohio University (USA), in collaboration with Universiti Teknologi MARA (UiTM). His previous work experience was with Pernas NEC Telecommunications Sdn Bhd in 1980. In 1981, he joined Sapura Holdings Sdn Bhd and held several positions before being promoted to Group General Manager, Finance & Accounting in 1989. In 1995 he joined Time Telecommunications Sdn Bhd and in 1997, he joined Tap Resources Berhad as Executive Director Finance before resigning in 1998. He joined Ingress Engineering Sdn Bhd as a director in 1998. He currently sits on the Board of several other private limited companies.

Save as disclosed on page 140, Ungku Farid does not hold any securities in the subsidiaries. None of his family members have direct or indirect relationship with any director and/or major shareholder of the Company save and except by virtue of his directorship in Ramdawi Sdn Bhd. He has not entered into any transaction, whether directly or indirectly, which has a conflict of interest with the Company and has not been convicted of any criminal offences within the past ten years. He attended all of the seven Board Meetings held during the financial year.

ABDUL RAHIM BIN HAJI HITAM
Non-Independent Executive Director

Aged 51, Malaysian
Appointed on 1 April 2010

En. Abdul Rahim holds a Bachelor of Science in Production Engineering and Management from the Loughborough University of Technology, United Kingdom. He started his career at Perusahaan Otomobil Nasional Sdn Bhd (PROTON) in September 1984 until August 1989, when he then joined Alps Electric (M) Sdn Bhd as the Production Manager until September 1990. Subsequently, he joined Sapura Motors Berhad and held various management positions between October 1990 until September 1999, the last being the Deputy Managing Director. In October 1999, he joined Ingress Group as the Managing Director of Ingress Autoventures Co., Ltd.

Save as disclosed on page 140, En. Abdul Rahim does not hold any securities in the subsidiaries and none of his family members have direct or indirect relationship with any director and/or major shareholder of the Company. He has not entered into any transaction, whether directly or indirectly, which has a conflict of interest with the Company and has not been convicted of any criminal offences within the past ten years. He attended all of the seven Board Meetings held during the financial year.

CHAIRMAN'S STATEMENT

My fellow shareholders,

On behalf of the Board of Directors, I hereby present to you the Annual Report and the audited financial statements of Ingress Corporation Berhad for the financial year ended 31 January 2013 ("FY2013").

SAMAD BIN KASSIM
CHAIRMAN

FINANCIAL HIGHLIGHTS

For the financial year under review the Group recorded higher revenues of RM859.9 million as compared to RM658.7 million in the previous financial year. This was mainly due to increased contribution from our BMW Dealership and on the back of better performance of our operations in Thailand.

Despite the increase in revenue, the Group recorded lower profit after tax and minority interests ("PATMI") of RM20.1 million in comparison to RM22.1 million achieved previously. This was mainly due to higher recovery costs as well as operational cost escalation resulting from the subsequent capacity constraint faced by our Thailand operations to meet the increased demand and backlog orders from customers after the flood recovery.

Basic earnings per share ("EPS") for FY2013 were 23.8 sen. By comparison, FY2012's EPS stood at 28.8 sen. Please be informed, however, the bases used for both EPS calculations were different due to the increase in our share capital from 76,800,000 to 84,400,000 arising from our private placement exercise completed during the year. Our shareholders' equity improved by 27.8% to RM233.3 million from RM182.5 million previously, and our gearing ratio improved to 1.04 from 1.30 last year.

OPERATIONAL REVIEW

(i) ACM Division

For the year under review the Division increased its revenue contribution by 14.7% up to RM446.8 million from a year earlier. This was mainly due to increase in revenue from our Thailand operations which improved 58.3% to RM211.0 million, offsetting the decline in revenue for ACM Malaysia, which recorded RM227.3 million, down 8.8% from last year.

Nevertheless, we encountered several issues during our Thailand operation flood recovery period, such as higher equipment replacement and repair costs. Further, due to the accelerated recovery timeline to meet backlog orders from customers, especially Honda, our Thailand operation was faced with temporary capacity constraint. To mitigate this setback, certain components had to be out-sourced from our related overseas companies with regular air shipments to meet the tight delivery schedules, naturally at higher transportation costs. We are delighted to inform our shareholders that all these issues have been fully resolved.

Subsequent to the flood, initial supplies to Honda were all initiated from our Rayong plant, for which the incurrence of transportation costs to deliver the finished goods to the Honda plant in Ayutthaya were quite substantial. Nevertheless, beginning from the third quarter of FY2013, we have commenced final assembly operation at the Ayutthaya plant with the semi-finished parts being produced in Rayong. This initiative has resulted in considerable transportation cost savings.

With regards to the insurance claim, the whole THB535.5 million (equivalent to RM54.2 million) approved by the insurer have been received by the end of May 2013.

For ACM Malaysia, revenue was down due to overall lower sales volume recorded by the national cars. Malaysian Automotive Association ("MAA") reported that for the calendar year 2012, the national cars' market share declined to 52.6%, down from 56.4% in 2011.

We would like also to inform our fellow shareholders that we have ceased our wire harness operation in Pengkalan Chepa as its operation was no longer viable. Most of the personnel for the operation have been released with compensations, with selected few being offered positions at and reassigned to other operations within the Group.

During the year under review, our Indonesian

operation has been gearing up for capacity expansion with the anticipated supply to new customers in FY2014, namely General Motors and Honda.

(ii) Automotive Dealership Division

Beginning this year, the Division will henceforth be known simply as the Automotive Dealership ("AD") with the expected commencement of our Mitsibushi dealership operation.

For the year under review our BMW dealership managed to successfully sell 901 cars, compared to 572 units last year, the majority of which were made-up of 3 and 5 series BMW models. This together with the better after sales performance, led to the Division's recording a 46.5% revenue increase, up to RM299.1 million for FY2013.

During the year, we opened another showroom in Jalan Maarof in Bangsar, exclusively to cater for the BMW Mini cars. In addition, we have also expanded our Sungai Penchala 4S centre by renting an adjacent building to house an additional 20 service bays together with showroom area for our BMW Premium Selection cars.

(ii) **Energy and Railway Division**

For the financial year under review, the Energy Division managed to significantly improve its revenue contribution, with recorded revenue of RM113.3 million, an increase of 74.8% from a year earlier. The significant increase in revenue was, however, unable to prevent another year of loss for the Division, albeit at a smaller loss after tax and minority interests of RM2.8 million compared to RM5.0 million previously.

For the Ipoh-Padang Besar Double Tracking Project, the sole project currently undertaken by the Railway Division, it is progressing well and on course to be completed towards the end of 2014.

Other than the on-going Ipoh-Padang Besar project, the Division was unsuccessful in securing additional infrastructure rail projects open for tender during the financial year. Nevertheless, we will continue to participate in any railway infrastructure projects available in the future, which the Management view will benefit the Group.

CORPORATE ACTIVITIES

On 16 April 2013, the Board was served a Take-Over Notice from Maybank Investment Bank Berhad ("Maybank IB") on behalf of Ramdawi Sdn. Bhd., Datuk (Dr.) Rameli Bin Musa (our Executive Vice Chairman) and Dato' Dr. Ab. Wahab Bin Ismail ("Joint Offerors") to acquire the remaining ordinary shares in Ingress not already owned by the Joint Offerors. The receipt of the Notice was announced by the Board to Bursa on the same day. Subsequently on 18 April 2013, the Board announced that it does not intend to seek an alternative take-over bid. Further, on 22 April 2013, pursuant to Section 15 of the Code on Take-Overs and Mergers, 2010 ("the Code"), The Board announced the appointment of AFFIN Investment Bank Berhad as the Independent Adviser for the exercise to advise the Non-Interested Directors and shareholders of Ingress.

Pursuant to the exercise, the Offer Document ("OD") was despatched by Maybank IB to the shareholders on 7 May 2013, and subsequently, the Independent Advice Circular ("IAC") by AFFIN Investment was despatched on 17 May 2013.

In the OD, the Joint Offerors stated that their objectives for the exercise are to:

"

(i) *enable the Joint Offerors to undertake any rationalisation and optimisation of the Ingress Group's ACM facilities in a more efficient and economical manner in view of the intense competition in the Malaysian automotive industry;*

(ii) *reorganise the Ingress Group's regional operations in Thailand and Indonesia in order to maintain stable and sustainable growth in view of the increasing competition arising from car manufacturers exploring for opportunities to ship their products to the ASEAN region to benefit from the region's growth which may require substantial capital expenditures and higher operating cost over the next few years.*

The expansion could potentially increase the Ingress Group's risk profile as it becomes increasingly exposed to the regulatory and economic conditions in Thailand and Indonesia which may strain the dividend payment capability of Ingress in the short to medium term. Consequentially, this may have an impact on the market performance of Ingress Shares and the shareholders of Ingress would be exposed to the risks during the period of the possible reorganisation as mentioned above; and

(iii) *provide the Holders with the opportunity to realise their investment in Ingress at RM1.85 per Offer Share at a premium."*

The Offer period was originally open until 28 May 2013, but has been extended twice, the latest being until 1 July 2013. As of 20 June 2013 the Joint Offerors have collectively secured 91.03% shareholdings, marginally less than the 93% required for the Offer to become unconditional.

PROSPECTS

Economic Outlook

The Malaysian economy is expected to record an expansion of 5% to 6% in 2013 underpinned by continued resilience of domestic demands and supported by a gradual improvement in the external sector. Nevertheless, Bank Negara cautions that given the challenging external environment, there remain risks to the economic outlook. The potential re-emergence of instability in the Euro area and slower growth in Malaysia's major trading partners would affect the Malaysian economy.

For 2013, the Thai economy is expected to continue to expand well from 2012 with domestic demand remaining the main engine of growth in the first half of the year. Meanwhile, the export sector is expected to recover slowly in tandem with gradual improvements in the global economy. Inflation pressure is likely to remain close to the current level.

The Indonesian economy growth is forecast to grow by 6.4% in 2013 and 6.6% in 2014, underpinned by robust private consumption, the improving investment performance, and a gradual pickup in world trade. Growth of 6.6%, projected for 2014, would be the highest in 15 years.

Overall, we expect the economies in Malaysia, Thailand and Indonesia to register growth in 2013. However, the challenging global economic conditions, particularly in developed countries such as the United States and within Europe may potentially result in a slower growth for the countries in which the Ingress Group operates within.

Industry Forecast

The prospects of the global automotive industry and the automotive industry in Malaysia, Thailand and Indonesia are expected to be positive in view of continuing demand for motor vehicles and growth potential in emerging markets.

MAA remains positive for the local automotive industry in 2013, although growth in Total Industry Volume ("TIV"), which is domestic vehicles sales, is expected to be marginal or about 2.0% to 640,000 units. In Thailand, the Total Industry Production ("TIP") is expected to increase to 2.6 million units, an 8% increase from 2.4 million units a year earlier. Meanwhile, TIV in Indonesia for 2013 is also expected to improve by about 18% to 1.3 million units from 1.1 million units in 2012.

Nevertheless, the implementation of the new minimum wage policy in Malaysia and revised minimum wage policy in Thailand and Indonesia are expected to put pressure on our profit margins.

Operations Outlook

Going forward we expect the competitive environment in the automotive industry in the region will undergo some structural changes. Foreign car manufacturers namely the Japanese and Koreans are putting up operations within the ASEAN region, especially in Thailand and Indonesia, to take advantage of the impending (ASEAN Common Market) in 2015. Naturally, we view this as opportunities, but will also attract competitions as these manufacturers may bring together their components manufacturing partners to the region, in direct competition to us. In addition, with the ongoing weak outlook of the European and American economy and automotive industry, European and American automotive manufacturers such as Peugeot, Volkswagen, Ford and General Motors have moved to the Asian market to bolster their sales. This move may pose a threat to the regional market share of Japanese automotive vehicles, which in turn could affect our operations.

Despite the potential threats, we will continue to strengthen our core competencies and focus on the opportunities available to us. We will continue to expand our operations and improve our competitiveness in quality and cost and expand our capacity to meet customers' aspirations in the hope to circumvent the competitions. Overall in FY2014, we expect to invest additional RM115.1 million in capital expenditures, most of which will be incurred for our Malaysian and Thailand operations. We expect 80% of these capital expenditures to be funded through bank borrowings, whilst the remaining will be internally generated. Some of these projects include new models by Proton and Perodua for ACM Malaysia and new models to be launched by Mazda, Honda and Suzuki in Thailand. We have also purchased a new 9.3 acres piece of land in Rayong, Thailand, which we have earmarked for our future stamping operation.

In regards to the expansion of our stamping business, we are delighted to inform our shareholders that we have set up a new operation in Indonesia for the small and medium stamping products under a new company, PT Ingress Technologies Indonesia ("PTITI"). The business will be similar to the operations of Ingress Technologies Sdn. Bhd. at our Bukit Beruntung plant. PTITI has already commenced operations since October 2012 although, currently it is only acting as Tier-2 supplier to our PT Ingress Malindo Ventures subsidiary.

For our BMW dealership, we have open a new BMW 4S Centre in Puchong, which commenced operation beginning May 2013. We are also expanding our brandname through our new Mitsubishi showroom which is also located in Puchong for the distribution and servicing of the whole range of vehicles under the Mitsubishi brandname. The new Mitsubishi dealership, which commenced operation in June 2013, is operated by our new wholly-owned subsidiary, Ingress Motors Centre Sdn. Bhd.

For the Energy Division, we will strive to improve our performance on the back of total secured contracts which currently stands at RM361.7 million. In respect of the Ipoh-Padang Besar project for the Railway Division, we do not expect much contribution to the profit for the Group for this coming financial year, however progress will continue to be made to target the revised completion by the end of the year 2014.

DIVIDENDS

The Company paid an ordinary gross interim dividend of 4 sen per share in respect of FY2013 on 16 July 2012. Nevertheless, the Board does not intend to declare further dividends for the year under review. The Board recognises your continued support and patience.

ACKNOWLEDGMENTS

We would like to express our deepest appreciation to all our stakeholders, especially our esteemed shareholders, for your continued support and faith in us throughout the year.

We would also like to extend our appreciation to our customers, principals, bankers, Government authorities and agencies as well as our growing list of business associates in Malaysia, Thailand, Indonesia, Japan, Korea and India for your support and confidence in us.

A special thank goes to the management and staff for their continued support, contributions, dedication and tireless efforts for the Company's commendable performance.

Finally, I would like to personally thank my esteemed colleagues on the Board for their leadership, counsel, direction, expert guidance and commitment towards the Company's success throughout the year.

Thank you.

Samad Bin Kassim
Chairman

CORPORATE SOCIAL RESPONSIBILITY ("CSR")

Incorporating CSR into our annual programmes has always been an on-going practice within the Group, even before the requirement by Bursa Malaysia to disclose CSR activities came into place. The Group believes the improvement in the conditions surrounding our stakeholders, employees, society and the environment is vital to the growth of the Group. Our corporate social responsibility covers the following key areas:

OCCUPATIONAL HEALTH AND SAFETY

Written policies, including any updates as well as any training on occupational health and safety matters are provided to employees. Health and safety activities are also carried out periodically to create awareness and to educate employees on occupational health and safety related matters.

EMPLOYEE WELFARE AND DEVELOPMENT

As of May 2013, the Group has 2,190 employees spread throughout ASEAN in Malaysia, Thailand and Indonesia. Training is provided to the employees based on the training need analysis carried out at the end of each year. The training comprises both technical and soft-skills. Employees are also provided with medical and healthcare insurance and adequate leave and compensation programs which commensurate with their rank and level of employments.

Further, the Group acknowledges the need to provide a healthy and balanced lifestyle to its employees. In this aspect, the Group encourages and supports the activities organised by Kelab Kakitangan Ingress such as family day, social events and sports activities.

COMMUNITY WELFARE

The Group is also active and aware for the welfare of the community by supporting social objectives in the communities. During the financial year, "zakat" contributions were given to the under privileged communities in Malaysia, Thailand and Indonesia as well as donations channelled to various non-profitable institutions, charitable organisations and religious institutions.

ENVIRONMENT PRESERVATION

The Group emphasises compliance with environmental laws governing plant operations, maintenance and improvement in areas relating to environmental and emission standards, energy conservation, housekeeping and storage methods, noise level management and treatment of plant effluents and waste water at all our factories operating locally and abroad.

EDUCATION AND TRAINING

The Group participates in providing industrial and practical training for undergraduates from local institutes of higher learning as a part of its corporate contribution towards education, in line with its belief that education plays a key role in nation building. Furthermore, Ingress remains a sponsor to the Perpustakaan Dar Nur al-Zahra', a public library in Kota Bharu, Kelantan and continues to make annual contributions for its upkeep and running.

STATEMENT ON CORPORATE GOVERNANCE

On 22 March 2012, the Securities Commission introduced and issued the Malaysian Code on Corporate Governance 2012 ("the 2012 Code") which was made effective on 31 December 2012. With 8 principles and 26 recommendations, the 2012 Code sets to strengthen the structures and processes in managing the business and affairs of a company and concurrently, protecting and enhancing shareholders' values and financial performance.

In cognition of the 2012 Code, the Board of Directors ("the Board") of Ingress Corporation Berhad ("the Company") is pleased to set out below the manner in which it has applied the principles and recommendations of the 2012 Code in the Company and its group of companies ("Group") and the extent of compliance with the best practices set out in the 2012 Code throughout the financial year ended 31 January 2013 and where there are deviations, the alternative measures adopted pursuant to the Bursa Malaysia Securities Berhad's Listing Requirements ("MMLR").

PRINCIPLE 1 : ESTABLISH CLEAR ROLES

1.1 Clear Functions of the Board and Management

The Board collectively leads and is responsible for the success of the Group by providing entrepreneurial leadership and direction as well as supervision to the Management. The Board delegates its specific powers to the relevant Board Committees, the Group Chief Executive Officer ("Group CEO") and the Senior Management of the Company. Nonetheless, the ultimate responsibility for decision making remains with the Board.

Among the key matters reserved for the Board's approval are, among others, the Group's annual budget, business continuity plan, issuance of new securities, business restructuring and acquisitions as well as disposals of companies and property, plant and equipment. All decisions made by the Board are recorded in the minutes, including the deliberation for each decision, along with actions to be taken and the individuals responsible for implementation. Relevant Board decisions are communicated to, and where relevant and appropriate, authorities are delegated to the Senior Management for implementation.

1.2 Clear Roles and Responsibilities

The Board is primarily accountable and responsible for the performance and affairs of the Group by overseeing, reviewing and appraising the strategies, policies and performance of the Group. The following are among the principal responsibilities of the Board:

1.2.1 reviewing and adopting strategic plans and directions for the development and growth of the Group whilst ensuring their obligations to the stakeholders and shareholders are fulfilled;

1.2.2 overseeing and evaluating the business conduct to ensure compliances to best practices and principles of corporate governance;

1.2.3 identifying and employing the appropriate systems to manage principal risks;

1.2.4 implementing succession planning of the Board as well as the Senior Management including appointment, training, evaluation, fixing their remuneration and ensuring their skills and experiences are adequate in discharging their duties and responsibilities to the Group;

1.2.5 developing and implementing investors' relations program or shareholders' communications policies for the Group; and

1.2.6 reviewing the adequacy and competency of the financial system, internal control systems and management information system to ensure compliance with the applicable laws, regulations, directives, guidelines and standards.

1.3 Formalized Ethical Standards through Code of Ethics

As at the date of this Statement, the Company is in the midst of formalizing its Code of Ethics ("Code of Ethics") for Directors and employees. Pending the formalization of the Code of Ethics, the Directors are guided by the Code of Ethics for Directors issued by the Companies Commission of Malaysia whereas the employees' ethics and good conduct are provided in the employee handbook. The employee handbook, in general, governs all aspects of the business operations such as confidentiality of information, conflict of interest, gifts, gratuities or bribes and dishonest conduct.

In formalizing the Code of Ethics, the Board will give due consideration to the following:

1.3.1 to establish a standard of ethical behavior for Directors and employees which is based on the principles of transparency, integrity and accountability;

PRINCIPLE 1 : ESTABLISH CLEAR ROLES (CONTINUED)

1.3 Formalized Ethical Standards through Code of Ethics (continued)

1.3.2 to uphold the spirit of responsibility and social accountability in line with the legislation, regulations and guidelines for administering and managing a company; and

1.3.3 to provide a platform or serve as an avenue for raising concerns related to possible breach of business conduct, non-compliance of laws and regulatory requirements as well as other malpractices with the implementation of whistleblower policy within the Group.

The Code of Ethics is expected to govern the standards expected from the Directors and employees and upon formalization, the summary of the Code will then be made available on the Company's website.

1.4 Strategies Promoting Sustainability

The Board regularly reviews the strategic directions of the Group and the progress of the operations, taking into account changes in the business and political environment and risk factors such as level of competition and changes in regulatory policies for its development. The Group also embraces sustainability in its operations and supply chain, through its own actions as well as in partnership with its stakeholders, including suppliers, customers and other organizations.

A report on sustainability activities, demonstrating the Group's commitment to the environment, community, marketplace and workplace, for the financial year under review is disclosed on page 36 of this Annual Report.

1.5 Access to Information and Advice

The Board members have full and unrestricted access to all necessary information concerning the business and affairs of the Group to enable them to discharge their duties effectively.

Agenda and discussion papers are circulated prior to the Board meetings to allow the Directors to study, evaluate the matters to be discussed and subsequently make effective decisions. Procedures have been established concerning the content, presentation and timely delivery of papers for each meeting of the Board and Board Committee meeting as well as matters arising from such meetings. Actions or updates on all matters arising from any meeting are reported in the subsequent meeting.

The Directors may seek advice from the Senior Management on issues under their respective purview. The Directors may also interact directly with the Senior Management or request further explanation, information or updates on any aspect of the Group's operations or business concerns from them.

The Board also has full and unrestricted access to the advice and services of the Company Secretaries, who are experienced and capable of carrying out their duties to the Board effectively. In addition, the Board may, in furtherance of their duties, obtain independent professional advice(s) at the Company's expense, where necessary, after consultation with the Chairman and other Board members. The Directors may also access to the advice and updates from the external auditors on any new Malaysian Financial Reporting Standards that would affect the Company's and the Group's financial statements during the financial year.

1.6 Qualified and Competent Company Secretary

The Board is satisfied with the performance and support rendered by the Company Secretaries to the Board in the discharge of their functions. The Company Secretaries play an advisory role to the Board in relation to the Company's constitution, policies and procedures and compliance with the relevant regulatory requirements, codes or guidance and legislations.

The Company Secretaries also ensure that deliberations at the Board meetings are well captured and minuted or documented. They keep abreast of the changes and developments of the relevant regulatory requirements and legislations through continuous training.

PRINCIPLE 1 : ESTABLISH CLEAR ROLES (CONTINUED)

1.7 Board Charter

The Board Charter is currently being drafted and will be posted on the Company's website upon approval by the Board. In the course of establishing the Board Charter, the Board recognizes the importance to set out the key values, principles and philosophy of the Company, as policies and strategic development are premised on these considerations. The Board Charter is expected to include the division of responsibilities and powers between the Board and the Senior Management as well as the different committees established by the Board.

PRINCIPLE 2 : STRENGTHEN COMPOSITION

2.1 Nomination Committee

The Nomination Committee was established on 29 January 2002 and currently consists of five (5) members, all of whom are Independent Non-Executive Directors ("Independent Directors"). The members are:

Dato' Vaseehar Hassan Bin Abdul Razack	-	Chairman	(Independent Director)
Shamsudin @ Samad Bin Kassim	-	Member	(Independent Director)
Dato' Zulkifly @ Ibrahim Bin Ab Rahman	-	Member	(Independent Director)
Abdul Khudus Bin Mohd Naaim	-	Member	(Independent Director)
Mohamad Bin Hassan	-	Member	(Independent Director)

During the financial year ended 31 January 2013, the Nomination Committee met three (3) times. In the meeting held on 26 September 2012, the Nomination Committee recommended to the Board on the appointment of En. Mohamad Bin Hassan as an Independent Director and member of the Audit Committee, Nomination Committee and Remuneration Committee. The Nomination Committee also recommended the appointment of En. Abdul Khudus Mohd Naaim as member of the Nomination Committee. Based on these recommendations, the Board approved the said appointments with effect from 4 October 2012. With this appointment, the Board currently consists of eight (8) members, five (5) of whom are Independent Directors.

2.2 Develop, Maintain and Review Criteria for Recruitment and Annual Assessment of Directors

The Nomination Committee is responsible for, amongst others, reviewing the Board composition and identifying and recommending the number of Directors on the Board and the composition of all Board Committees. The terms of reference of the Nomination Committee include among others:

2.2.1 annually review the required mix of skills and experience and other qualities, including core competencies which Independent and Executive Directors should have, the effectiveness of the Board as a whole, the committees of the Board and assessing the contribution of each individual Director, including Independent Directors. All assessments and evaluations carried out by the Nomination Committee in the discharge of all its functions are properly documented by the Company Secretaries; and

2.2.2 be entitled to the services of the Company Secretaries who will ensure that all appointments are properly made, that all necessary information is obtained from the Directors, both for the Company's own records and for the purposes of meeting statutory obligations, as well as obligations arising from the MMLR or other regulatory requirements.

In respect of the gender diversify policy, the Board has no immediate plans to implement such policy as the Board opines that the current criteria on Board membership are adequate regardless of gender.

2.3 Remuneration policies

The general functions of the Remuneration Committee are to set the policy framework and to make recommendations to the Board on all elements of remuneration that would attract, retain and motivate its Executive Directors and those Senior Management positions identified as pivotal to the Company and the Group.

PRINCIPLE 2 : STRENGTHEN COMPOSITION (CONTINUED)

2.3 Remuneration policies (continued)

In determining the reward structure, fringe benefits and other terms of employment, the Remuneration Committee would take into consideration the responsibilities, expertise and complexity of the Group businesses so that the remuneration packages are not excessive but yet remain competitive. The remuneration package is reviewed by the Remuneration Committee as and when necessary and submitted to the Board for deliberation and decision. The current composition of the Remuneration Committee which was established on 29 January 2002, is as follows:

Dato' Vaseehar Hassan Bin Abdul Razack	-	Chairman	(Independent Director)
Datuk (Dr.) Rameli Bin Musa	-	Member	(Executive Director)
Shamsudin @ Samad Bin Kassim	-	Member	(Independent Director)
Dato' Zulkifly @ Ibrahim Bin Ab Rahman	-	Member	(Independent Director)
Abdul Khudus Bin Mohd Naaim	-	Member	(Independent Director)
Mohamad Bin Hassan	-	Member	(Independent Director)

Details of the Directors' remuneration for the financial year ended 31 January 2013 are as follows:

	EXECUTIVE DIRECTORS RM	INDEPENDENT DIRECTORS RM
Salaries & other emoluments	2,201,881	-
Fees/Allowances	31,000	171,000
Bonus	341,470	-
Benefit in kind	21,600	-
Total	**2,415,951**	**171,000**

	NO. OF DIRECTORS	
REMUNERATION BAND	EXECUTIVE	INDEPENDENT
Below RM50,000	-	4
RM50,001 – RM100,000	-	1
RM550,000 – RM600,000	-	-
RM600,001 – RM650,000	-	-
RM650,001 – RM700,000	1	-
RM700,001 – RM750,000	1	-
RM750,001 – RM800,000	-	-
RM800,001 – RM850,000	-	-
RM850,001 – RM900,001	-	-
RM900,001 – RM950,000	-	-
RM950,001 – RM1,000,000	1	-

PRINCIPLE 3 : REINFORCE INDEPENDENCE

3.1 Annual Assessment

All Independent Directors are not employees of the Company and they do not participate in the day-to-day management and daily business of the Company. They, on the other hand, bring an external perspective, constructively challenge and help develop proposals on strategy, scrutinize the performance of the Management in achieving approved goals and objectives as well as monitor risk profile of the Company's and the Group's businesses and the reporting of monthly business performances. Based on the assessment conducted by the Nomination Committee, the Board is generally satisfied with the level of independence demonstrated by all Independent Directors of the Company and their ability to act in the best interest of the Company.

3.2 Tenure of Independent Directors

The 2012 Code recommends that the tenure of an independent Director should not exceed nine (9) years cumulatively. Upon completion of the nine (9) years, an independent Director may continue to serve on the Board subject to his re-designation as a Non-Independent Director.

PRINCIPLE 3 : REINFORCE INDEPENDENCE (CONTINUED)

3.2 Tenure of Independent Directors (continued)

Both En. Shamsudin @ Samad Bin Kassim ("En. Samad") and Dato' Vaseehar Hassan Bin Abdul Razack ("Dato' Vaseehar") were appointed as Independent Directors of the Company on 2 November 2001 and 23 October 2000 respectively. On 4 September 2009, En. Samad was elected to become Independent & Non-Executive Chairman of the Company, a post he held till date of this Annual Report.

By July 2013, En. Samad would be serving the Company for a period of 12 years and Dato' Vaseehar's tenure of office would reach 13 years. Pursuant to the Recommendation 3.2 of the 2012 Code and notwithstanding their long tenure in office, the Board with unanimous decision (save and except both En. Samad and Dato' Vaseehar who abstained themselves from deliberation and voting), having considered the recommendations made by the Nomination Committee, concluded that the independence of En. Samad and Dato' Vaseehar had not been compromised or impaired in any manner whatsoever. The Board further satisfied that both of them remain objective and independent in expressing their views and participating in deliberations and decision making of the Board and Board Committees. The length of their services on the Board does not in any way interfere with their exercises of independent judgment and ability to act in the best interests of the Company.

Accordingly, the Board also recommended for En. Samad and Dato' Vaseehar to continue to act as Independent Directors of the Company based on the following justifications:

3.2.1 Both have met the criteria under the definition of "Independent Director" as stated in the MMLR and thus, they would be able to function as check and balance to the Executive team and bring an element of objectivity to the Board;

3.2.2 Both have never transacted or entered into any transactions with, nor provided any services to the Company and its subsidiaries, within the scope and meaning as set forth under Paragraph 5 of Practice Note 13 of the MMLR;

3.2.3 Both have extensive experience in diverse range of businesses and therefore would be able to offer constructive comments and objective review of proposals. During their tenure of services, both have never failed to exercise independent judgment and due care;

3.2.4 Both have not developed, established or maintained any significant relationship, which would either directly or indirectly impair their independence as Independent Directors, with the Executive Directors and major shareholders other than normal engagements and interactions on a professional level consistent and expected of them to carry out their duties as Independent Directors, Chairman or member of the Board Committees; and

3.2.5 Both have devoted sufficient time and attention to their professional obligations for informed and balanced decision making.

3.3 Shareholders' Approval for Independent Directors

Having satisfied with the skills, contribution and independent judgment that both En. Samad and Dato' Vaseehar bring to the Board and in accordance with Recommendation 3.3 of the 2012 Code, the Board will table proposals to retain En. Samad and Dato' Vaseehar as Independent Directors for approval by the shareholders at the forthcoming 14th Annual General Meeting of the Company.

Subject to the shareholders' approval in respect of Dato' Vaseehar's appointment to continue to serve the Board as Independent Director, the Board further recommends that Dato' Vaseehar who is currently the Chairman of the Nomination Committee and Remuneration Committee, to be the Senior Independent Director of the Board.

3.4 Separation of Positions of the Chairman and the Group CEO

The responsibilities between the Chairman and the Group CEO are clearly identified and separated with clear division of roles and responsibilities. Their roles are separated and clearly defined to ensure a balance of power and authority, increased accountability and greater capacity of the Board for independent decision-making. The Chairman is not related to the Group CEO.

PRINCIPLE 3 : REINFORCE INDEPENDENCE (CONTINUED)

3.4 Separation of Positions of the Chairman and the Group CEO (continued)

The Chairman is responsible for the Board's effectiveness and conduct. He also promotes an open environment for debate and ensures effective contributions from Independent Directors. The Chairman also exercises control over the quality, quantity and timeliness of information flow between the Board and the Management. At a general meeting, the Chairman plays a role in fostering constructive dialogue between the shareholders, the Board and the Management.

The Group CEO is in charge of the day-to-day operations of the business, making strategic business decision and implementing Board policies.

3.5 Composition of the Board

As an effective and dynamic Board is essential towards enhancing long term shareholders value and interests, the Company maintains its current Board mix which has the necessary skills, expertise and experience in areas relevant to steer the growth of the Group's businesses.

The Board comprises five (5) Independent Directors and three (3) Executive Directors. The composition complies with the 2012 Code and the MMLR in respect of board composition.

Brief profile of each Board member is presented under Profile of Directors as set out on pages 24 to 27 of this Annual Report.

PRINCIPLE 4 : FOSTER COMMITMENT

4.1 Time Commitment

The Board endeavours to meet at least four (4) times a year, at quarterly intervals which scheduled well in advance before the end of the preceding financial year to facilitate the Directors in planning their meeting schedule for the year. Additional meetings are convened where necessary to deal with urgent and important matters that require attention of the Board. All Board meetings are furnished with proper agenda with due notice issued. Board papers and reports are prepared by the Management which provide updates on financial, operational and others and circulated prior to the meetings to all Directors with sufficient time to review them for effective discussions and decision making during the meetings.

All pertinent issues discussed at the Board meetings in arriving at the decisions and conclusions are properly recorded by the Company Secretaries.

The Board met seven (7) times during the financial year under review. The details of Directors' attendance are set out as follows:

DIRECTORS	NO. OF MEETINGS ATTENDED
Shamsudin @ Samad Bin Kassim	7 / 7
Datuk (Dr.) Rameli Bin Musa	7 / 7
Dato' Vaseehar Hassan Bin Abdul Razack	5 / 7
Dato' Zulkifly @ Ibrahim Bin Abd Rahman	7 / 7
Abdul Khudus Bin Mohd Naaim	6 / 7
Mohamad Bin Hassan	1 / 1
Ungku Farid Bin Ungku Abd Rahman	7 / 7
Abdul Rahim Bin Haji Hitam	7 / 7

4.2 Directors' Training – Continuing Education Programs

The Board is mindful of the importance for its members to undergo continuous training to keep abreast on changes to regulatory requirements and the impact such regulatory requirements on the Group. During the financial year under review, the training attended by the Directors includes briefings, seminars and conferences conducted by relevant regulatory authorities and professional bodies as well as internal officers.

PRINCIPLE 4 : FOSTER COMMITMENT (CONTINUED)

4.2 Directors' Training – Continuing Education Programs (continued)

The continuous education programs attended by the Directors during the financial year ended 31 January 2013 include the following:

- Role of Audit Committee in assuring Audit Quality
- Navigating turbulence MICPA/Bursa Malaysia Business Forum
- Audit Committee and Chief Audit Executive Forum – Enhancing Internal Audit's Value
- Sustainability Training for Directors and Practitioners
- MFRS/IFRS Guide for Audit Committee & Internal Auditors – Adding Value
- Mandatory Accreditation Programme for Directors of Public Listed Companies.
- Accreditation Panel Workshop
- National Tax Conference 2012
- Malaysia Private Entity Reporting Standards (PERS) – A Practical Approach
- Seminar Percukaian Kebangsaan 2012
- 2013 Budget Seminar
- The MIA Conference 2012
- Enhancing Synergy To Face New Challenges In Public Sector Auditing
- Test-Item Development Workshop
- Transfer Pricing Documentation – Practical Issues in Implementing The Requirements of The Transfer Pricing Guidelines – Documentation Aspects

All Directors attended "Directors and Management Seminar 2013 – Development in Asean Automobile Industry: Opportunities & Challenges" which was organized by the Company in Aetas Hotel, Bangkok, Thailand from 1 February to 2 February 2013. The key objectives of the seminar were as follows:

- to have an in depth understanding on development and outlook of ASEAN automotive industries, current and future trend, especially in the three biggest market of Thailand, Indonesia and Malaysia;

- to have a good understanding on the strategic actions undertaken by key OEM Assemblers in the region; and

- to equip the Directors and Senior Management of Ingress Group with adequate knowledge of the industry so as to enable them to formulate new strategies in facing the latest development.

During the seminar, three (3) notable speakers from Malaysia, Indonesia, Thailand and Japan presented their papers on development of respective automotive industry (opportunities and challenges) and one (1) notable speaker from Japan addressed the strategy and development of Japanese automakers in Asean.

PRINCIPLE 5 : UPHOLD INTEGRITY IN FINANCIAL REPORTING

5.1 Compliance with Applicable Financial Reporting Structure

The Board maintains its commitment to present a balanced and meaningful assessment of the Group's financial performance and prospects at the end of each reporting period and financial year, primarily through the quarterly announcement of Group's results, the annual financial statements of the Group and the Company as well as the Chairman's statement and review of the Group's operations in the Annual Report, where relevant.

The Board is responsible for ensuring that the financial statements give a true and fair view of the state of affairs of the Group and the Company as at the end of the reporting period and of their results and cash flows for the period then ended. The Audit Committee assists the Board in scrutinizing information for disclosure to ensure accuracy, adequacy and completeness. The Responsibility Statement by the Directors pursuant to the MMLR is set out in this Annual Report.

5.2 Assessment of Suitability and Independence of External Auditors

The Board is committed to its role to uphold the integrity of financial reporting by the Company. Accordingly, the Audit Committee assists the Board in overseeing the financial reporting process of the Company including adoption of policies and procedure for the circumstances of non-audit services permitted to be provided by the external auditors. The policies include, amongst others, the need for the Audit Committee's approval in writing before such services can be provided by the external auditors.

PRINCIPLE 5 : UPHOLD INTEGRITY IN FINANCIAL REPORTING (CONTINUED)

5.2 Assessment of Suitability and Independence of External Auditors (continued)

In assessing the independence of external auditors, the Audit Committee requires written assurance by the external auditors, confirming that they are, and have been, independent throughout the conduct of the audit engagement with the Company in accordance with the independence criteria set out by the International Federation of Accountants and the Malaysian Institute of Accountants.

PRINCIPLE 6 : RECOGNISE AND MANAGE RISK

6.1 Sound Framework to Manage Risks

The Company has formed a management committee known as Risk Management Executive Committee ("RMEC") as a formal internal control to safeguard the shareholders' investments and the Group's assets particularly in evaluating risks of new investments. RMEC is currently consisting of seven (7) members, two (2) of whom are the Executive Directors and the remaining five (5) are from the Senior Management.

Based on its existing process, proposals for every new investment would have to be deliberated and approved by the RMEC members before the same be tabled at the Board meetings of the respective subsidiary companies or the Company (as the case may be).

For the reporting year, the RMEC convened thirty four (34) meetings.

6.2 Internal Audit Function

The internal audit function is independent of the operations of the Group and provides reasonable assurance that the Group's system of internal control is satisfactory and operating effectively. The internal auditors adopt a risk-based approach towards the planning and conduct of audits, which are consistent with the Group's framework in designing, implementing and monitoring its internal control system. The internal audit is led by a General Manager having the relevant qualifications and reporting directly to the Audit Committee.

The scope of work covered by the internal audit function during the financial year under review, including its observations and recommendations, is provided in the Statement on Risk Management and Internal Control of the Company set out on pages 51 to 52 of this Annual Report.

PRINCIPLE 7 : ENSURE TIMELY AND HIGH QUALITY DISCLOSURE

7.1 Corporate Disclosure Policy

The Board is aware of the need to establish corporate disclosure policies and procedures to enable comprehensive, accurate and timely disclosures relating to the Company and its subsidiaries to be made to the regulators, shareholders and stakeholders.

Accordingly, the Board will formalize pertinent corporate disclosure policies not only to comply with the disclosure requirements as stipulated in the MMLR, but also setting out the persons authorized and responsible to approve and disclose material information to regulators, shareholders and stakeholders.

7.2 Leverage on Information Technology for Effective Dissemination of Information

The Company has provided a dedicated section for corporate governance on the Company's website where information on the Company's announcements to the regulators, the Company's Annual Report and relevant information on the Company may be accessed by the public.

The announcement of the quarterly financial results is also made via Bursa LINK immediately after the Board's approval. This is important in ensuring equal and fair access to information by the investing public.

PRINCIPLE 8 : STRENGTHEN RELATIONSHIP BETWEEN COMPANY AND SHAREHOLDERS

8.1 Encourage Shareholder Participation at General Meetings

It has always been the Company's practice to maintain good relationship with its shareholders. Major corporate developments and happenings in the Company have always been duly and promptly announced to all shareholders to ensure transparency and good corporate governance practices. The Company provides information to the shareholders with regard to, amongst others, details of the Annual General Meeting, their entitlement to attend the Annual General Meeting, the right to appoint a proxy and also the qualifications of a proxy.

To be in line with the insertion of Paragraph 7.21 of the MMLR to promote participation of members through proxy(ies), the Company will be seeking shareholders' approval to amend its Articles of Association to include explicitly the right of proxies to speak at general meetings, to allow a member who is an exempt authorized nominee to appoint multiple proxies for each omnibus account it holds and expressly disallow any restriction on proxy's qualification.

8.2 Encourage Poll Voting

The Chairman shall, at the commencement of Annual General Meeting, inform the shareholders the substantive resolutions put forth for shareholders' approval and encourage the voting by polling. To assist the shareholders in exercising their rights, the Chairman shall read out the provisions of the Articles of Association on the shareholders right to demand a poll vote.

8.3 Effective Communication and Proactive Engagement

The Annual General Meeting remains the main forum for the shareholders to have dialogue with the Board. The general meeting also serves as the platform for the shareholders to raise questions pertaining to the Group's business activities and financial performance. The Directors, Senior Management and external auditors will be in attendance to respond to the shareholders' queries.

COMPLIANCE STATEMENT

The Statement on Corporate Governance as prepared by the Board is in line with the Board's approach and of how the Company has, throughout the financial year, applied the broad principles and recommendations envisaged in the 2012 Code and the MMLR. Nevertheless, the Board has made some reservations for few recommendations and commentaries provided in the 2012 Code and have also made justifications for such deviations in this Statement. The Board assures that the Company will continue improving and strengthening its governance practices to protect the interests of its shareholders and other stakeholders. .

This Statement provides the information necessary on how the 2012 Code has been applied during the financial year ended 31 January 2013 and up-to-date.

This Statement on Corporate Governance is made in accordance with the resolution of the Board of Directors dated 29 May 2013.

STATEMENT ON DIRECTORS' RESPONSIBILITY
For Preparing The Financial Statements

The Directors are required to ensure that financial statements of the Group and the Company for each financial year are prepared in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards the provisions of the Companies Act, 1965 in Malaysia and the Listing Requirements.

The Directors are also responsible in ensuring that annual financial statements of the Group and the Company reflect a true and fair view of the state of affairs of the Group and the Company.

In the preparation of financial statements, the Directors consider that:-

- the Group and the Company adopt appropriate accounting policies and they are consistently applied;
- reasonable and prudent judgements and estimates are made;
- all Malaysian Financial Reporting Standards in Malaysia are observed; and
- proper accounting records are kept so that the financial statements are prepared with reasonable accuracy.

The Directors have general responsibilities for taking such steps that are reasonably available to them to safeguard the assets of the Group and the Company in order to prevent and detect fraud and other irregularities.

AUDIT COMMITTEE

FROM LEFT
- Dato' Vaseehar Hassan Bin Abdul Razack
- Shamsudin @ Samad Bin Kassim
- Abdul Khudus Bin Mohd Naaim *(Chairman)*
- Mohamad Bin Hassan
- Dato' Zulkifly @ Ibrahim Bin Ab Rahman

AUDIT COMMITTEE REPORT

CHAIRMAN

ABDUL KHUDUS BIN MOHD NAAIM
Independent and Non-Executive Director

MEMBERS

DATO' VASEEHAR HASSAN BIN ABDUL RAZACK
Independent and Non-Executive Director

SHAMSUDIN @ SAMAD BIN KASSIM
Independent and Non-Executive Director

DATO' ZULKIFLY @ IBRAHIM BIN AB RAHMAN
Independent and Non-Executive Director

MOHAMAD BIN HASSAN
Independent and Non-Executive Director

FORMATION OF THE AUDIT COMMITTEE

The Audit Committee was formed on 24 October 2000.

TERMS OF REFERENCE

DUTIES, RESPONSIBILITIES AND AUTHORITY

To review and report the following to the Board of Directors of Ingress Corporation Berhad:

1. with regards to the external auditor, their audit plan, their evaluation of the system of internal controls, their audit report including reports and management letters thereon and the extent of assistance rendered by the Company officials to them.
2. with regards to the internal audit function, the adequacy of its scope, functions, resources, the necessary authority to carry out its work, the internal audit programme, processes or investigation undertaken and whether or not appropriate action is taken on the recommendation of the internal audit function.
3. the review, appraisal or assessment of the performance of the internal audit function staff, approval for any appointment or termination of senior staff member of the internal audit function and keeping abreast of resignations of internal audit members.
4. the quarterly and financial year end financial statements with emphasis on changes in or implementation of major accounting policy changes, significant and unusual events and adherence to accounting standards and other legal requirements.
5. any related party transactions and conflict of interest situation that may arise within the Group or Company including any transactions, procedures or course of conduct that raises question of the Management's integrity.
6. the performance of the external auditors and if in their opinion (supported by grounds) the external auditor is not suitable for reappointment; their recommendation to nominate a person or persons as external auditors and any letters of resignation from the external auditors.
7. any vacancy in the Audit Committee so that the vacancy be filled within three (3) months.

In performing its functions and duties, the Committee shall:

1. have the authority to investigate any matters within its terms of reference and have the resources which it needs to do so without any restrictions on access to any information pertaining to the Group and the Company.

2. have direct communication channels with the external auditors and obtain independent professional or other advice and have meetings with the external auditors without the presence of any executive directors at least once a financial year.

3. report to Bursa Malaysia with regards to breaches the Listing Requirements should the Committee consider that a matter reported to the Board of Directors has not been satisfactorily resolved.

4. be reviewed by the Board of Directors in terms of office and performance of the Committee and each of its members at least once every three (3) financial years to determine whether the duties are carried out in accordance with the terms of reference.

MEETINGS

The Committee meets four (4) times annually, or more, whenever necessary. Meetings will normally be attended by the Group Chief Financial Officer, the Head of the Internal Audit Department and a representative of the external auditor (if required). Heads of operation units or other Board members may also be called upon to attend meetings. Meetings with the external auditors which are not attended by any Executive Directors are held twice in a financial year.

During the financial year, the Committee met five (5) times for the following purposes:

a. to review the draft quarterly financial statements and recommending the same to be considered and approved by the Board of Directors for the purpose of making announcements to Bursa Malaysia.

b. to review the financial year end audited financial statements and the external auditors' management letter and management response thereon.

c. to discuss with external auditors the audit plan and scope for the financial year as well as the audit procedures to be utilised.

d. to review the internal audit department's scope of work, adequacy of resources and coordination with the external auditors.

e. to review the reports from the internal audit department and following up on corrective actions taken on issues raised.

AUDIT COMMITTEE REPORT

DETAILS OF ATTENDANCE

MEMBER	ATTENDANCE
Abdul Khudus Bin Mohd Naaim	4 / 5
Dato' Vaseehar Hassan Bin Abdul Razack	3 / 5
Shamsudin @ Samad Bin Kassim	5 / 5
Dato' Zulkifly @ Ibrahim Bin Ab Rahman	5 / 5
Mohamad Bin Hassan	1 / 1

INTERNAL AUDIT FUNCTIONS

The Internal Audit functions of the Group and the Company are undertaken by its Internal Audit Department, which reports directly to the Audit Committee.

The main role of the Internal Audit Department is to review and assess the effectiveness of the internal control systems and assisting the company in its risk management.

During the financial year, the Audit Committee had received fifteen (15) reports on the assessment of the Group's internal control from the Internal Audit Department.

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

INTRODUCTION

In accordance with paragraph 15.26(b) of the Bursa Malaysia Securities Berhad ("Bursa Malaysia") Listing Requirement and the Malaysian Code of Corporate Governance, the Board of Directors is pleased to provide its statement on risk management and internal control of the Group for the financial year ended 31 January 2013.

RESPONSIBILITY

The Board acknowledges the importance of risk management and internal control of the Group and affirms its responsibility to maintain a sound system in safeguarding the interests of the shareholders. With regards to this, the Board is able to confirm of continuous effort in place to manage risks and to introduce or improve controls in every functional activities.

The Board is also aware of inherent limitations in any control system, hence, such system is designed to manage rather than eliminate the risk of failure to achieve business objectives. Such system, therefore, can only provide reasonable assurance against material misstatements or losses or fraud.

As the Board does not have any direct control over the operations of its associated companies, the Board is not in the position to review the risk management and internal control system of its associated companies. This notwithstanding, the Group's interests are served through representation on the board of the associated companies and receipt and review of periodic management financial statements and enquiries thereon. These representations also provide the Board with information for timely decision making on the continuity of the Groups's investments based on the performance of the associated company.

Main features of the risk management and internal control

Key elements of the Group's risk management and internal controls include the following:

- A Risk Management Executive Committee which oversees the risk management process. A risk management process is in place to ensure that all key risks within the Group are being clearly identified, evaluated and managed within the framework of its line of business and key functional activities. This committee meets very regularly to review business opportunities within the Group and the associated risks therewith and ultimately reporting to the Board with regards to all matters that it had dealt with. During the financial year, the Board, at its quarterly meetings, has received and reviewed reports from the Risk Management Executive Committee.

- A clear documentation of the risk management principles and procedures have been disseminated to all key employees. This document, inter alia, describes the Board's position towards risks and processes in the attainment of the Group's business objectives.

- An independent Internal Audit Department which reports directly to the Audit Committee conducts ongoing audits to assess the effectiveness of internal controls and highlighting significant risks impacting the Group.

- The Audit Committee regularly reviews and discusses with key management on the action taken on issues brought up by the internal audit department and the external auditors. During the year, fifteen (15) reports from the internal audit department were received and reviewed by the committee.

- Regular in-depth reviews by the Audit Committee and the Board on the performance of the Group at its meetings and approving any changes in policies that may affect the Group.

- Regular review on the group performance and operations by the senior management and the executive directors of the Company via its Quarterly Business and Performance Review meeting.

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

- A comprehensive annual budget which includes business plans are prepared by all business units and approved by the Board. Operating results are being closely monitored by management against budget and key performance indicators. All major variances and critical operational issues are being followed up with actions taken thereon. Forecasts are revised on a quarterly basis after taking into account significant business factors.

- A functional organisational structure that defines the level of authority and responsibilities for managing activities.

- Policies and procedures, updated as necessary, are documented and communicated to relevant personnel for compliance purposes.

- The Group's operations are being accredited with the OHSAS 18001, MS ISO 14001 and ISO/TS 16949 quality system standards and such quality management systems provided the Group a basis for improving key processes, quality, customer service and customer satisfaction.

- Proper guidelines for hiring and terminating employees, training programmes for employees, annual performance appraisal and other relevant procedures in place to achieve the objective of ensuring employees are competent to carry out their duties and responsibilities.

- Other Board committees that have been established with clear terms of reference to ensure effective management and monitoring of the Group's business operations include the Nomination Committee and the Remuneration Committee

CONCLUSION

The Board has received assurance from the Group's Chief Executive Officer and Chief Financial Officer that the Group's risk management and internal controls system are operating adequately and effectively, in all material aspects, based on the risk management and internal controls system of the Group.

For the financial year under review and up to the date of approval of this Statement on Risk Management and Internal Control, the Board is satisfied that the risk management and internal control system was satisfactory and has not resulted in any material loss, contingency or uncertainty.

REVIEW OF THE STATEMENT BY EXTERNAL AUDITORS

As required by paragraph 15.23 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, the External Auditors have reviewed this Risk Management and Internal Control Statement. Based on their review, the external auditors have reported to the Board that nothing has come to their attention that causes them to believe that this statement is inconsistent with their understanding of the process the Board has adopted in the review of the adequacy and integrity of the risk management and internal control of the Group.

This statement is made in accordance with the resolution of the Board dated 29 May 2013.

ADDITIONAL COMPLIANCE INFORMATION

In conformance with the Listing Requirements the following information is provided:

UTILISATION OF PROCEEDS RAISED FROM CORPORATE PROPOSALS

In March 2012, the Company undertook a Private Placement exercise by the issuance of 7,600,000 new ordinary shares of RM1.00 each at par, representing 9.9% of the then existing paid-up capital of the Company of 76,800,000 ordinary shares of RM1.00 each.

The RM7.6 million proceeds raised from the Private Placement have been fully utilised for the expansion of the Group's factory in Indonesia and expansion of the Group's Premium Automotive Dealership business.

SHARE BUYBACKS

During the financial year ended 31 January 2013, there were no share buybacks of the Company's own shares.

OPTIONS, WARRANTS OR CONVERTIBLE SECURITIES

No options, warrants or convertible securities were exercised during the financial year.

IMPOSITION OF SANCTIONS / PENALTIES

During the financial year, there were no public sanctions nor penalties imposed on the Group and the Company, Directors or management by the relevant regulatory bodies.

NON-AUDIT FEES

The amount of non-audit fees paid and payable to the external auditors by the Company and its subsidiaries for the financial year ended 31 January 2013 was RM67,500.

PROFIT ESTIMATE, FORECAST OR PROJECTION

There were no variances of ten percent (10%) or more between the results for the financial year and the unaudited results previously made or released by the Company.

PROFIT GUARANTEE

During the financial year, there were no profit guarantees given by the Company.

REVALUATION POLICY

Revaluations are made at least once in every three financial years based on a valuation by an independent valuer on an open market value basis. Any revaluation increase is credited to equity as a revaluation surplus, except to the extent that it reverses a revaluation decreases for the same asset previously recognised as an expense.

AMERICAN DEPOSITORY RECEIPT ("ADR") OR GLOBAL DEPOSITORY RECEIPT ("GDR") PROGRAMME

During the financial year, the Company did not sponsor any ADR or GDR programme.

CONTRACTS RELATING TO LOANS

There were no contracts relating to loans by the Company in respect of the material contracts involving directors' and major shareholders' interests.

ADDITIONAL COMPLIANCE INFORMATION

MATERIAL CONTRACTS

1. Sale and Purchase of Shares Agreement dated 16 February 2011 between the Company and Shahruddin Bin Salehuddin & Arif Feizal Bin Bahari for the disposal of the entire 49% equity shares owned by the Company in Maju Nusa Sdn. Bhd.;

2. Consolidated, amended and restated Joint Venture Agreement dated 5 May 2011 between IPSB and PT Tidar Adyagiri Sakti ("PT Tidar") relating to the matters provided in the Joint Venture Agreement dated 24 June 2003 for the setting up of PT IMV;

3. Share Purchase Agreement dated 21 September 2011 between IPSB, Katayama Kogyo Co., Ltd. ("KK") and Yonei & Co., Ltd. ("Yonei") for the disposal of 35% equity shares held by IPSB in PT IMV;

4. Consolidated, amended and restated Joint Venture Agreement dated 13 October 2011 between IPSB, PT Tidar, KK and Yonei pursuant to the matters provided in the Sale and Purchase Agreement dated 21 September 2011; and

5. Shares Sale Agreement dated 7 December 2012 between the Company and Ces Co. Ltd. for the acquisition of 30% shares held by Ces Co. Ltd. in Ingress Ces Sdn. Bhd.

AUDITED FINANCIAL STATEMENTS

Contents

DIRECTORS' REPORT

The Directors have pleasure in presenting their report together with the audited financial statements of the Group and of the Company for the financial year ended 31 January 2013.

PRINCIPAL ACTIVITIES

The principal activities of the Company are investment holding and the provision of management services.

The principal activities of the subsidiaries are described in Note 16 to the financial statements.

There have been no significant changes in the nature of the principal activities during the financial year.

RESULTS

	Group RM	Company RM
Profit for the financial year	29,551,486	5,996,497
Attributable to:		
Equity holders of the Company	20,129,146	5,996,497
Non-controlling interests	9,422,340	-
	29,551,486	5,996,497

There were no material transfers to or from reserves or provisions during the financial year other than as disclosed in the statements of changes in equity of the Group and of the Company.

In the opinion of the Directors, the results of the operations of the Group and of the Company during the financial year were not substantially affected by any item, transaction or event of a material and unusual nature other than the following:

(a) the recognition of flood related property damage losses and the associated insurance claims in relation to the Group's plant in Ayutthaya Province, Thailand which has resulted in an increase in the Group's profit for the financial year by RM5,616,713 as disclosed in Note 37(a) to the financial statements; and

(b) the recognition of revaluation reserves, net of deferred tax on land and buildings in other comprehensive income amounting to RM25,939,989.

DIVIDENDS

The amount of dividend paid by the Company since 31 January 2012 was as follows:

	RM
Interim dividend of 4% less 25% income tax on 84,400,000 ordinary shares, declared on 26 June 2012 and paid on 16 July 2012	2,532,000

The Directors do not recommend the payment of final dividend for the current financial year.

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:

Shamsudin @ Samad Bin Kassim
Datuk (Dr.) Rameli Bin Musa
Dato' Vaseehar Hassan Bin Abdul Razack
Dato' Zulkifly Bin Ab Rahman
Abdul Khudus Bin Mohd Naaim
Mohamad Bin Hassan (appointed on 4 October 2012)
Ungku Farid Bin Ungku Abd Rahman
Abdul Rahim Bin Haji Hitam

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 acquisition of shares in the Company or any other body corporate.

Since the end of the previous financial year, 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 as shown in Note 11 to the financial statements) 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, except as disclosed in Note 33 to the financial statements.

DIRECTORS' INTERESTS

According to the register of Directors' shareholdings, the interests of directors in office at the end of the financial year in shares in the Company during the financial year were as follows:

	<---------------- Number of Ordinary Shares of RM1 Each -------------->			
	1 February 2012	**Acquired**	**Sold**	**31 January 2013**
Direct interest:				
Ordinary shares of the Company				
Shamsudin @ Samad Bin Kassim	50,000	50,000	-	100,000
Datuk (Dr.) Rameli Bin Musa	8,602,800	-	-	8,602,800
Dato' Vaseehar Hassan Bin Abdul Razack	12,000	-	-	12,000
Abdul Rahim Bin Haji Hitam	6,000	-	-	6,000
Ungku Farid Bin Ungku Abd Rahman	571,200	-	-	571,200
Indirect interest:				
Datuk (Dr.) Rameli Bin Musa	15,360,000	500,000	-	15,860,000

Datuk (Dr.) Rameli Bin Musa, by virtue of his interest in shares of the Company is also deemed interested in shares of all the Company's subsidiaries to the extent the Company has an interest.

The other directors in office at the end of the financial year, did not have any interest in shares in the Company or its related corporations during the financial year.

OTHER STATUTORY INFORMATION

(a) Before the statements of comprehensive income and statements of financial position of the Group and 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 allowance for impairment and satisfied themselves that all known bad debts had been written off and that adequate allowance for impairment had been made for doubtful debts; 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.

(b) At the date of this report, the Directors are not aware of any circumstances which would render:

(i) the amount written off for bad debts or the amount of the allowance for impairment in the financial statements of the Group and of the Company inadequate to any substantial extent; and

(ii) the values attributed to the current assets in the financial statements of the Group and of the Company misleading.

OTHER STATUTORY INFORMATION (CONTINUED)

(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 Group and 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 Group and of the Company which would render any amount stated in the financial statements misleading.

(e) At the date of this report, there does not exist:

  (i) any charge on the assets of the Group or of the Company which has arisen since the end of the financial year which secures the liabilities of any other person; or

  (ii) any material contingent liability of the Group or 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 Group or of the Company to meet their 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 Group or of the Company for the financial year in which this report is made.

SIGNIFICANT EVENTS

The significant events are disclosed in Notes 16, 17, 27 and 37 to the financial statements.

SUBSEQUENT EVENTS

Details of subsequent event are disclosed in Note 38 to the financial statements.

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 29 May 2013.

Shamsudin @ Samad Bin Kassim
Datuk (Dr.) Rameli Bin Musa

Kuala Lumpur, Malaysia

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

We, Shamsudin @ Samad Bin Kassim and Datuk (Dr.) Rameli Bin Musa, being two of the Directors of Ingress Corporation Berhad, do hereby state that, in the opinion of the Directors, the accompanying financial statements set out on pages 62 to 138 are drawn up in accordance with Malaysian Financial Reporting Standards ("MFRSs"), 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 Group and of the Company as at 31 January 2013 and of their financial performance and the cash flows for the financial year then ended.

The information set out in Note 40 to the financial statements have been prepared in accordance with the Guidance on Special Matter No. 1, Determination of Realised and Unrealised Profits or Losses in the Context of Disclosure Pursuant to Bursa Malaysia Securities Berhad Listing Requirements, as issued by the Malaysian Institute of Accountants.

Signed on behalf of the Board in accordance with a resolution of the directors dated 29 May 2013.

Shamsudin @ Samad Bin Kassim

Datuk (Dr.) Rameli Bin Musa

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

I, Affandi Bin Mokhtar, being the Chief Financial Officer primarily responsible for the financial management of Ingress Corporation Berhad, do solemnly and sincerely declare that the accompanying financial statements set out on pages 62 to 139 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 in Wilayah Persekutuan on 29 May 2013.

Affandi Bin Mokhtar

Before me,
Abd Halim Bin Osman
(No: W 504)
Commissioner for Oaths
Kuala Lumpur

INDEPENDENT AUDITORS' REPORT
to the Members of Ingress Corporation Berhad
(Incorporated in Malaysia)

REPORT ON THE FINANCIAL STATEMENTS

We have audited the financial statements of Ingress Corporation Berhad, which comprise the statements of financial position as at 31 January 2013 of the Group and of the Company, and the statements of comprehensive income, statements of changes in equity and statements of cash flows of the Group and of the Company for the financial year then ended, and a summary of significant accounting policies and other explanatory notes, as set out on pages 62 to 138.

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 judgment, including the assessment of risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, we consider internal controls relevant to the entity'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 entity's internal controls. 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.

Opinion

In our opinion, the financial statements give a true and fair view of the financial position of the Group and of the Company as at 31 January 2013 and of their financial performance and cash flows for the financial 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 ("Act") in Malaysia, we also report the following:

(a) In our opinion, the accounting and other records and the registers required by the Act to be kept by the Company and its subsidiaries of which we have acted as auditors have been properly kept in accordance with the provisions of the Act.

(b) We have considered the financial statements and the auditors' reports of all the subsidiaries of which we have not acted as auditors, which are indicated in Note 16 to the financial statements, being financial statements that have been included in the consolidated financial statements.

(c) We are satisfied that the financial statements of the subsidiaries that have been consolidated with the financial statements of the Company are in form and content appropriate and proper for the purposes of the preparation of the consolidated financial statements and we have received satisfactory information and explanations required by us for those purposes.

INDEPENDENT AUDITORS' REPORT
to the Members of Ingress Corporation Berhad (Incorporated in Malaysia) (continued)

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS (CONTINUED)

(d) The auditors' reports on the financial statements of the subsidiaries were not subject to any qualification and did not include any comment required to be made under Section 174(3) of the Act.

OTHER REPORTING RESPONSIBILITIES

The supplementary information set out in Note 40 on page 139 is disclosed to meet the requirement of Bursa Malaysia Securities Berhad. The directors are responsible for the preparation of the supplementary information in accordance with Guidance on Special Matter No.1, Determination of Realised and Unrealised Profits or Losses in the Context of Disclosure Pursuant to the Listing Requirements of Bursa Malaysia Securities Berhad, as issued by the Malaysian Institute of Accountants ("MIA Guidance") and the directive of Bursa Malaysia Securities Berhad. In our opinion, the supplementary information is prepared, in all material respects, in accordance with the MIA Guidance and the directive of Bursa Malaysia Securities Berhad.

OTHER MATTERS

This report is made solely to the members 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

Nik Rahmat Kamarulzaman Bin Nik Ab. Rahman
No. 1759/02/14(J)
Chartered Accountant

Kuala Lumpur, Malaysia
29 May 2013

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

for the Financial Year Ended 31 January 2013

	Note	2013 RM	2012 RM
Revenue	4	859,916,969	658,736,624
Cost of sales	5	(731,215,980)	(557,415,951)
Gross profit		128,700,989	101,320,673
Other items of income			
Interest/finance income	6	963,195	591,041
Other income	7	37,680,438	44,621,326
Other items of expense			
Administrative expenses		(109,806,894)	(97,952,781)
Interest/finance costs	8	(15,827,656)	(14,224,968)
Depreciation and amortisation		(6,629,321)	(6,723,030)
Share of results of associates		(661,833)	(306,399)
Profit before taxation	9	34,418,918	27,325,862
Income tax (expense)/benefit	12	(4,867,432)	1,979,303
Profit for the financial year		29,551,486	29,305,165
Other comprehensive income			
Revaluation of land and buildings		27,525,686	-
Foreign currency translation		5,919,736	1,962,716
Cash flow hedges		2,306,992	2,600,775
Income tax relating to components of other comprehensive income		(1,585,697)	-
Other comprehensive income for the financial year, net of tax		34,166,717	4,563,491
Total comprehensive income for the financial year		63,718,203	33,868,656
Profit for the financial year attributable to:			
Equity holders of the Company		20,129,146	22,149,259
Non-controlling interests		9,422,340	7,155,906
		29,551,486	29,305,165
Total comprehensive income attributable to:			
Equity holders of the Company		45,737,553	25,685,255
Non-controlling interests		17,980,650	8,183,401
		63,718,203	33,868,656
Basic earnings per share attributable to equity holders of the Company (sen)	13	23.8	28.8

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

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
as at 31 January 2013

	Note	2013 RM	2012 RM	As at 1 February 2011 RM
Assets				
Non-current assets				
Property, plant and equipment	14	314,027,039	239,431,561	275,144,038
Intangible assets	15	2,694,860	3,174,706	3,543,816
Investment in associates	17	7,734,939	5,114,815	2,820,439
Investment securities	18	100,000	100,000	100,000
Trade receivables	20	16,078,871	9,932,533	9,874,321
Deferred tax assets	29	23,181,625	26,472,263	26,789,424
		363,817,334	284,225,878	318,272,038
Current assets				
Inventories	19	57,897,326	52,387,693	44,979,084
Trade receivables	20	157,590,307	103,857,753	115,631,388
Other receivables	20	53,547,323	58,550,398	26,759,412
Finance lease receivables	22	-	6,447,331	6,306,209
Tax recoverable		2,259,469	1,750,043	1,312,380
Cash and bank balances	23	80,340,849	80,860,305	73,015,900
Assets of disposal group classified as held for sale		-	-	7,239,012
		351,635,274	303,853,523	275,243,385
Total assets		715,452,608	588,079,401	593,515,423

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
as at 31 January 2013 (continued)

	Note	2013 RM	2012 RM	As at 1 February 2011 RM
Equity and liabilities				
Current liabilities				
Borrowings/financing	24	153,262,775	137,790,758	111,261,595
Trade payables	26	69,655,331	59,963,636	89,311,355
Other payables	26	86,884,132	42,682,562	38,996,563
Current tax payable		1,080,094	-	819,006
Liabilities directly associated with disposal group classified as held for sale		-	-	6,425,953
		310,882,332	240,436,956	246,814,472
Net current assets		40,752,942	63,416,567	28,428,913
Non-current liabilities				
Borrowings/financing	24	86,579,168	95,401,251	119,860,588
Deferred tax liabilities	29	1,174,572	432,941	5,006,164
		87,753,740	95,834,192	124,866,752
Total liabilities		398,636,072	336,271,148	371,681,224
Net assets		316,816,536	251,808,253	221,834,199
Equity attributable to equity holders of the Company				
Share capital	27	84,400,000	76,800,000	76,800,000
Reserves	28	148,899,368	105,693,815	77,138,066
		233,299,368	182,493,815	153,938,066
Non-controlling interests		83,517,168	69,314,438	67,896,133
Total equity		316,816,536	251,808,253	221,834,199
Total equity and liabilities		715,452,608	588,079,401	593,515,423

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

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
for the Financial Year Ended 31 January 2013

	<------ Attributable to Owners of the Parent ------>								
		<------ Non-Distributable ------>				Distributable			
	Share Capital RM	Share Premium RM	Revaluation Reserve RM	Foreign Exchange Reserve RM	Hedging (Deficit)/ Reserve RM	Retained Profits RM	Total RM	Non-controlling Interests RM	Total Equity RM
At 1 February 2011	76,800,000	1,024,000	25,293,390	1,610,224	(5,013,185)	54,223,637	153,938,066	67,896,133	221,834,199
Total comprehensive income for the financial year	-	-	383,780	551,441	2,600,775	22,149,259	25,685,255	8,183,401	33,868,656
Acquisition by non-controlling interests	-	-	-	-	-	2,870,494	2,870,494	(221,323)	2,649,171
Dividends on ordinary shares	-	-	-	-	-	-	-	(6,543,773)	(6,543,773)
At 31 January 2012	76,800,000	1,024,000	25,677,170	2,161,665	(2,412,410)	79,243,390	182,493,815	69,314,438	251,808,253
At 1 February 2012	76,800,000	1,024,000	25,677,170	2,161,665	(2,412,410)	79,243,390	182,493,815	6 9,314,438	251,808,253
Total comprehensive income for the financial year	-	-	19,193,149	4,108,266	2,306,992	20,129,146	45,737,553	17,980,650	63,718,203
Acquisition from non controlling interests	-	-	-	-	-	-	-	(553,124)	(553,124)
Dividends on ordinary shares	-	-	-	-	-	(2,532,000)	(2,532,000)	(3,224,796)	(5,756,796)
Issuance of new shares	7,600,000	-	-	-	-	-	7,600,000	-	7,600,000
At 31 January 2013	84,400,000	1,024,000	44,870,319	6,269,931	(105,418)	96,840,536	233,299,368	83,517,168	316,816,536

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

CONSOLIDATED STATEMENT OF CASH FLOWS
for the Financial Year Ended 31 January 2013

	2013 RM	2012 RM
Operating Activities		
Profit before taxation	34,418,918	27,325,862
Adjustments for:		
Interest/finance income (including profit sharing on Mudharabah deposits)	(963,195)	(591,041)
Interest/finance costs	15,827,656	14,224,968
Amortisation of intangible assets	767,142	906,457
Property, plant and equipment		
- depreciation	28,403,695	30,992,904
- gain on disposal	(566,959)	(306,788)
- written off	3,199,641	15,624,032
Intangible assets written off	86,712	45
Gain on disposal of investment in an associate company	-	(100,000)
Gain on disposal of investment in a subsidiary company	-	(4,500,725)
Allowance for impairment of receivables	981,694	5,597,700
Receivables written off	901,003	-
Reversal of allowance for impairment of receivables	-	(1,800,000)
Provision for foreseeable losses	3,043,892	-
Net unrealised foreign exchange gain	(7,023,616)	(120,150)
Share of results of associates	661,833	306,399
Provision for obsolete inventories	3,087,290	1,842,024
Reversal of loss from inventories obsolescence and devaluation	(732,989)	-
Inventories written off	2,433,730	450,442
Operating profit before working capital changes	84,526,447	89,852,129
Increase in inventories	(10,297,664)	(9,701,075)
Increase in receivables	(46,331,458)	(18,580,450)
Increase/(decrease) in payables	53,893,265	(25,661,720)
Cash generated from operations	81,790,590	35,908,884
Interest/finance costs paid	(15,827,656)	(14,224,968)
Taxes paid	(1,850,192)	(3,533,428)
Net cash generated from operating activities	64,112,742	18,150,488

CONSOLIDATED STATEMENT OF CASH FLOWS
for the Financial Year Ended 31 January 2013 (continued)

	2013 RM	2012 RM
Investing Activities		
Purchase of property, plant and equipment	(72,704,407)	(19,603,675)
Purchase of intangible assets	(236,628)	(537,631)
Proceeds from disposal of property, plant and equipment	1,043,323	9,841,313
Acquisition of shares in a subsidiary company from non-controlling interest	(553,124)	-
Proceeds from disposal of investment in a subsidiary company	-	2,649,171
Proceeds from disposal of investment in an associate company	-	100,000
Acquisition of an associate company	(974,965)	-
Interest/finance income received	963,195	591,041
Net cash used in investing activities	(72,462,606)	(6,959,781)
Financing Activities		
Placement of new shares	7,600,000	-
Placement/(maturity) of deposits with licensed banks under lien	7,767,339	(5,518,334)
Net repayment of Syndicated CMTF-i	(15,000,000)	(10,000,000)
Net drawdown/(repayment) of term loans	9,730,432	(15,382,678)
Net repayment of hire purchase and lease financing	(1,311,652)	(2,979,481)
Net drawdown of short term borrowings/financing	18,543,473	27,071,699
Dividends paid	(5,756,796)	(6,543,773)
Net cash generated from/(used in) financing activities	21,572,796	(13,352,567)
Net increase/(decrease) in cash and cash equivalents	13,222,932	(2,161,860)
Effects of foreign exchange rate changes	2,348,412	1,701,618
Cash and cash equivalents at beginning of the financial year	41,534,946	41,995,188
Cash and cash equivalents at end of the financial year (Note 23)	57,106,290	41,534,946

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

STATEMENT OF COMPREHENSIVE INCOME
for the Financial Year Ended 31 January 2013

	Note	2013 RM	2012 RM
Revenue	4	19,072,093	17,665,000
Other items of income			
Interest/finance income	6	7,386,044	8,166,606
Other income	7	2,378	112,975
Other items of expense			
Administrative expenses		(11,016,338)	(11,864,702)
Depreciation and amortisation		(274,447)	(235,774)
Interest/finance costs	8	(7,702,758)	(8,469,653)
Profit before taxation	9	7,466,972	5,374,452
Income tax expense	12	(1,470,475)	(1,792,044)
Profit for the financial year representing total comprehensive income for the financial year		5,996,497	3,582,408

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

STATEMENT OF FINANCIAL POSITION
as at 31 January 2013

	Note	2013 RM	2012 RM	As at 1 February 2011 RM
Assets				
Non-current assets				
Property, plant and equipment	14	1,147,078	870,744	937,029
Intangible assets	15	135,766	5,901	9,882
Investment in subsidiaries	16	114,207,007	113,653,883	108,653,883
Investment in an associate	17	-	-	-
Other receivables	20	57,500,000	77,750,000	93,750,000
		172,989,851	192,280,528	203,350,794
Current assets				
Other receivables	20	56,809,239	75,147,892	71,516,547
Cash and bank balances	23	4,963,532	3,561,230	3,765,096
		61,772,771	78,709,122	75,281,643
Total assets		234,762,622	270,989,650	278,632,437
Equity and liabilities				
Current liabilities				
Borrowings/financing	24	25,026,814	20,073,160	15,075,053
Other payables	26	51,666,572	84,117,010	85,244,901
		76,693,386	104,190,170	100,319,954
Net current liabilities		(14,920,615)	(25,481,048)	(25,038,311)
Non-current liabilities				
Borrowings/financing	24	60,744,322	80,539,063	95,634,474
Total liabilities		137,437,708	184,729,233	195,954,428
Net assets		97,324,914	86,260,417	82,678,009
Equity attributable to equity holders of the Company				
Share capital	27	84,400,000	76,800,000	76,800,000
Reserves	28	12,924,914	9,460,417	5,878,009
Total equity		97,324,914	86,260,417	82,678,009
Total equity and liabilities		234,762,622	270,989,650	278,632,437

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

STATEMENT OF CHANGES IN EQUITY
for the Financial Year Ended 31 January 2013

	Share Capital RM	Distributable Retained Profits RM	Total Equity RM
At 1 February 2011	76,800,000	5,878,009	82,678,009
Total comprehensive income for the financial year	-	3,582,408	3,582,408
At 31 January 2012	76,800,000	9,460,417	86,260,417
At 1 February 2012	76,800,000	9,460,417	86,260,417
Total comprehensive income for the financial year	-	5,996,497	5,996,497
Dividends on ordinary shares	-	(2,532,000)	(2,532,000)
Issuance of new shares	7,600,000	-	7,600,000
At 31 January 2013	84,400,000	12,924,914	97,324,914

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

STATEMENT OF CASH FLOWS
for the Financial Year Ended 31 January 2013

	2013 RM	2012 RM
Operating Activities		
Profit before taxation	7,466,972	5,374,452
Adjustments for:		
Interest/finance income	(7,386,044)	(8,166,606)
Dividend income	(7,322,093)	(7,000,000)
Interest/finance costs	7,702,758	8,469,653
Depreciation of property, plant and equipment	255,695	235,774
Amortisation of intangible assets	18,752	3,981
Net unrealised foreign exchange loss	1,970	-
Operating profit/(loss) before working capital changes	738,010	(1,082,746)
Decrease in other receivables	38,601,331	12,347,528
Decrease in other payables	(32,450,438)	(1,127,891)
Cash generated from operations	6,888,903	10,136,891
Interest/finance costs paid	(7,702,758)	(8,469,653)
Taxes paid	(14,648)	(20,917)
Net cash (used in)/generated from operating activities	(828,503)	1,646,321
Investing Activities		
Purchase of property, plant and equipment	(129,029)	(169,489)
Purchase of intangible assets	(148,617)	-
Subscription of new shares in a subsidiary	-	(5,000,000)
Acquisition of shares in a subsidiary company from non-controlling interest	(553,124)	-
Interest/finance income received	7,386,044	8,166,606
Dividend received	5,851,618	5,250,000
Net cash generated from investing activities	12,406,892	8,247,117
Financing Activities		
Placement of new shares	7,600,000	-
Placement of deposits with licensed banks under lien	(12,000)	-
Net repayment of Syndicated CMTF-i	(15,000,000)	(10,000,000)
Net repayment of hire purchase and lease financing	(140,430)	(89,883)
Dividends paid	(2,532,000)	-
Net cash used in financing activities	(10,084,430)	(10,089,883)
Net increase/(decrease) in cash and cash equivalents	1,493,959	(196,445)
Cash and cash equivalents at beginning of the financial year	583,481	779,926
Cash and cash equivalents at end of the financial year (Note 23)	2,077,440	583,481

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

1. CORPORATE INFORMATION

The Company is a public limited liability company, incorporated and domiciled in Malaysia, and is listed on the Main Market of the Bursa Malaysia Securities Berhad. The registered office of the Company is located at Lot 2778, Fifth Floor, Jalan Damansara, Sungai Penchala, 60000 Kuala Lumpur.

The principal activities of the Company are investment holding and the provision of management services. The principal activities of the subsidiaries are described in Note 16. There have been no significant changes in the nature of the principal activities during the financial year.

The financial statements were authorised for issue by the Board of Directors in accordance with the resolution of the Directors on 29 May 2013.

2. FIRST TIME ADOPTION OF MALAYSIAN FINANCIAL REPORTING STANDARDS ("MFRS")

The financial statements of the Group and of the Company, for the financial year ended 31 January 2013, have been prepared in accordance with Malaysian Financial Reporting Standards ("MFRS"). For the periods up to and including the period ended 31 January 2012, the Group prepared its financial statements in accordance with Financial Reporting Standards ("FRS").

These are the first financial statements of the Group and of the Company prepared in accordance with MFRS and MFRS 1: First Time Adoption of Malaysian Financial Reporting Standards ("MFRS 1") has been applied.

In preparing its opening MFRS Statement of Financial Position as at 1 February 2012 (which is also the date of transition), the Group has considered the transition from FRS to MFRS and no adjustments were required to be made to the amounts previously reported in the financial statements prepared in accordance with FRS. The transition from FRS to MFRS also, has not resulted in a material impact on the consolidated statement of financial position, consolidated statement of comprehensive income and consolidated statement of cash flows.

The audited financial statements of the Group for the financial year ended 31 January 2012 were prepared in accordance with FRS. Except for certain differences, the requirements under FRS and MFRS are similar.

(a) Business combination

MFRS 1 provides the option to apply MFRS 3: Business Combinations prospectively from the date of transition, or from a specific date prior to the date of transition. This provides relief from full retrospective application of MFRS 3 which would require restatement of all business combinations prior to the date of transition.

The Group has elected to apply MFRS 3 prospectively from the date of transition. In respect of acquisitions prior to the date of transition:

(i) The classification of former business combination under FRS is maintained;
(ii) There is no re-measurement of original fair values determined at the time of business combination (date of acquisition); and
(iii) The carrying amount of goodwill recognised under FRS is not adjusted.

(b) Property, plant and equipment

The Group has previously adopted revaluation model for its property comprising land and buildings under FRS 116: Property, plant and equipment. Land and buildings are measured at fair value less accumulated depreciation on building and impairment losses recognised after the date of the revaluation. Valuations are performed with sufficient regularity, i.e. every 3 years and at shorter intervals whenever the fair value of the revalued assets is expected to differ materially from their carrying amount at the reporting date.

2. FIRST TIME ADOPTION OF MALAYSIAN FINANCIAL REPORTING STANDARDS ("MFRS") (CONTINUED)

(b) Property, plant and equipment (continued)

Upon the transition to MFRS, the Group has elected to continue using the revaluation model for measuring its land and buildings under MFRS 116: Property, plant and equipment. No adjustment was made to the carrying amounts of land and buildings as these amounts were broadly comparable to the fair value of the assets as at that date.

(c) Foreign currency translation reserve

Under FRS, the Group recognised translation differences on foreign operations in a separate component of equity. MFRS 1 exemption allows the cumulative translation for all foreign operations deemed to be zero at the date of transition.

Upon transition to MFRS, the Group has elected to maintain the foreign currency translation reserve.

(d) Estimates

The estimates at 1 February 2011 and 31 January 2012 were consistent with those made for the same dates in accordance with FRS. The estimates used by the Group and the Company to present these amount in accordance with MFRS reflect conditions at 1 February 2011, the date of transition to MFRS and as of 31 January 2012.

3. SIGNIFICANT ACCOUNTING POLICIES

3.1 Basis of preparation

The financial statements of the Group and the Company have been prepared in accordance with Malaysian Financial Reporting Standards ("MFRSs"), International Financial Reporting Standards ("IFRSs") and the Companies Act, 1965 in Malaysia. These financial statements also comply with the applicable disclosure provisions of the Listing Requirements of Bursa Malaysia Securities Berhad.

The financial statements of the Group and of the Company have also been prepared on a historical cost basis, except as disclosed in the accounting policies below. The financial statements are presented in Ringgit Malaysia ("RM") except when otherwise indicated.

The accounting policies set out below have been applied consistently to all periods presented in these financial statements and in preparing the opening MFRS statements of financial position of the Group and of the Company at 1 February 2011 (the transition date to MFRS framework), unless otherwise stated.

3.2 Standards issued but not yet effective

The standards and interpretations that are issued but not yet effective up to the date of issuance of the Group's and the Company's financial statements are disclosed below. The Group and the Company intend to adopt these standards, if applicable, when they become effective.

Effective for financial periods beginning on or after 1 July 2012

MFRS 101	Presentation of Items of Other Comprehensive Income (Amendments to MFRS 101)

Effective for financial periods beginning on or after 1 January 2013

MFRS 3	Business Combinations (IFRS 3 Business Combinations issued by IASB in March 2004)
MFRS 10	Consolidated Financial Statements

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

3.2 Standards issued but not yet effective (continued)

Effective for financial periods beginning on or after 1 January 2013 (continued)

MFRS 11	Joint Arrangements
MFRS 12	Disclosure of interests in Other Entities
MFRS 13	Fair Value Measurement
MFRS 119	Employee Benefits
MFRS 127	Separate Financial Statements
MFRS 128	Investment in Associate and Joint Ventures
MFRS 127	Consolidated and Separate Financial Statements (IAS 27 as revised by IASB in December 2003)
IC Interpretation 20	Stripping Costs in the Production Phase of a Surface Mine
Amendment to IC Interpretation 2	Members' Shares in Co-operative Entities and Similar Instruments (Annual Improvements 2009-2011 Cycle)
Amendments to:	
MFRS 101	Presentation of Financial Statements (Annual Improvements 2009-2011 Cycle)
MFRS 7	Disclosures - Offsetting Financial Assets and Financial Liabilities
MFRS 1	First-time Adoption of Malaysian Financial Reporting Standards (Government Loans)
MFRS 1	First-time Adoption of Malaysian Financial Reporting Standards (Annual Improvements 2009-2011 Cycle)
MFRS 116	Property, Plant and Equipment (Annual Improvements 2009-2011 Cycle)
MFRS 132	Financial Instruments: Presentation (Annual Improvements 2009-2011 Cycle)
MFRS 134	Interim Financial Reporting (Annual Improvements 2009-2011 Cycle)
MFRS 10	Consolidated Financial Statements: Transition Guidance
MFRS 11	Joint Arrangements: Transition Guidance
MFRS 12	Disclosure of Interests in Other Entities: Transition Guidance

Effective for financial periods beginning on or after 1 January 2014

Amendments to:	
MFRS 132	Offsetting Financial Assets and Financial Liabilities
MFRS 10, MFRS 12, and MFRS 127	Investment Entities

Effective for financial periods beginning on or after 1 January 2015

MFRS 9	Financial Instruments

The Directors expect that the adoption of the above standards and interpretations will have no material impact on the financial statements in the period of initial application except as discussed below:

(a) MFRS 10: Consolidated Financial Statements

MFRS 10 replaces part of MFRS 127: Consolidated and Separate Financial Statements that deals with consolidated financial statements and IC Interpretation 112: Consolidation – Special Purpose Entities.

Under MFRS 10, an investor controls an investee when (a) the investor has power over an investee, (b) the investor has exposure, or rights, to variable returns from its involvement with the investee, and (c) the investor has ability to use its power over the investee to affect the amount of the investor's returns. Under MFRS 127: Consolidated and Separate Financial Statements, control was defined as the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities.

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

3.2 Standards issued but not yet effective (continued)

(a) MFRS 10: Consolidated Financial Statements (continued)

MFRS 10 includes detailed guidance to explain when an investor has control over the investee. MFRS 10 requires the investor to take into account all relevant facts and circumstances. This standard has no impact on the Group's financial position or performance.

(b) MFRS 12: Disclosures of Interests in Other Entities

MFRS 12 includes all disclosure requirements for interests in subsidiaries, joint arrangements, associates and structured entities. A number of new disclosures are required. This standard affects disclosures only and has no impact on the Group's financial position or performance.

(c) MFRS 127: Separate Financial Statements

As a consequence of the new MFRS 10 and MFRS 12, MFRS 127 is limited to accounting for subsidiaries, jointly controlled entities and associates in separate financial statements.

(d) MFRS 128: Investments in Associates and Joint Ventures

As a consequence of the new MFRS 11 and MFRS 12, MFRS 128 is renamed as MFRS 128: Investments in Associates and Joint Ventures. This new standard describes the application of the equity method to investments in joint ventures in addition to associates.

(e) MFRS 13: Fair Value Measurement

MFRS 13 establishes a single source of guidance under MFRS for all fair value measurements. MFRS 13 does not change when an entity is required to use fair value, but rather provides guidance on how to measure fair value under MFRS when fair value is required or permitted.

Upon adoption of MFRS 13, the Group will take into consideration the highest and best use of certain properties in measuring the fair value of such properties. The adoption of MFRS 13 is expected to result in higher fair value of certain properties of the Group.

(f) MFRS 3: Business Combinations (IFRS 3 Business Combinations issued by IASB in March 2004) and MFRS 127: Consolidated and Separate Financial Statements (IAS 27 as revised by IASB in December 2003)

An entity shall apply these earlier versions of MFRS 3 and MFRS 127 only if the entity has elected to do so as allowed in MFRS 10: Consolidated Financial Statements. The adoptions of these standards are not expected to have any significant impact to the Group and the Company.

(g) Amendments to MFRS 101: Presentation of Financial Statements (Annual Improvements 2009-2011 Cycle)

The amendments to MFRS 101 change the grouping of items presented in other comprehensive income. Items that could be reclassified (or recycled) to profit or loss at a future point in time (for example, exchange differences on translation of foreign operations and net loss or gain on available-for-sale financial assets) would be presented separately from items which will never be reclassified (for example, actuarial gains and losses on defined benefit plans and revaluation of land and buildings). The amendment affects presentation only and has no impact on the Group's financial position and performance.

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

3.2 Standards issued but not yet effective (continued)

(h) MFRS 9: Financial Instruments: Classification and Measurement

MFRS 9 reflects the first phase of the work on the replacement of MFRS 139: Financial Instruments: Recognition and Measurement and applies to classification and measurement of financial assets and financial liabilities as defined in MFRS 139: Financial Instruments: Recognition and Measurement. The adoption of the first phase of MFRS 9 will have an effect on the classification and measurement of the Group's financial assets. The Group will quantify the effect in conjunction with the other phases, when the final standard including all phases is issued.

3.3 Summary of significant accounting policies

(a) 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 to on the transactions and events in similar circumstances.

All intra-group balances, income and expenses and unrealised gains and losses resulting from intra-group transactions are eliminated in full.

Acquisitions of subsidiaries are accounted for by applying the acquisition method. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date. Acquisition related costs are recognised as expenses in the periods in which the costs are incurred and the services are received.

In business combinations achieved in stages, previously held equity interests in the acquiree are re-measured to fair value at the acquisition date and any corresponding gain or loss is recognised in profit or loss.

The Group elects for each individual business combination, whether non-controlling interest in the acquiree (if any) is recognised on the acquisition date at fair value, or at the non-controlling interest's proportionate share of the acquiree net identifiable assets.

Any excess of the sum of the fair value of the consideration transferred in the business combination, the amount of non-controlling interest in the acquiree (if any), and the fair value of the Group's previously held equity interest in the acquiree (if any), over the net fair value of the acquiree's identifiable assets and liabilities is recorded as goodwill in the statement of financial position. The accounting policy for goodwill is set out in Note 3.3(e)(i). In instances where the latter amount exceeds the former, the excess is recognised as a gain on bargain purchase in profit or loss on the acquisition date.

Subsidiaries are consolidated from the date of acquisition, being the date on which the Group obtains control, and continue to be consolidated until the date that such control ceases.

(b) Transactions with non-controlling interests

Non-controlling interest represents the equity in subsidiaries not attributable, directly or indirectly, to owners of the Company, and is presented separately in the consolidated statement of comprehensive income and within equity in the consolidated statement of financial position, separately from equity attributable to owners of the Company.

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

3.3 Summary of significant accounting policies (continued)

(b) Transactions with non-controlling interests (continued)

Changes in the Company owners' ownership interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions. In such circumstances, the carrying amounts of the controlling and non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiary. Any difference between the amount by which the non-controlling interest is adjusted and the fair value of the consideration paid or received is recognised directly in equity and attributed to owners of the parent.

(c) Foreign currency

(i) Functional and presentation currency

The individual financial statements of each entity in the Group are measured using the currency of the primary economic environment in which the entity operates ("the functional currency"). The consolidated financial statements are presented in Ringgit Malaysia ("RM"), which is also the Company's functional currency.

(ii) Foreign currency transactions

Transactions in foreign currencies are measured in the respective functional currencies of the Company and its subsidiaries and are recorded on initial recognition in the functional currencies at exchange rates approximating those ruling at the transaction dates. Monetary assets and liabilities denominated in foreign currencies are translated at the rate of exchange ruling at the reporting date. Non-monetary items denominated in foreign currencies that are measured at historical cost are translated using the exchange rates as at the dates of the initial transactions. Non-monetary items denominated in foreign currencies measured at fair value are translated using the exchange rates at the date when the fair value was determined.

Exchange differences arising on the settlement of monetary items or on translating monetary items at the reporting date are recognised in profit or loss except for exchange differences arising on monetary items that form part of the Group's net investment in foreign operations, which are recognised initially in other comprehensive income and accumulated under foreign currency translation reserve in equity. The foreign currency translation reserve is reclassified from equity to profit or loss of the Group on disposal of the foreign operation.

Exchange differences arising on the translation of non-monetary items carried at fair value are included in profit or loss for the period except for the differences arising on the translation of non-monetary items in respect of which gains and losses are recognised in other comprehensive income. Exchange differences arising from such non-monetary items are also recognised in other comprehensive income.

(iii) Foreign operations

The assets and liabilities of foreign operations are translated into RM at the rate of exchange ruling at the reporting date and income and expenses are translated at exchange rates at the dates of the transactions. The exchange differences arising on the translation are taken directly to other comprehensive income. On disposal of a foreign operation, the cumulative amount recognised in other comprehensive income and accumulated in equity under foreign currency translation reserve relating to that particular foreign operation is recognised in the profit or loss.

Goodwill and fair value adjustments arising on the acquisition of foreign operations are treated as assets and liabilities of the foreign operations and are recorded in the functional currency of the foreign operations and translated at the closing rate at the reporting date.

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

3.3 Summary of significant accounting policies (continued)

(d) Property, plant and equipment

All items of property, plant and 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 Group and the Company and the cost of the item can be measured reliably.

Subsequent to recognition, plant and equipment and furniture and fixtures are measured at cost less accumulated depreciation and accumulated impairment losses. When significant parts of property, plant and equipment are required to be replaced in intervals, the Group and 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 profits on retirement or disposal of the asset.

Freehold land has an unlimited useful life and therefore is not depreciated. Leased assets are depreciated over the shorter of the lease term and their useful lives unless it is reasonably certain that the Group and the Company will obtain ownership by the end of the lease term. Depreciation is computed on a straight-line basis over the estimated useful lives of the assets as follows:

Leasehold land	2%
Buildings	2%
Plant and machinery	10% - 40%
Motor vehicles, office equipment, furniture and fittings, renovations and fixtures.	10% - 20%

Tooling equipment utilised for specific product model included in plant and machinery are depreciated using units of production method.

Assets under construction are not depreciated as these assets are not yet available for use.

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

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 property, plant and 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 financial year the asset is derecognised.

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

3.3 Summary of significant accounting policies (continued)

(e) Intangible assets

(i) Goodwill

Goodwill is initially measured at cost. Following initial recognition, goodwill is measured at cost less accumulated impairment losses.

For the purpose of impairment testing, goodwill acquired is allocated, from the acquisition date, to each of the Group's cash-generating units that are expected to benefit from the synergies of the combination.

The cash-generating unit to which goodwill has been allocated is tested for impairment annually and whenever there is an indication that the cash-generating unit may be impaired, by comparing the carrying amount of the cash-generating unit, including the allocated goodwill, with the recoverable amount of the cash-generating unit. Where the recoverable amount of the cash-generating unit is less than the carrying amount, an impairment loss is recognised in profit or loss. Impairment losses recognised for goodwill are not reversed in subsequent periods.

Where goodwill forms part of a cash-generating unit and part of the operation within that cash-generating unit is disposed of, the goodwill associated with the operation disposed of is included in the carrying amount of the operation when determining the gain or loss on disposal of the operation. Goodwill disposed off in this circumstance is measured based on the relative fair values of the operations disposed off and the portion of the cash-generating unit retained.

Goodwill and fair value adjustments arising on the acquisition of foreign operation on or after 1 January 2006 are treated as assets and liabilities of the foreign operations and are recorded in the functional currency of the foreign operations and translated in accordance with the accounting policy set out in Note 3.3(c)(iii).

Goodwill and fair value adjustments which arose on acquisitions of foreign operation before 1 January 2006 are deemed to be assets and liabilities of the Company and are recorded in RM at the rates prevailing at the date of acquisition.

(ii) Other 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 the end of each financial year. 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.

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

3.3 Summary of significant accounting policies (continued)

(e) Intangible assets (continued)

(ii) Other intangible assets (continued)

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.

(f) Impairment of non-financial assets

The Group and 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 Group and 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.

(g) Subsidiaries

A subsidiary is an entity over which the Group has the power to govern the financial and operating policies so as to obtain benefits from its activities.

In the Company's separate financial statements, investment in subsidiaries are accounted for at cost less impairment losses.

(h) Associates

An associate is an entity, not being a subsidiary or a joint venture, in which the Group has significant influence. An associate is equity accounted for from the date the Group obtains significant influence until the date the Group ceases to have significant influence over the associate.

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

3.3 Summary of significant accounting policies (continued)

(h) Associates (continued)

The Group's investment in associates are accounted for using the equity method. Under the equity method, the investment in associates is measured in the statement of financial position at cost plus post-acquisition changes in the Group's share of net assets of the associates. Goodwill relating to associates is included in the carrying amount of the investment. Any excess of the Group's share of the net fair value of the associate's identifiable assets, liabilities and contingent liabilities over the cost of the investment is excluded from the carrying amount of the investment and is instead included as income in the determination of the Group's share of the associate's profit or loss for the period in which the investment is acquired.

When the Group's share of losses in an associate equals or exceeds its interest in the associate, the Group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the associate.

After application of the equity method, the Group determines whether it is necessary to recognise an additional impairment loss on the Group's investment in its associates. The Group determines at each reporting date whether there is any objective evidence that the investment in the associate is impaired. If this is the case, the Group calculates the amount of impairment as the difference between the recoverable amount of the associate and its carrying value and recognises the amount in profit or loss.

In the Company's separate financial statements, investment in associates are stated at cost less impairment losses. On disposal of such investment, the difference between net disposal proceeds and their carrying amounts is included in profit or loss.

(i) Financial assets

Financial assets are recognised in the statements of financial position when, and only when, the Group and 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 Group and the Company determine the classification of their financial assets at initial recognition, and the categories include financial assets at fair value through profit or loss, loans and receivables and available-for-sale financial assets.

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

Financial assets are classified as financial assets at fair value through profit or loss if they are held for trading or are designated as such upon initial recognition. Financial assets held for trading are derivatives (including separated embedded derivatives) or financial assets acquired principally for the purpose of selling in the near term.

Subsequent to initial recognition, financial assets at fair value through profit or loss are measured at fair value. Any gains or losses arising from changes in fair value are recognised in profit or loss. Net gains or net losses on financial assets at fair value through profit or loss do not include exchange differences, interest and dividend income. Exchange differences, interest and dividend income on financial assets at fair value through profit or loss are recognised separately in profit or loss as part of other losses or other income.

Financial assets at fair value through profit or loss could be presented as current or non- current. Financial assets that is held primarily for trading purposes are presented as current whereas financial assets that is not held primarily for trading purposes are presented as current or non-current based on the settlement date.

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

3.3 Summary of significant accounting policies (continued)

(i) Financial assets (continued)

(ii) 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 profit or loss 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.

(iii) Available-for-sale financial assets

Available-for-sale financial assets are financial assets that are designated as available for sale or are not classified as loans and receivables, held-to-maturity investments or financial assets at fair value through profit or loss.

After initial recognition, available-for-sale financial assets are measured at fair value. Any gains or losses from changes in fair value of the financial assets are recognised in other comprehensive income, except that impairment losses, foreign exchange gains and losses on monetary instruments and interest calculated using the effective interest method are recognised in profit or loss. The cumulative gain or loss previously recognised in other comprehensive income is reclassified from equity to profit or loss as a reclassification adjustment when the financial asset is derecognised. Interest income calculated using the effective interest method is recognised in profit or loss. Dividends on an available-for-sale equity instrument are recognised in profit or loss when the Group and the Company's right to receive payment is established.

Investments in equity instruments whose fair value cannot be reliably measured are measured at cost less impairment loss.

Available-for-sale financial assets are classified as non-current assets unless they are expected to be realised within 12 months after the reporting date.

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.

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 Group and the Company commit to purchase or sell the asset.

(j) Impairment of financial assets

The Group and the Company assess at each reporting date whether there is any objective evidence that a financial asset is impaired.

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

3.3 Summary of significant accounting policies (continued)

(j) Impairment of financial assets (continued)

(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 Group and 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 Group's and 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.

(ii) Unquoted equity securities carried at cost

If there is objective evidence (such as significant adverse changes in the business environment where the issuer operates, probability of insolvency or significant financial difficulties of the issuer) that an impairment loss on financial assets carried at cost has been incurred, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows discounted at the current market rate of return for a similar financial asset. Such impairment losses are not reversed in subsequent periods.

(iii) Available-for-sale financial assets

Significant or prolonged decline in fair value below cost, significant financial difficulties of the issuer or obligor, and the disappearance of an active trading market are considerations to determine whether there is objective evidence that investment securities classified as available-for-sale financial assets are impaired.

If an available-for-sale financial asset is impaired, an amount comprising the difference between its cost (net of any principal payment and amortisation) and its current fair value, less any impairment loss previously recognised in profit or loss, is transferred from equity to profit or loss.

Impairment losses on available-for-sale equity investments are not reversed in profit or loss in the subsequent periods. Increase in fair value, if any, subsequent to impairment loss is recognised in other comprehensive income. For available-for-sale debt investments, impairment losses are subsequently reversed in profit or loss if an increase in the fair value of the investment can be objectively related to an event occurring after the recognition of the impairment loss in profit or loss.

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

3.3 Summary of significant accounting policies (continued)

(k) Cash and bank balances

Cash and bank balances in the statement of financial position comprise cash on hand and at bank and deposits with licensed banks.

For the purpose of the statements of cash flows, 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 Group's and of the Company's cash management.

(l) Construction contracts

Where the outcome of a construction contract can be reliably estimated, contract revenue and contract costs are recognised as revenue and expenses respectively by using the stage of completion method. The stage of completion is measured by reference to the proportion of contract costs incurred for work performed to date to the estimated total contract costs.

Where the outcome of a construction contract cannot be estimated reliably, contract revenue is recognised to the extent of contract costs incurred that are likely to be recoverable. Contract costs are recognised as expense in the period in which they are incurred.

When it is probable that total contract costs will exceed total contract revenue, the expected loss is recognised as an expense immediately.

Contract revenue comprises the initial amount of revenue agreed in the contract and variations in contract work, claims and incentive payments to the extent that it is probable that they will result in revenue and they are capable of being reliably measured.

When the total of costs incurred on construction contracts plus, recognised profits (less recognised losses), exceeds progress billings, the balance is classified as amount due from customers on contracts. When progress billings exceed costs incurred plus, recognised profits (less recognised losses), the balance is classified as amount due to customers on contracts.

(m) Inventories

Inventories are stated at the lower of cost (determined on a weighted average basis) and net realisable value.

The cost of finished goods and work-in-progress includes direct materials, direct labour, other direct costs and appropriate proportion of production overheads. Net realisable value represents the estimated selling price less all estimated costs of completion and costs to be incurred in marketing, selling and distribution.

Net realisable value is the estimated selling price in the ordinary course of business less estimated costs of completion and the estimated costs necessary to make the sale.

(n) Provisions

Provisions are recognised when the Group and the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of economic resources will be required to settle the obligation and the amount of the obligation can be estimated reliably.

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

3.3 Summary of significant accounting policies (continued)

(n) Provisions (continued)

Provisions are reviewed at each reporting date and adjusted to reflect the current best estimate. If it is no longer probable that an outflow of economic resources will be required to settle the obligation, the provision is reversed. If the effect of the time value of money is material, provisions are discounted using a current pre tax rate that reflects, where appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a interest/finance cost.

(o) 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 Group and 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 profit or loss 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 Group and 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 Group and the Company have not designated any financial liabilities as at fair value through profit or loss.

(ii) Other financial liabilities

The Group's and the Company's other financial liabilities include trade payables, other payables and borrowings/financing.

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.

Borrowings/financing are recognised initially at fair value, net of transaction costs incurred, and subsequently measured at amortised cost using the effective interest method. Borrowings/financing are classified as current liabilities unless the Group and 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 profit or loss 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.

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

3.3 Summary of significant accounting policies (continued)

(p) Borrowing/financing costs

Borrowing/financing costs are capitalised as part of the cost of a qualifying asset if they are directly attributable to the acquisition, construction or production of that asset. Capitalisation of borrowing/financing costs commences when the activities to prepare the asset for its intended use or sale are in progress and the expenditures and borrowing/financing costs are incurred. Borrowing/financing costs are capitalised until the assets are substantially completed for their intended use or sale.

All other borrowing/financing costs are recognised in profit or loss in the period they are incurred. Borrowing/financing costs consist of interest and other costs that the Group and the Company incurred in connection with the borrowing/financing of funds.

(q) 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 Group and 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 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.

(r) Leases

(i) As lessee

Finance leases, which transfer to the Group substantially all the risks and rewards incidental to ownership of the leased item, are capitalised at the inception of the lease at the fair value of the leased asset or, if lower, at the present value of the minimum lease payments. Any initial direct costs are also added to the amount capitalised. Lease payments are apportioned between the interest/finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Interest/finance charges are charged to profit or loss. Contingent rents, if any, are charged as expenses in the periods in which they are incurred.

Leased assets are depreciated over the estimated useful life of the asset. However, if there is no reasonable certainty that the Group will obtain ownership by the end of the lease term, the asset is depreciated over the shorter of the estimated useful life and the lease term.

Operating lease payments are recognised as an expense in profit or loss on a straight-line basis over the lease term. The aggregate benefit of incentives provided by the lessor is recognised as a reduction of rental expense over the lease term on a straight-line basis.

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

3.3 Summary of significant accounting policies (continued)

(r) Leases (continued)

(ii) As lessor

The present value of lease payments receivable under a finance lease is recognised as lease receivables. The difference between the gross receivable and the present value of the receivable is recognised as unearned finance income. Lease income is recognised over the term of the lease so as to reflect a constant periodic rate of return on the balance outstanding.

(s) Discontinued operation

A component of the Group is classified as a "discontinued operation" when the criteria to be classified as held for sale have been met or it has been disposed off and such a component represents a separate major line of business or geographical area of operations or is part of a single coordinated major line of business or geographical area of operations. A component is deemed to be held for sale if its carrying amounts will be recovered principally through a sale transaction rather than through continuing use.

Upon classification as held for sale, non-current assets and disposal groups are not depreciated and are measured at the lower of carrying amount and fair value less costs to sell. Any differences are recognised in profit or loss.

(t) Revenue

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured. Revenue is measured at the fair value of consideration received or receivable.

(i) Sale of goods

Revenue from sale of goods is recognised net of sales taxes and discounts upon the transfer of significant risk and rewards of ownership of the goods to the customer. Revenue is not recognised to the extent where there are significant uncertainties regarding recovery of the consideration due, associated costs or the possible return of goods.

(ii) Construction contracts

Revenue from construction contracts is accounted for by the stage of completion method as described in Note 3.3(l).

(iii) Dividend income

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

(iv) Management fees

Management fees are recognised when services are rendered.

(v) Rendering of services

Revenue from services rendered is recognised as and when the services are performed.

(vi) Interest/finance income

Interest/finance income is recognised using the effective interest/finance method.

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

3.3 Summary of significant accounting policies (continued)

(u) 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 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 year 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 profit or loss is recognised outside profit or loss. 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.

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.

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

3.3 Summary of significant accounting policies (continued)

(u) Income taxes (continued)

(iii) Sales tax

Revenues, expenses and assets are recognised net of the amount of sales tax except where the sales tax incurred in a purchase of assets or services is not recoverable from the taxation authority, in which case the sales tax is recognised as part of the cost of acquisition of the asset or as part of the expense item as applicable and receivables and payables that are stated with the amount of sales tax included.

The net amount of sales tax recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the statements of financial position.

(v) Segment reporting

For management purposes, the Group is organised into operating segments based on their products and services which are independently managed by the respective segment managers responsible for the performance of the respective segments under their charge. The segment managers report directly to the management of the Company who regularly review the segment results in order to allocate resources to the segments and to assess the segment performance. Additional disclosures on each of these segments are shown in Note 39, including the factors used to identify the reportable segments and the measurement basis of segment information.

(w) Contingencies

A contingent liability or asset is a possible obligation or asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of uncertain future event(s) not wholly within the control of the Group.

Contingent liabilities and assets are not recognised in the statements of financial position of the Group and of the Company.

(x) Financial guarantee contracts

A financial guarantee contract is a contract that requires the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payment when due.

Financial guarantee contracts are recognised initially as a liability at fair value, net of transaction costs. Subsequent to initial recognition, financial guarantee contracts are recognised as income in profit or loss over the period of the guarantee. If the debtor fails to make payment relating to financial guarantee contract when it is due and the Group, as the issuer, is required to reimburse the holder for the associated loss, the liability is measured at the higher of the best estimate of the expenditure required to settle the present obligation at the reporting date and the amount initially recognised less cumulative amortisation.

3.4 Significant accounting estimates and judgments

The preparation of the Group's and of the Company's financial statements requires management to make estimates, judgements and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the disclosure of contingent liabilities at the reporting date. However, uncertainty about these assumptions and estimates could result in outcomes that could require a material adjustment to the carrying amount of the asset or liability affected in the future.

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

3.4 Significant accounting estimates and judgments (continued)

(a) Key sources of estimation uncertainty

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below:

(i) Income taxes and deferred tax assets

Deferred tax assets are recognised for all unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based on the likely timing and level of future taxable profits together with future tax planning strategies.

Assumptions about generation of future taxable profits depend on management's estimates of future cash flows. These depends on estimates of future production and sales volume, operating costs, capital expenditures, dividends and other capital management transactions.

Judgement is also required about application of income tax legislation. These judgements and assumptions are subject to risks and uncertainty, hence there is a possibility that changes in circumstances will alter expectations, which may impact the amount of deferred tax assets recognised in the statements of financial position and the amount of unrecognised tax losses and unrecognised temporary differences.

The Group and the Company recognises liabilities for expected tax issues based on estimates of whether additional taxes will be due. Where the final tax outcome of these matters is different from the amounts that were initially recognised, such differences will impact the income tax and deferred tax provisions in the period in which such determination is made.

The carrying amounts of the Group and of the Company deferred tax assets/(liabilities) are as disclosed in Notes 29.

(ii) Impairment of property, plant and equipment

The Group and the Company carried out the impairment test when indication exists and based on a variety of estimation including the value-in-use of the property, plant and equipment. Estimating the value-in-use requires the Group and the Company to make an estimate of expected future cash flows and also to choose a suitable discount rate in order to calculate the present value of those cash flows. The carrying amounts of the property, plant and equipment of the Group and of the Company as at 31 January 2013 are disclosed in Note 14.

(iii) Construction contracts

The Group recognises construction contracts revenue and expenses in the profit or loss by using the stage of completion method. The stage of completion is determined by the proportion that construction contracts costs incurred for work performed to date bear to the total budgeted costs.

Significant judgement is required in determining the stage of completion, the extent of the construction contracts costs incurred, the estimated total construction contracts revenue and costs, the percentage of physical completion, as well as the recoverability of the construction contracts. In making the judgement, the directors evaluted based on past experience and by relying on the work of specialists.

The carrying amounts of the Group's construction contracts activities are disclosed in Note 21.

(b) Judgments

There has been no significant judgments required in the process of applying the Group's and the Company's accounting policies.

4. REVENUE

	Group		Company	
	2013 RM	2012 RM	2013 RM	2012 RM
Sales of goods	745,911,450	593,921,539	-	-
Construction contracts	114,005,519	64,815,085	-	-
Dividend income from subsidiaries	-	-	7,322,093	7,000,000
Management fees from subsidiaries	-	-	11,750,000	10,665,000
	859,916,969	658,736,624	19,072,093	17,665,000

5. COST OF SALES

	Group	
	2013 RM	2012 RM
Costs of goods sold	628,413,231	495,204,335
Construction contract costs	102,802,749	62,211,616
	731,215,980	557,415,951

6. INTEREST/FINANCE INCOME

	Group		Company	
	2013 RM	2012 RM	2013 RM	2012 RM
Interest/finance income from loans and receivables	963,195	591,041	7,386,044	8,166,606

7. OTHER INCOME

	Group		Company	
	2013	2012	2013	2012
	RM	RM	RM	RM
Foreign exchange gain				
- unrealised	7,025,586	584,491	-	-
- realised	1,395,514	162,321	-	-
Gain on disposal of investment in an associate company	-	100,000	-	100,000
Gain on disposal of investment in a subsidiary company	-	4,500,725	-	-
Reversal of allowance for impairment loss on receivables	-	1,800,000	-	-
Gain on disposal of property, plant and equipment	566,959	306,788	-	-
Insurance claim received - fire	1,000,000	-	-	-
Insurance claim received/ receivables - flood	24,715,437	29,439,300	-	-
Finance income on finance lease receivables	451,313	1,648,625	-	-
Sales of trial parts	-	3,376,039	-	-
Reversal of loss from inventories obsolescence and devaluation	732,989	-	-	-
Miscellaneous income	1,792,640	2,703,037	2,378	12,975
	37,680,438	44,621,326	2,378	112,975

8. INTEREST/FINANCE COSTS

	Group		Company	
	2013	2012	2013	2012
	RM	RM	RM	RM
Interest/finance costs on:				
- Syndicated CMTF-i	7,277,977	8,085,757	7,277,977	8,085,757
- Bank borrowings	7,465,129	5,228,366	244,321	345,431
- Hire purchase and lease payables	275,454	96,809	46,536	35,241
- Others	809,096	814,036	133,924	3,224
	15,827,656	14,224,968	7,702,758	8,469,653

9. PROFIT BEFORE TAXATION

	Group		Company	
	2013	2012	2013	2012
	RM	RM	RM	RM
Employee benefits expense (Note 10)	93,006,139	79,924,542	8,394,402	8,851,130
Non-executive directors'				
remuneration (Note 11)	181,000	177,000	181,000	177,000
Auditors' remuneration				
- statutory audits	377,567	393,942	32,500	30,000
- other services	67,500	27,980	67,500	27,980
Rental expense	5,785,967	3,832,464	386,036	530,672
Provision for foreseeable losses	3,043,892	-	-	-
Provision for obsolete inventories	3,087,290	1,842,024	-	-
Inventories written off	2,433,730	450,442	-	-
Property, plant and equipment				
- depreciation	28,403,695	30,992,904	255,695	235,774
- written off	3,199,641	15,624,032	-	-
Amortisation of intangible assets	767,142	906,457	18,752	3,981
Intangible assets written off	86,712	45	-	-
Allowance for impairment loss				
on receivables	981,694	5,597,700	-	-
Receivables written off	901,003	-	-	-
Foreign exchange losses				
- unrealised	1,970	464,341	1,970	-
- realised	739,243	236,772	31,070	8,077

10. EMPLOYEE BENEFITS EXPENSE

	Group		Company	
	2013	2012	2013	2012
	RM	RM	RM	RM
Wages and salaries	57,754,563	50,551,026	4,786,088	5,775,109
Bonus	7,092,326	6,153,121	1,119,439	979,991
Pension costs - defined contribution				
plans	6,733,723	5,900,251	867,207	890,580
Other costs	21,425,527	17,320,144	1,621,668	1,205,450
	93,006,139	79,924,542	8,394,402	8,851,130

Included in employee benefits expense of the Group and of the Company are executive directors' remuneration amounting to RM5,919,065 (2012: RM5,219,185) and RM1,674,966 (2012: RM1,542,851) respectively, as further disclosed in Note 11.

11. DIRECTORS' REMUNERATION

	Group		Company	
	2013	2012	2013	2012
	RM	RM	RM	RM
Directors of the Company				
Executive:				
Salaries and other emoluments	2,021,881	1,860,943	1,452,056	1,326,851
Fees	31,000	24,000	-	-
Bonus	341,470	311,000	222,910	216,000
Benefits-in-kind	21,600	21,600	14,400	14,400
	2,415,951	2,217,543	1,689,366	1,557,251
Non-Executive:				
Fees	140,000	130,000	140,000	130,000
Allowances	41,000	47,000	41,000	47,000
	181,000	177,000	181,000	177,000
Other Directors				
Executive:				
Salaries and other emoluments	3,209,430	2,628,707	-	-
Fees	33,000	12,000	-	-
Bonus	282,284	382,535	-	-
Benefits-in-kind	7,200	14,400	-	-
	3,531,914	3,037,642	-	-
Total	6,128,865	5,432,185	1,870,366	1,734,251
Analysis excluding benefits-in-kind:				
Total Executive Directors' remuneration	5,919,065	5,219,185	1,674,966	1,542,851
Total Non-Executive Directors' remuneration	181,000	177,000	181,000	177,000
Total Directors' remuneration	6,100,065	5,396,185	1,855,966	1,719,851

11. DIRECTORS' REMUNERATION (CONTINUED)

The number of Directors of the Company whose total remuneration at the Group during the financial year fell within the following bands is analysed below:

	Number of Directors	
	2013	2012
Executive Directors:		
RM600,001 - RM650,000	-	1
RM650,001 - RM700,000	1	1
RM700,001 - RM750,000	1	-
RM850,001 - RM900,000	-	1
RM950,001 - RM1,000,000	1	-
Non-Executive Directors:		
Below RM50,000	4	3
RM50,001 - RM100,000	1	1

12. INCOME TAX EXPENSE/(BENEFIT)

	Group		Company	
	2013 RM	2012 RM	2013 RM	2012 RM
Income tax:				
Malaysian income tax	2,395,551	2,283,846	1,470,475	1,750,000
Foreign income tax	-	-	-	-
Under/(over) provision in prior years	25,309	(7,087)	-	42,044
	2,420,860	2,276,759	1,470,475	1,792,044
Deferred tax (Note 29):				
Relating to origination and reversal of temporary differences	2,251,666	(3,628,631)	-	-
Under/(over) provision in prior years	194,906	(627,431)	-	-
	2,446,572	(4,256,062)	-	-
Income tax expense/(benefit) recognised in profit or loss	4,867,432	(1,979,303)	1,470,475	1,792,044
Deferred tax income relating to other comprehensive income - Net surplus on revaluation of land and buildings	1,585,697	-	-	-

12. INCOME TAX EXPENSE/(BENEFIT) (CONTINUED)

The reconciliation between tax expense/(benefit) and the product of accounting profit multiplied by the applicable corporate tax rate for the financial years ended 31 January 2013 and 2012 are as follows:

	Group 2013 RM	Group 2012 RM	Company 2013 RM	Company 2012 RM
Profit before taxation	34,418,918	27,325,862	7,466,972	5,374,452
Tax at Malaysian statutory tax rate of 25% (2012: 25%)	8,604,730	6,831,466	1,866,743	1,343,613
Different tax rates in other countries	(293,951)	571,030	-	-
Income not subject to tax	(5,297,773)	(6,133,915)	(1,553,722)	-
Expenses not deductible for tax purposes	4,786,000	3,676,166	1,259,610	406,387
Effect of utilisation of reinvestment allowance and investment tax allowance	(4,046,774)	(2,845,660)	-	-
Utilisation of previously unused tax losses and unabsorbed allowances	(129,587)	(4,603,311)	(102,156)	-
Deferred tax assets not recognised on unused tax losses and unabsorbed allowances	1,024,572	1,159,439	-	-
Under/(over) provision of deferred tax in prior years	194,906	(627,431)	-	-
Under/(over) provision of tax expense in prior years	25,309	(7,087)	-	42,044
Income tax expense/(benefit) recognised in profit or loss	4,867,432	(1,979,303)	1,470,475	1,792,044

Domestic income tax is calculated at the Malaysian statutory tax rate of 25% (2012: 25%) of the estimated assessable profit for the financial year. Taxation for other jurisdictions is calculated at the rates prevailing in the respective jurisdictions.

The above reconciliation is prepared by aggregating separate reconciliations for each national jurisdiction.

Tax savings during the financial year arising from:

	Group 2013 RM	Group 2012 RM	Company 2013 RM	Company 2012 RM
Utilisation of unabsorbed capital allowances brought forward	-	2,133,224	-	-
Utilisation of reinvestment allowances brought forward	10,863,918	15,896,916	-	-
Utilisation of unabsorbed losses brought forward	1,039,308	678,424	11,326	-
Utilisation of current year capital allowances	17,283,632	24,137,058	666,229	-
Utilisation of current year losses	2,504,616	151,328	-	80,306

13. EARNINGS PER SHARE

Basic earnings per share of the Group is calculated by dividing profit for the financial year attributable to equity holders of the Company by the weighted average number of ordinary shares outstanding during the financial year.

	Group 2013 RM	Group 2012 RM
Profit for the financial year attributable to equity holders of the Company	20,129,146	22,149,259
Weighted average number of ordinary shares outstanding	84,400,000	76,800,000
Basic earnings per share (sen)	23.8	28.8

14. PROPERTY, PLANT AND EQUIPMENT

Group	Land and buildings * RM	Plant and machinery RM	Property, plant and equipment in progress RM	Other assets ** RM	Total RM
At 31 January 2013					
Cost/valuation					
At 1 February 2012	162,462,252	431,460,045	27,483,953	55,736,420	677,142,670
Additions	786,680	15,827,685	50,858,179	8,243,005	75,715,549
Disposals	-	(1,243,937)	-	(972,531)	(2,216,468)
Write off	(272,250)	(3,824,960)	(137,420)	(1,657,485)	(5,892,115)
Revaluation surplus	27,525,686	-	-	-	27,525,686
Elimination of accumulated depreciation on revaluation surplus	(9,122,266)	-	-	-	(9,122,266)
	18,403,420	-	-	-	18,403,420
Reclassification	6,657,796	50,379,401	(58,428,131)	1,390,934	-
Exchange differences	2,049,960	11,014,036	456,155	342,573	13,862,724
At 31 January 2013	190,087,858	503,612,270	20,232,736	63,082,916	777,015,780
Representing:					
Cost	-	503,612,270	20,232,736	63,082,916	586,927,922
Valuation	190,087,858	-	-	-	190,087,858
	190,087,858	503,612,270	20,232,736	63,082,916	777,015,780

14. PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

Group (continued)	Land and buildings * RM	Plant and machinery RM	Property, plant and equipment in progress RM	Other assets ** RM	Total RM
At 31 January 2013 (continued)					
Accumulated depreciation and impairment					
At 1 February 2012	19,524,081	372,032,056	-	46,154,972	437,711,109
Charge for the financial year	4,344,900	19,275,239	-	4,783,556	28,403,695
Disposals	-	(810,697)	-	(929,407)	(1,740,104)
Write off	(202,044)	(1,054,546)	-	(1,435,884)	(2,692,474)
Elimination of accumulated depreciation on revaluation surplus	(9,122,266)	-	-	-	(9,122,266)
Reclassification	(71,652)	-	-	71,652	-
Exchange differences	502,345	9,621,353	-	305,083	10,428,781
At 31 January 2013	14,975,364	399,063,405	-	48,949,972	462,988,741
Net carrying amount					
Cost	-	104,548,865	20,232,736	14,132,944	138,914,545
Valuation	175,112,494	-	-	-	175,112,494
	175,112,494	104,548,865	20,232,736	14,132,944	314,027,039
At 31 January 2012					
Cost/valuation					
At 1 February 2011	163,008,042	478,331,142	35,904,862	55,709,024	732,953,070
Additions	2,273,978	13,187,217	925,129	3,791,324	20,177,648
Disposals	-	(4,440,793)	(7,741,707)	(2,949,551)	(15,132,051)
Write off	(3,086,236)	(56,676,706)	-	(1,338,574)	(61,101,516)
Reclassification	-	1,078,167	(1,602,983)	524,816	-
Exchange differences	266,468	(18,982)	(1,348)	(619)	245,519
At 31 January 2012	162,462,252	431,460,045	27,483,953	55,736,420	677,142,670
Representing:					
Cost	23,667,603	431,460,045	27,483,953	55,736,420	538,348,021
Valuation	138,794,649	-	-	-	138,794,649
	162,462,252	431,460,045	27,483,953	55,736,420	677,142,670

14. PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

Group (continued)	Land and buildings * RM	Plant and machinery RM	Property, plant and equipment in progress RM	Other assets ** RM	Total RM
At 31 January 2013 (continued)					
Accumulated depreciation and impairment					
At 1 February 2011	16,380,768	398,222,996	-	43,205,268	457,809,032
Charge for the financial year	3,798,253	21,673,890	-	5,520,761	30,992,904
Disposals	-	(3,648,038)	-	(1,949,488)	(5,597,526)
Write off	(654,157)	(44,202,295)	-	(621,032)	(45,477,484)
Exchange differences	(783)	(14,497)	-	(537)	(15,817)
At 31 January 2012	19,524,081	372,032,056	-	46,154,972	437,711,109
Net carrying amount					
Cost	19,478,087	59,427,989	27,483,953	9,581,448	115,971,477
Valuation	123,460,084	-	-	-	123,460,084
	142,938,171	59,427,989	27,483,953	9,581,448	239,431,561

** Other assets comprise motor vehicles, office equipment, furniture and fittings, renovations and fixtures.

*** Land and buildings**

Group	Long term leasehold buildings RM	Long term leasehold land RM	Freehold land RM	Freehold buildings RM	Total RM
At 31 January 2013					
Valuation					
At 1 February 2012	66,008,402	16,807,386	19,978,809	59,667,655	162,462,252
Additions	349,690	-	-	436,990	786,680
Write off	(272,250)	-	-	-	(272,250)
Revaluation surplus	(7,960,805)	22,556,462	2,987,206	9,942,823	27,525,686
Elimination of accumulated depreciation on revaluation surplus	(7,477,758)	-	-	(1,644,508)	(9,122,266)
	(15,438,563)	22,556,462	2,987,206	8,298,315	18,403,420
Reclassifications	-	-	-	6,657,796	6,657,796
Exchange differences	(153,337)	(182,962)	628,953	1,757,306	2,049,960
At 31 January 2013	50,493,942	39,180,886	23,594,968	76,818,062	190,087,858
Representing:					
Valuation	50,493,942	39,180,886	23,594,968	76,818,062	190,087,858

14. PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

*** Land and buildings**

Group (continued)	Long term leasehold buildings RM	Long term leasehold land RM	Freehold land RM	Freehold buildings RM	Total RM
At 31 January 2013 (continued)					
Accumulated depreciation					
At 1 February 2012	8,228,577	819,986	-	10,475,518	19,524,081
Charge for the financial year	1,981,395	216,911	-	2,146,594	4,344,900
Write off	(202,044)	-	-	-	(202,044)
Elimination of accumulated depreciation on revaluation surplus	(7,477,758)	-	-	(1,644,508)	(9,122,266)
Reclassification	-	-	-	(71,652)	(71,652)
Exchange differences	(44,532)	-	-	546,877	502,345
At 31 January 2013	2,485,638	1,036,897	-	11,452,829	14,975,364
Net carrying amount					
Valuation	48,008,304	38,143,989	23,594,968	65,365,233	175,112,494
At 31 January 2012					
Cost/valuation					
At 1 February 2011	63,897,812	16,536,986	19,979,775	62,593,469	163,008,042
Additions	2,110,590	-	-	163,388	2,273,978
Write-offs	-	-	-	(3,086,236)	(3,086,236)
Exchange differences	-	270,400	(966)	(2,966)	266,468
At 31 January 2012	66,008,402	16,807,386	19,978,809	59,667,655	162,462,252
Representing:					
Cost	6,860,217	16,807,386	-	-	23,667,603
Valuation	59,148,185	-	19,978,809	59,667,655	138,794,649
	66,008,402	16,807,386	19,978,809	59,667,655	162,462,252
Accumulated depreciation					
At 1 February 2011	6,462,923	663,432	-	9,254,413	16,380,768
Charge for the financial year	1,765,654	156,554	-	1,876,045	3,798,253
Write-offs	-	-	-	(654,157)	(654,157)
Exchange differences	-	-	-	(783)	(783)
At 31 January 2012	8,228,577	819,986	-	10,475,518	19,524,081
Net carrying amount					
Cost	3,490,687	15,987,400	-	-	19,478,087
Valuation	54,289,138	-	19,978,809	49,192,137	123,460,084
	57,779,825	15,987,400	19,978,809	49,192,137	142,938,171

14. PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

Company	Renovations RM	Motor vehicles RM	Furniture and fittings RM	Office equipment and computers RM	Total RM
At 31 January 2013					
Cost					
At 1 February 2012	-	915,157	182,283	1,429,676	2,527,116
Additions	7,264	403,000	7,067	114,698	532,029
At 31 January 2013	7,264	1,318,157	189,350	1,544,374	3,059,145
Accumulated depreciation					
At 1 February 2012	-	289,269	120,891	1,246,212	1,656,372
Charge for the financial year	730	163,275	20,723	70,967	255,695
At 31 January 2012	730	452,544	141,614	1,317,179	1,912,067
Net carrying amount	6,534	865,613	47,736	227,195	1,147,078
At 31 January 2012					
Cost					
At 1 February 2011	-	915,157	135,307	1,307,163	2,357,627
Additions	-	-	46,976	122,513	169,489
At 31 January 2012	-	915,157	182,283	1,429,676	2,527,116
Accumulated depreciation					
At 1 February 2011	-	125,926	106,559	1,188,113	1,420,598
Charge for the financial year	-	163,343	14,332	58,099	235,774
At 31 January 2012	-	289,269	120,891	1,246,212	1,656,372
Net carrying amount	-	625,888	61,392	183,464	870,744

14. PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

(a) Property, plant and equipment were revalued during the financial year by an independent professional valuer. The valuation and fair value is determined by reference to open market values on an existing use basis.

Year of Valuation	Description of Property	Valuation Amount RM
2012	Land and factory at Bangi	4,500,000
2012	Land and factory at Nilai	21,500,000
2012	Land and factory at Bukit Beruntung	40,200,000
2012	Land and building at Sungai Penchala	50,000,000
2012	Land and factory at Rayong, Thailand	30,100,000
2012	Land and factory at Ayutthaya, Thailand	12,400,000
2012	Land and factory at Cikarang, Indonesia	9,018,000
2012	Staff accommodation at Nilai	630,000
2012	Staff accommodation at Bukit Beruntung	1,320,000
2012	Land at Nilai	300,000

Had the revalued land and buildings been carried at historical costs, the net book value of the land and buildings that would have been included in the financial statements of the Group as at 31 January 2013 would have been RM107,119,172 (2012: RM109,327,767).

(b) Net book values of property, plant and equipment held under hire purchase arrangements are as follows:

	Group		Company	
	2013 RM	2012 RM	2013 RM	2012 RM
Motor vehicles	2,330,881	1,628,023	865,613	625,888
Plant and machinery	2,892,188	2,371,185	-	-

(c) During the financial year, the Group and the Company acquired property, plant and equipment of which RM3,011,142 (2012: RM573,973) and RM403,000 (2012: RM Nil) respectively were aquired by means of hire purchase, finance lease and Al-Ijarah lease arrangements.

(d) The net book values of properties pledged to financial institutions during the financial year for Syndicated CMTF-i as referred to in Note 24 are as follows:

	Group	
	2013 RM	2012 RM
Long term leasehold land	31,900,504	12,895,335
Long term leasehold buildings	43,726,827	55,941,014
Freehold land	11,300,000	9,200,000
Freehold buildings	28,663,059	28,370,954
	115,590,390	106,407,303

14. PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

(e) The net book values of property, plant and equipment pledged to financial institutions for other borrowings/ financing as referred to in Note 24 are as follows:

	Group	
	2013 RM	2012 RM
Freehold land	11,994,969	10,528,809
Freehold buildings	36,469,266	20,262,835
Plant and machinery	76,796,900	44,170,909
Property, plant and equipment in progress	-	14,432,601
	125,261,135	89,395,154

(f) The property, plant and equipment damaged and written off in the previous financial year are as follows:

	Cost RM	Accumulated depreciation RM	Net book value RM
Land and buildings	3,086,236	(654,157)	2,432,079
Plant and machinery	36,167,519	(24,088,941)	12,078,578
Other assets	399,842	(393,325)	6,517
	39,653,597	(25,136,423)	14,517,174

15. INTANGIBLE ASSETS

Group	Goodwill RM	Computer Software RM	Total RM
Cost			
At 31 January 2011	573,001	9,490,089	10,063,090
Additions	-	537,631	537,631
Write off	-	(570)	(570)
Exchange differences	-	(441)	(441)
At 31 January 2012	573,001	10,026,709	10,599,710
Additions	-	236,628	236,628
Write off	-	(195,430)	(195,430)
Exchange differences	-	300,548	300,548
At 31 January 2013	573,001	10,368,455	10,941,456
Accumulated amortisation and impairment			
At 31 January 2011	495,149	6,024,125	6,519,274
Amortisation	-	906,457	906,457
Write off	-	(525)	(525)
Exchange differences	-	(202)	(202)
At 31 January 2012	495,149	6,929,855	7,425,004
Amortisation	-	767,142	767,142
Write off	-	(108,718)	(108,718)
Exchange differences	-	163,168	163,168
At 31 January 2013	495,149	7,751,447	8,246,596
Net carrying amount			
At 31 January 2012	77,852	3,096,854	3,174,706
At 31 January 2013	77,852	2,617,008	2,694,860

15. INTANGIBLE ASSETS (CONTINUED)

Company	Computer Software 2013 RM	2012 RM
Cost		
At 1 February	69,437	69,437
Additions	148,617	-
At 1 February/31 January	218,054	69,437
Accumulated amortisation		
At 1 February	63,536	59,555
Amortisation	18,752	3,981
At 31 January	82,288	63,536
Net carrying amount		
At 31 January	135,766	5,901

Impairment tests for goodwill

Goodwill has been allocated to the Group's CGUs identified according to country of operation and business segment as follows:

	Group 2013 RM	2012 RM
Automotive Components Manufacturing Thailand	77,852	77,852

Key assumptions used in value-in-use calculations

The recoverable amount of goodwill is determined based on value-in-use calculations using cash flow projections based on financial budgets approved by management covering a five-year period. The following describes each key assumption on which management has based its cash flow projections to undertake impairment testing of goodwill:

(a) Budgeted gross margin

The budgeted gross margin assigned to Automotive Division is 17.2% (2012: 18.6%). The basis used to determine the value assigned to the budgeted gross margins is the average gross margins achieved in the financial year immediately before the budgeted financial year.

(b) Growth rate

The weighted average growth rate used for Automotive Component Manufacturing is consistent with the long-term average growth rate for the industry.

(c) Discount rate

The discount rate used for Group is 5.81% (2012: 5.02%) per annum. These rates are pre-tax and reflect specific risks relating to the industry.

15. INTANGIBLE ASSETS (CONTINUED)

Key assumptions used in value-in-use calculations (continued)

(d) Bond rate

The bond rate used is the yield on a 10-year Malaysian government bond rate at the beginning of the budgeted year.

(e) Raw materials price inflation

The basis used to determine the value assigned to the raw materials price inflation is the forecast price indices during the budget year. Values assigned to key assumptions are consistent with external information sources.

16. INVESTMENT IN SUBSIDIARIES

	Company 2013 RM	Company 2012 RM
Unquoted shares, at cost	114,207,007	113,653,883

Details of the subsidiaries are as follows:

NAME OF SUBSIDIARIES	COUNTRY OF INCORPORATION	EFFECTIVE EQUITY INTEREST HELD 2013 %	2012 %	PRINCIPAL ACTIVITIES
Ingress Technologies Sdn. Bhd.	Malaysia	70	70	Manufactures and supplies complete automotive door assemblies (door-in-white) and manufactures and assembles medium to high tonnage press parts
Ingress Autoventures Co., Ltd. *	Thailand	62.5	62.5	Manufactures automotive components
Fine Components (Thailand) Co., Ltd. *	Thailand	100	100	Manufactures and supplies metal components for the automotive industry utilising fine blanking technology
PT Ingress Malindo Ventures *	Indonesia	49.5	49.5	Manufactures automotive components
PT Ingress Technologies Indonesia *^	Indonesia	70	-	Manufactures automotive components
Ingress Engineering Sdn. Bhd.	Malaysia	100	100	Manufactures and supplies roll-formed plastic mouldings and weather-strips, wire-harness and provision of management services
Ingress Precision Sdn. Bhd.	Malaysia	90	90	Manufactures and supplies roll-formed metal automotive door sash (door frame) and related components

16. INVESTMENT IN SUBSIDIARIES (CONTINUED)

Details of the subsidiaries are as follows: (continued)

NAME OF SUBSIDIARIES	COUNTRY OF INCORPORATION	EFFECTIVE EQUITY INTEREST HELD 2013 %	2012 %	PRINCIPAL ACTIVITIES
Ingress Auto Sdn. Bhd.	Malaysia	100	100	Premium motor vehicle dealership, services center and spare parts sales
Talent Synergy Sdn. Bhd.	Malaysia	100	100	Provides engineering solutions in industrial automation through design and fabrication as well as manufactures and supplies sub-system or system for the applications in production and testing
Multi Discovery Sdn. Bhd.	Malaysia	100	100	Provides engineering services for the power and utility industry
Ramusa Engineering Sdn. Bhd.	Malaysia	95	95	Provides electrical engineering services for power and utility industry, particularly in building, infrastructure and distribution network
Ingress Fabricators Sdn. Bhd. *	Malaysia	100	100	Provides engineering services and supply of instrumentation equipment for oil and gas industry
Ingress CES Sdn. Bhd. *	Malaysia	100	70	Dormant
Ingress Research Sdn. Bhd.	Malaysia	100	100	Dormant
Ingress Sukuk Berhad *	Malaysia	100	100	Dormant
Ingress Environmental Sdn. Bhd. *	Malaysia	100	100	Dormant
PT Ingress Amdec Environmental *	Indonesia	51	51	Dormant
Matrix Hydro Generation Sdn. Bhd. *	Malaysia	70	70	Dormant
Ingress Automotive Electrical Sdn. Bhd. *	Malaysia	100	100	Dormant
PT Bina Selaras Tradindo *	Indonesia	60	60	Dormant

* Audited by firms of auditors other than Ernst & Young.

^ PT Ingress Technologies Indonesia is a newly incorporated company wholly owned by Ingress Technologies Sdn Bhd

16. INVESTMENT IN SUBSIDIARIES (CONTINUED)

(a) Acquisition of shares from non-controlling interest of Ingress Ces Sdn. Bhd. ("ICSB")

On 7 December 2012, the Company has entered into a Shares Sale Agreement with a Korean partner, CES Co., Ltd. to acquire 420,000 units of ordinary shares of RM1.00 each, representing 30% equity share in ICSB for a cash consideration of RM553,124. The acquisition has been completed on 9 January 2013.

The above acquisition had the following effects on the financial position of the Group as at 31 January 2013:

	2013 RM
Property, plant and equipment	131,363
Trade and other receivables	716,753
Cash and bank balances	1,619,859
Trade and other payables	(474,228)
Deferred tax liability	(150,000)
Net assets as at 7 December 2012	1,843,747
Share of net assets acquired	553,124

(b) Disposal of shares in PT Ingress Malindo Ventures ("PTIMV")

On 4 May 2011, the Group via its subsidiary company, Ingress Precision Sdn. Bhd. subscribed for 1,138,725 new shares of IDR8,875 per share amounting to IDR10,102,190,625 in PTIMV by capitalising the inter-company advances. The new subscription had increased the number of shares held from 1,138,275 to 2,276,550 but the effective equity interest of the Group in PTIMV remained at 81%.

Subsequently, on 21 September 2011, the Group via its subsidiary company, Ingress Precision Sdn. Bhd. ("IPSB") disposed of 885,325 ordinary shares in PTIMV to its joint venture partners in Thailand, Katayama Kogyo Co., Ltd. and Yonei Co., Ltd. for a total consideration of IDR7.86 billion or RM2.65 million. As a result of the disposal, the effective equity interest of the Group in PTIMV decreased from 81% to 49.5%.

The disposal of shares in PTIMV had the following effects on the financial position of the Group as at the end of the financial year ended 31 January 2012:

	2012 RM
Property, plant and equipment	14,636,781
Intangible assets	92,099
Inventories	2,578,086
Trade and other receivables	11,368,613
Cash and bank balances	2,013,538
Trade and other payables	(26,349,240)
Borrowings/financing	(5,042,490)
Net assets as at 21 September 2011	(702,613)

16. INVESTMENT IN SUBSIDIARIES (CONTINUED)

(b) Disposal of shares in PT Ingress Malindo Ventures ("PTIMV") (continued)

The disposal of shares in PTIMV had the following effects on the financial position of the Group as at the end of the financial year ended 31 January 2012: (continued)

	2012 RM
Share of net liabilities disposed	(221,323)
Total disposal proceeds settled by cash	(2,649,171)
Gain on disposal to the Group recognised directly in equity	(2,870,494)

(c) Disposal of shares in Matrix Power Services Sdn Bhd ("MPSSB")

On 12 November 2010, the Group via its subsidiary company, Multi Discovery Sdn. Bhd. entered into Share Sale Agreement with the other shareholder of MPSSB to dispose of its entire 400,000 ordinary shares of RM1.00 each, representing 80% equity share of the Group in MPSSB for cash consideration of RM200,000. The disposal of MPSSB has been completed during the financial year ended 31 January 2012.

The disposal had the following effects on the financial position of the Group as at the end of the financial year ended 31 January 2012:

	2012 RM
Property, plant and equipment	540,422
Intangible assets	59,884
Inventories	2,959,826
Trade and other receivables	3,388,672
Cash and bank balances	303,987
Trade and other payables	(9,603,105)
Borrowings/financing	(3,025,592)
Net liabilities as at 30 April 2011	(5,375,906)
Share of net liabilities disposed	(4,300,725)
Total disposal proceeds settled by cash	(200,000)
Gain on disposal to the Group recognised in profit for the financial year	(4,500,725)

(d) Subscription of new shares in Ingress Auto Sdn. Bhd. ("IASB")

On 27 January 2012, the Company subscribed for 5,000,000 new shares of RM1 per share in IASB, a wholly owned subsidiary of the Company by capitalising the inter-company advances amounting to RM5,000,000. The new subscription had increased the number of shares held from 5,000,000 to 10,000,000 shares.

17. INVESTMENT IN ASSOCIATES

	Group 2013 RM	Group 2012 RM
Unquoted investments, at cost	3,061,223	2,086,258
Share of post-acquisition reserves	4,829,134	5,490,967
Share of hedging deficit	(105,418)	(2,412,410)
	7,784,939	5,164,815
Less: Accumulated impairment losses	(50,000)	(50,000)
	7,734,939	5,114,815
Represented by:		
Share of net assets	7,734,939	5,114,815

Details of associates are as follows:

NAME OF ASSOCIATES	COUNTRY OF INCORPORATION	EFFECTIVE EQUITY INTEREST HELD 2013 %	EFFECTIVE EQUITY INTEREST HELD 2012 %	PRINCIPAL ACTIVITIES
Balfour Beatty Rail Sdn. Bhd. *	Malaysia	30	30	Rail electrification works and maintenance activities
Ingress Mayur Auto Ventures Private Limited *	India	40	40	Manufactures and supplies roll-formed plastic mouldings
Sapura Ingress Ventures Sdn. Bhd. *	Malaysia	50	50	Dormant

* Audited by firm of auditors other than Ernst & Young.

Summarised financial information of associates are as follows:

	Group 2013 RM	Group 2012 RM
Assets and liabilities		
Non-current assets	22,047,095	19,740,516
Current assets	235,070,394	234,969,488
Total assets	257,117,489	254,710,004
Non-current liabilities	5,218,080	6,287,688
Current liabilities	228,748,089	232,612,724
Total liabilities	233,966,169	238,900,412
Results		
Revenue	259,754,994	226,982,969
Loss for the financial year	(2,516,064)	(1,021,329)

17. INVESTMENT IN ASSOCIATES (CONTINUED)

(a) Acquisition of shares in an associate company

On 27 October 2012 and 11 January 2013, the Group via its subsidiary company, Ingress Engineering Sdn. Bhd. subscribed for 500,000 and 532,080 new Ingress Mayur Auto Ventures Private Limited ("IMAPL") ordinary shares of Indian Rupee ("INR") 10 each with a total consideration of RM974,965 (INR10,320,800). The new subscription had increased the number of shares held from 2,567,870 to 3,599,950 but the effective equity interest of the Group in IMAPL remained at 40%.

(b) Disposal of shares in an associate company

On 16 February 2011, the Company disposed of the entire 49% or 960,000 ordinary shares in Maju Nusa Sdn. Bhd. for a cash consideration of RM100,000 to a third party. The disposal of shares resulted in a gain on disposal of RM100,000.

18. INVESTMENT SECURITIES

	Group	
	2013 RM	2012 RM
Unquoted shares classified as available-for-sale financial assets	100,000	100,000

19. INVENTORIES

	Group	
	2013 RM	2012 RM
At cost:		
Raw materials and consumables	17,728,979	19,605,839
Work-in-progress	7,993,759	4,339,715
Finished goods	3,941,705	4,560,430
Trading stock	19,436,617	17,104,388
Spare parts	6,323,637	4,220,475
	55,424,697	49,830,847
At net realisable value:		
Trading stock	2,472,629	2,556,846
	57,897,326	52,387,693

During the financial year, the amount of inventories recognised as an expense in cost of sales of the Group was RM514,692,472 (2012: RM397,556,440). As disclosed in Note 37, the Group had written off its inventories amounting to RM2,433,730 during the financial year which was due to fire in Nilai while an amount of RM450,442 was written off in the previous financial year due to the flood in Thailand.

20. TRADE AND OTHER RECEIVABLES

	Group 2013 RM	Group 2012 RM	Company 2013 RM	Company 2012 RM
Current				
Trade receivables				
Third party	113,890,901	76,881,241	-	-
Retention sums on contracts (Note 21)	1,404,773	1,633,422	-	-
	115,295,674	78,514,663	-	-
Due from customers on contracts (Note 21)	50,680,639	33,470,842	-	-
	165,976,313	111,985,505	-	-
Less: Allowance for impairment	(8,386,006)	(8,127,752)	-	-
Trade receivables, net	157,590,307	103,857,753	-	-
Other receivables				
Due from subsidiaries	-	-	33,494,174	56,891,363
Loan to subsidiaries	-	-	20,000,000	15,000,000
Due from associates	342,926	505,255	5,645	-
Deposits	5,123,131	1,014,248	294,713	62,713
Prepayments	4,190,689	5,521,841	99,765	68,977
Insurance claim receivables on flood disaster (Note 37(a))	25,715,437	29,439,300	-	-
Sundry receivables	25,051,643	28,869,461	2,914,942	3,124,839
	60,423,826	65,350,105	56,809,239	75,147,892
Less: Allowance for impairment	(6,876,503)	(6,799,707)	-	-
Other receivables, net	53,547,323	58,550,398	56,809,239	75,147,892
Non-current				
Trade receivables				
Retention sums on contracts (Note 21)	16,078,871	9,932,533	-	-
Other receivables				
Loan to subsidiaries	-	-	57,500,000	77,750,000
Total trade and other receivables	227,216,501	172,340,684	114,309,239	152,897,892
Add: Cash and bank balances (Note 23)	80,340,849	80,860,305	4,963,532	3,561,230
Less: Prepayments	(4,190,689)	(5,521,841)	(99,765)	(68,977)
Less: Due from customers on contracts (Note 21)	(50,680,639)	(33,470,842)	-	-
Total loans and receivables	252,686,022	214,208,306	119,173,006	156,390,145

(a) Trade receivables

Trade receivables are non-interest bearing and are generally on 30 to 90 days (2012: 30 to 90 days) term. They are recognised at their original invoice amounts which represent their fair values on initial recognition.

20. TRADE AND OTHER RECEIVABLES (CONTINUED)

(a) Trade receivables (continued)

Included in trade receivables are amount due from related parties as follows:

	Group 2013 RM	2012 RM
Perodua Manufacturing Sdn. Bhd. *	7,956,333	11,057,893
Perodua Engine Manufacturing Sdn. Bhd. *	194,976	192,742
Perodua Sales Sdn. Bhd. *	148,748	166,593
Katayama Kogyo Co., Ltd. **	3,859	3,198
	8,303,916	11,420,426

* Perodua Manufacturing Sdn. Bhd. and Perodua Engine Manufacturing Sdn. Bhd. are associate companies of Perodua Sales Sdn. Bhd., a corporate shareholder of a subsidiary - Ingress Technologies Sdn. Bhd.

** Katayama Kogyo Co., Ltd is a foreign corporate shareholder of subsidiaries - Ingress Autoventures Co., Ltd., Ingress Precision Sdn. Bhd. and PT Ingress Malindo Ventures

Ageing analysis of trade receivables

Ageing analysis of the Group's trade receivables is as follows:

	Group 2013 RM	2012 RM
Neither past due nor impaired	112,624,170	70,406,779
1 to 30 days past due not impaired	3,909,406	4,913,136
31 to 60 days past due not impaired	1,281,193	1,661,564
61 to 90 days past due not impaired	3,131,949	1,243,798
91 to 120 days past due not impaired	2,041,821	2,094,167
More than 121 days past due not impaired	-	-
	10,364,369	9,912,665
Impaired	8,386,006	8,127,752
	131,374,545	88,447,196

Trade receivables that are neither past due nor impaired

Trade receivables that are neither past due nor impaired are creditworthy debtors with good payment records with the Group. More than 53.2% (2012: 63.7%) of the Group's trade receivables arise from customers with more than 3 years of experience with the Group and losses have occurred infrequently.

None of the Group's trade receivables that are neither past due nor impaired have been renegotiated during the financial year.

Trade receivables that are past due but not impaired

The Group has trade receivables amounting to RM10,364,369 (2012: RM9,912,665) that are past due at the reporting date but not impaired.

20. TRADE AND OTHER RECEIVABLES (CONTINUED)

(a) Trade receivables (continued)

Trade receivables that are impaired

The Group's trade receivables that are impaired at the reporting date and the movement of the allowance accounts used to record the impairment are as follows:

	Group	
	2013	**2012**
	RM	**RM**
Trade receivables - nominal amounts	8,386,006	8,127,752
Less: Allowance for impairment	(8,386,006)	(8,127,752)
	-	-
Movement in allowance accounts:		
At 1 February	8,127,752	9,899,168
Charge for the financial year	531,086	496,562
Written off	(290,181)	(467,978)
Reversal of impairment losses	-	(1,800,000)
Exchange differences	17,349	-
At 31 January	8,386,006	8,127,752

Trade receivables that are individually determined to be impaired at the reporting date relate to debtors that are in significant financial difficulties and have defaulted on payments. These receivables are not secured by any collateral or credit enhancements.

(b) Related party balances

Amounts due from related companies are unsecured, non-interest bearing and are repayable upon demand.

Amounts due from subsidiary companies are unsecured, non-interest bearing and are repayable upon demand.

Loan to subsidiaries relates to the Syndicated CMTF-i drawn down by the Company for the settlement of Sukuk Al-Ijarah on behalf of Ingress Technologies Sdn. Bhd., Ingress Engineering Sdn. Bhd. and Ingress Precision Sdn. Bhd. as disclosed in Note 24.

(c) Other receivables

Other receivables that are impaired

The Group's other receivables that are impaired at the reporting date and the movement of the allowance accounts used to record the impairment are as follows:

	Group	
	2013	**2012**
	RM	**RM**
Other receivables - nominal amounts	6,876,503	6,799,707
Less: Allowance for impairment	(6,876,503)	(6,799,707)
	-	-

20. TRADE AND OTHER RECEIVABLES (CONTINUED)

(c) Other receivables (continued)

<u>Other receivables that are impaired (continued)</u>

Movement in allowance accounts:

	Group 2013 RM	Group 2012 RM
At 1 February	6,799,707	1,851,210
Charge for the financial year	450,608	5,101,138
Written off	(373,812)	(152,641)
At 31 January	6,876,503	6,799,707

Other receivables that are individually determined to be impaired at the reporting date relate to debtors that are in significant financial difficulties and have defaulted on payments. These receivables are not secured by any collateral or credit enhancements.

21. DUE FROM/(TO) CUSTOMERS ON CONTRACTS

	Group 2013 RM	Group 2012 RM
Construction contract costs incurred to date	228,591,205	169,773,723
Attributable profit	21,128,845	12,630,041
Less: Provision for foreseeable losses	(3,766,707)	(722,815)
	245,953,343	181,680,949
Less: Progress billings	(197,208,991)	(150,154,945)
	48,744,352	31,526,004
Presented as:		
Due from customers on contract (Note 20)	50,680,639	33,470,842
Due to customers on contract (Note 26)	(1,936,287)	(1,944,838)
	48,744,352	31,526,004
Retention sums on contracts, included within trade receivables (Note 20)	17,483,644	11,565,955
Retention sums on contracts, included within trade payables (Note 26)	1,684,562	1,795,691

The costs incurred to date on construction contracts include the following charges made during the financial year:

	Group 2013 RM	Group 2012 RM
Interest/finance costs	1,550,602	909,547
Rental expenses	375,791	204,683

22. FINANCE LEASE RECEIVABLES

	Group 2013 RM	Group 2012 RM
Future minimum lease receivable		
Not later than 1 year	-	6,898,644
Less: Unearned interest income	-	(451,313)
Present value of finance lease receivable	-	6,447,331
Analysis of present value of finance lease receivable:		
Not later than 1 year	-	6,447,331

Finance lease receivable relates to amount due from a customer in relation to the leased assets. The effective interest on the finance lease receivable is 7% (2012: 7%) per annum.

23. CASH AND BANK BALANCES

	Group		Company	
	2013 RM	2012 RM	2013 RM	2012 RM
Cash on hand and at banks	38,439,631	38,584,988	105,725	87,545
Deposits with licensed banks	41,901,218	42,275,317	4,857,807	3,473,685
Cash and bank balances	80,340,849	80,860,305	4,963,532	3,561,230
Less: Bank overdrafts (Note 24)	(10,813,791)	(19,137,252)	(2,874,092)	(2,977,749)
Less: Deposits under lien	(12,420,768)	(20,188,107)	(12,000)	-
Cash and cash equivalents	57,106,290	41,534,946	2,077,440	583,481

Deposits with licensed banks of the Group amounting to RM12,420,768 (2012: R…20,188,107) are pledged to banks for credit facilities granted to certain subsidiaries as referred to in Note 24.

Included in deposits with licensed banks of the Group and of the Company amounting to RM4,845,807 (2012: RM3,461,685) are in relation to restricted cash placed in Sinking Fund Account and Finance Service Reserve Account for Syndicated CMTF-i.

The weighted average interest/finance rate of deposits of the Group and of the Company is 3.0% (2012: 3.0%) per annum and the average maturity of deposits of the Group and of the Company is 30 days (2012: 30 days).

24. BORROWINGS/FINANCING

	Group		Company	
	2013	2012	2013	2012
	RM	RM	RM	RM
Short term borrowings/financing				
Secured:				
Bank overdrafts				
- in RM	6,054,267	7,155,141	-	-
- in USD	-	4,006,236	-	-
- in THB	737,146	-	-	-
Revolving credits				
- in RM	12,258,331	-	-	-
- in USD	4,122,689	-	-	-
- in THB	16,118,915	15,210,305	-	-
Bills payable and trust receipts				
- in RM	46,844,221	19,363,046	-	-
- in USD	-	327,696	-	-
- in JPY	-	10,939,724	-	-
Floor financing	30,704,737	30,361,649	-	-
Term loans				
- 4.0% p.a fixed rate RM loan	6,544,152	6,945,241	-	-
- RM loan at BFR+1.5%	2,135,870	-	-	-
- THB loan at MLR+0.25%	-	484,975	-	-
- THB loan at MLR-2.0%	-	1,237,967	-	-
- IDR loan at 8.0%	-	1,014,000	-	-
Syndicated CMTF-i	20,000,000	15,000,000	20,000,000	15,000,000
Hire purchase and lease payables				
(Note 25)	1,720,069	465,903	152,722	95,411
	147,240,397	112,511,883	20,152,722	15,095,411
Unsecured:				
Bank overdrafts	4,022,378	7,975,875	2,874,092	2,977,749
Revolving credits - in RM	2,000,000	16,500,000	2,000,000	2,000,000
Bills payable and trust receipts	-	803,000	-	-
	6,022,378	25,278,875	4,874,092	4,977,749
Total short term borrowings/financing	153,262,775	137,790,758	25,026,814	20,073,160
Long term borrowings/financing				
Secured:				
Term loans				
- 4.0% p.a fixed rate RM loan	6,161,248	12,705,400	-	-
- RM loan at BFR+1.5%	6,601,968	-	-	-
- THB loan at THBFIX3M+0.25%	10,674,777	-	-	-
Syndicated CMTF-i	60,000,000	80,000,000	60,000,000	80,000,000
Hire purchase and lease payables				
(Note 25)	3,141,175	2,695,851	744,322	539,063
Total long term borrowings/financing	86,579,168	95,401,251	60,744,322	80,539,063

24. BORROWINGS/FINANCING (CONTINUED)

	Group		Company	
	2013	2012	2013	2012
	RM	RM	RM	RM
Total borrowings/financing				
Bank overdrafts (Note 23)				
- in RM	10,076,645	15,131,016	2,874,092	2,977,749
- in USD	-	4,006,236	-	-
- in THB	737,146	-	-	-
Revolving credits				
- in RM	14,258,331	16,500,000	2,000,000	2,000,000
- in USD	4,122,689	-	-	-
- in THB	16,118,915	15,210,305	-	-
Bills payable and trust receipts				
- in RM	46,844,221	20,166,046	-	-
- in USD	-	327,696	-	-
- in JPY	-	10,939,724	-	-
Floor financing	30,704,737	30,361,649	-	-
Term loans				
- 4.0% p.a fixed rate RM loan	12,705,400	19,650,641	-	-
- RM loan at BFR+1.5%	8,737,838	-	-	-
- THB loan at THBFIX3M+0.25%	10,674,777	-	-	-
Term loans				
- THB loan at MLR+0.25%	-	484,975	-	-
- THB loan at MLR-2.0%	-	1,237,967	-	-
- IDR loan at 8.0%	-	1,014,000	-	-
Syndicated CMTF-i	80,000,000	95,000,000	80,000,000	95,000,000
Hire purchase and lease payables (Note 25)	4,861,244	3,161,754	897,044	634,474
Total borrowings/financing	239,841,943	233,192,009	85,771,136	100,612,223
Maturity of borrowings/financing (excluding hire purchase and lease payables)				
Within one year	151,542,706	137,324,855	24,874,092	19,977,749
More than 1 year and less than 2 years	39,166,065	32,705,400	2 0,000,000	2 0,000,000
More than 2 years and less than 5 years	44,271,928	60,000,000	40,000,000	60,000,000
	234,980,699	230,030,255	84,874,092	99,977,749

24. BORROWINGS/FINANCING (CONTINUED)

The Group's weighted average effective interest/finance rates per annum during the financial year for borrowings/financing, excluding hire purchase and lease payables, are as follows:

	Group		Company	
	2013	2012	2013	2012
	%	%	%	%
Bank overdrafts	7.7	7.6	8.4	7.4
Revolving credits	6.3	6.5	5.6	5.3
Bills payable	3.2	3.4	-	-
Trust receipts	8.4	7.6	-	-
Floor financing	5.9	6.2	-	-
Term loans	4.9	5.7	-	-
Syndicated CMTF-i	8.2	8.1	8.2	8.1

The secured bank overdrafts and bills payable and trust receipt of the Group are secured by fixed and floating charges over the deposits of certain subsidiaries as disclosed in Note 23.

Syndicated CMTF-i

The Syndicated CMTF-i are secured by third party first legal charges over land and buildings owned by subsidiaries, Ingress Technologies Sdn. Bhd. and Ingress Engineering Sdn. Bhd. as disclosed in Note 14(d).

4.0% p.a fixed rate RM loan

This loan is secured by way of a first fixed charge over plant and machinery as disclosed in Note 14(e) and a Corporate Guarantee from the Company.

RM loan at BFR+1.5%

This loan is secured by way of a first legal charge over plant and machinery as disclosed in Note 14(e) and a Corporate Guarantee from the Company.

THB loan at MLR-2.0%

This loan is secured by first legal charge over a freehold land, freehold buildings and plant and machinery of certain subsidiaries as disclosed in Note 14(e) and a Corporate Guarantee from the Company.

THB loan at MLR+0.25%

This loan is secured by first legal charge over a freehold land, freehold buildings and plant and machinery of certain subsidiaries as disclosed in Note 14(e) and a Corporate Guarantee from the Company.

THB loan at THBFIX3M+0.25%

This loan is secured by first legal charge over a freehold land, freehold buildings and plant and machinery of certain subsidiaries as disclosed in Note 14(e) and a Corporate Guarantee from the Company.

USD loan at BLR+2.5%

This loan is secured by a Corporate Guarantee from the Company.

24. BORROWINGS/FINANCING (CONTINUED)

IDR loan at 8.0%

This loan is secured by a sinking fund as disclosed in Note 23 and a Corporate Guarantee from the Company.

Obligation under finance lease

This obligation is secured by a charge over the leased assets as disclosed in Note 14(b).

Revolving credits

The facilities are secured by a Corporate Guarantee from the Company.

Bills payable and trust receipts

The facilities are secured by deposits with licensed banks as disclosed in Note 23 and a Corporate Guarantee from the Company.

Bank overdrafts

The facilities are secured by deposits with licensed banks as disclosed in Note 23 and a Corporate Guarantee from the Company.

25. HIRE PURCHASE AND LEASE PAYABLES

	Group		Company	
	2013 RM	2012 RM	2013 RM	2012 RM
Minimum lease payments:				
Not later than 1 year	2,028,450	551,750	192,588	125,124
Later than 1 year and not later than 2 years	1,460,304	1,039,307	192,588	125,124
Later than 2 years and not later than 5 years	1,891,236	1,670,865	556,889	375,372
More than 5 years	72,953	143,528	72,953	104,249
	5,452,943	3,405,450	1,015,018	729,869
Less: Future finance charges	(591,698)	(243,696)	(117,974)	(95,395)
Present value of finance lease liabilities	4,861,245	3,161,754	897,044	634,474
Present value of finance lease liabilities:				
Not later than 1 year	1,720,069	465,903	152,722	95,411
Later than 1 year and not later than 2 years	1,352,917	974,257	161,037	100,939
Later than 2 years and not later than 5 years	1,717,067	1,580,178	512,094	335,985
More than 5 years	71,191	141,416	71,191	102,139
	4,861,244	3,161,754	897,044	634,474

25. HIRE PURCHASE AND LEASE PAYABLES (CONTINUED)

	Group		Company	
	2013 RM	2012 RM	2013 RM	2012 RM
Analysed as: (Note 24)				
Due within 12 months	1,720,069	465,903	152,722	95,411
Due after 12 months	3,141,175	2,695,851	744,322	539,063
	4,861,244	3,161,754	897,044	634,474

The hire purchase and lease payable of the Group and of the Company bear interest/finance costs during the financial year of 5.67% (2012: 7.37%) and 5.19% (2012: 4.96%) per annum respectively.

26. TRADE AND OTHER PAYABLES

	Group		Company	
	2013 RM	2012 RM	2013 RM	2012 RM
Current				
Trade payables				
Third party	66,034,482	56,223,107	-	-
Due to customers on contracts (Note 21)	1,936,287	1,944,838	-	-
Retention sum (Note 21)	1,684,562	1,795,691	-	-
	69,655,331	59,963,636	-	-
Other payables				
Due to subsidiaries	-	-	48,156,433	81,073,141
Deposits	247,433	342,360	-	-
Accruals	3,689,238	4,541,749	219,891	219,891
Sundry payables	82,947,461	37,798,453	3,290,248	2,823,978
	86,884,132	42,682,562	51,666,572	84,117,010
Total trade and other payables	156,539,463	102,646,198	51,666,572	84,117,010
Add: Borrowings/financing (Note 24)	239,841,943	233,192,009	85,771,136	100,612,223
Less: Due to customers on contracts (Note 21)	(1,936,287)	(1,944,838)	-	-
Total financial liabilities carried at amortised cost	394,445,119	333,893,369	137,437,708	184,729,233

a) Trade payables

Included in trade payables is the amount due to corporate shareholders of subsidiaries amounting to RM582,863 (2012: RM1,252,531).

These amounts are non-interest bearing. Trade payables are normally settled on 30 to 90 days (2012: 30 to 90 days) terms.

(b) Other payables

Included in other payables is the amount due to corporate shareholders of subsidiaries amounting to RM21,848,645 (2012: RM10,217,565).

26. TRADE AND OTHER PAYABLES (CONTINUED)

(b) Other payables (continued)

These amounts are non-interest bearing. Other payables are normally settled on 30 to 90 days (2012: 30 to 90 days) term.

(c) Amount due to subsidiaries

These amounts are unsecured, non-interest bearing and are repayable on demand.

27. SHARE CAPITAL

	Number of ordinary shares of RM1 each		Amount	
	2013	2012	2013 RM	2012 RM
Authorised:				
At 1 February/31 January	100,000,000	100,000,000	100,000,000	100,000,000
Issued and fully paid:				
At 1 February	76,800,000	76,800,000	76,800,000	76,800,000
Issuance of new shares	7,600,000	-	7,600,000	-
At 31 January	84,400,000	76,800,000	84,400,000	76,800,000

In March 2012, the Company undertook a Private Placement exercise by issuing 7,600,000 new ordinary shares of RM1.00 each ("Placement Shares") at par, representing 9.9% of the existing paid-up capital of the Company of 76,800,000 ordinary shares of RM1.00 each ("Ingress Shares"). Subsequent to the Private Placement exercise, the issued and paid-up capital of the Company was increased to RM84,400,000 comprising 84,400,000 Ingress Shares. The listing of and quotation for the Placement Shares on Bursa Malaysia was made on 28 March 2012. The exercise was completed on 29 March 2012.

The RM7.6 million proceeds raised from the Private Placement was earmarked to be used for capital expenditures for the expansion of the Group's factory in Indonesia and expansion of the Group's Premium Automotive Dealership business. The amount has been fully utilised during the financial year.

28. RESERVES

	Group		Company	
	2013 RM	2012 RM	2013 RM	2012 RM
Non-distributable:				
Share premium	1,024,000	1,024,000	-	-
Revaluation reserve:				
At 1 February	25,677,170	25,293,390	-	-
Foreign currency translation	376,883	383,780	-	-
Revaluation increase	20,401,963	-	-	-
Income tax relating to the revaluation increase	(1,585,697)	-	-	-
At 31 January	44,870,319	25,677,170	-	-

28. RESERVES (CONTINUED)

	Group		Company	
	2013	2012	2013	2012
	RM	RM	RM	RM
Non-distributable: (continued)				
Foreign exchange reserve:				
At 1 February	2,161,665	1,610,224	-	-
Foreign currency translation	4,108,266	551,441	-	-
At 31 January	6,269,931	2,161,665	-	-
Hedging (deficit)/reserve:				
At 1 February	(2,412,410)	(5,013,185)	-	-
Gain on cash flow hedges	2,306,992	2,600,775	-	-
At 31 January	(105,418)	(2,412,410)	-	-
	52,058,832	26,450,425	-	-
Distributable:				
Retained profits	96,840,536	79,243,390	12,924,914	9,460,417
Total reserves	148,899,368	105,693,815	12,924,914	9,460,417

The detailed movement of the above reserve components are highlighted in the statement of changes in equity.

(a) Share premium

Share premium arose from the issuance of ordinary shares at a price higher than the nominal value.

(b) Revaluation reserve

This reserve includes the cumulative net change in fair value of land and building above their cash consideration net of deferred tax.

(c) Foreign exchange reserve

The foreign exchange reserve represents exchange differences arising from the translation of the financial statements of foreign subsidiaries whose functional currencies are different from that of the Group's presentation currency.

(d) Hedging (deficit)/reserve

The hedging (deficit)/reserve represents the cumulative portion of gains and losses on hedging instruments deemed effective in cash flow hedges of an associate company.

(e) Retained profits

Prior to the year of assessment 2008, Malaysian companies adopted the full imputation system. In accordance with the Finance Act 2007 which was gazetted on 28 December 2007, companies shall not be entitled to deduct tax on dividend paid, credited or distributed to its shareholders, and such dividends will be exempted from tax in the hands of the shareholders ("single tier system").

28. RESERVES (CONTINUED)

(e) Retained profits (continued)

However, there is a transitional period of six years, expiring on 31 December 2013, to allow companies to pay franked dividends to their shareholders under limited circumstances. Companies also have an irrevocable option to disregard the Section 108 of the Income Tax Act, 1967 ("Section 108") balance and opt to pay dividends under the single tier system. The change in the tax legislation also provides for the Section 108 balance to be locked-in as at 31 December 2007 in accordance with Section 39 of the Finance Act 2007.

The Company did not elect for the irrevocable option to disregard the Section 108 balance. Accordingly, during the transitional period, the Company may utilise the credit in the Section 108 balance as at 31 December 2007 to distribute cash dividend payments to ordinary shareholdings as defined under the Finance Act 2007. As at 31 January 2013, the Company has sufficient credit in the Section 108 balance to pay franked dividends approximately RM1,064,000 (2012: RM3,596,000) out of its retained profits and to pay the balance of its retained earnings under the single tier system.

As at 31 January 2013, the Company has tax exempt income account amounting to RM20,139,000 (2012: RM20,139,000) to distribute as tax exempt dividends, subject to agreement of the Inland Revenue Board.

29. DEFERRED TAX

	Group		Company	
	2013 RM	2012 RM	2013 RM	2012 RM
At 1 February	(26,039,322)	(21,783,260)	-	-
Recognised in profit or loss (Note 12)	2,446,572	(4,256,062)	-	-
Recognised in other comprehensive income (Note 12)	1,585,697	-	-	-
At 31 January	(22,007,053)	(26,039,322)	-	-
Presented after appropriate offsetting as follows:				
Deferred tax assets	(23,181,625)	(26,472,263)	(18,644)	(18,644)
Deferred tax liabilities	1,174,572	432,941	18,644	18,644
	(22,007,053)	(26,039,322)	-	-

Deferred tax liabilities of the Group:

	Accelerated capital allowances RM	Revaluation surplus RM	Total RM
At 1 February 2012	850,614	7,874,202	8,724,816
Recognised in profit or loss	(341,523)	-	(341,523)
Recognised in other comprehensive income	-	1,585,697	1,585,697
At 31 January 2013	509,091	9,459,899	9,968,990
At 1 February 2011	525,134	5,888,655	6,413,789
Recognised in profit or loss	325,480	1,985,547	2,311,027
At 31 January 2012	850,614	7,874,202	8,724,816

29. DEFERRED TAX (CONTINUED)

Deferred tax assets of the Group:

	Unused tax losses and unabsorbed allowances RM	Others RM	Total RM
At 1 February 2012	(34,747,504)	(16,634)	(34,764,138)
Recognised in profit or loss	2,788,095	-	2,788,095
At 31 January 2013	(31,959,409)	(16,634)	(31,976,043)
At 1 February 2011	(27,960,317)	(236,732)	(28,197,049)
Recognised in profit or loss	(6,787,187)	220,098	(6,567,089)
At 31 January 2012	(34,747,504)	(16,634)	(34,764,138)

Deferred tax liabilities of the Company:

	Accelerated capital allowances RM
At 1 February 2012 and 31 January 2013	18,644
At 1 February 2011 and 31 January 2012	18,644

Deferred tax assets of the Company:

	Unused tax losses and unabsorbed allowances RM
At 1 February 2012 and 31 January 2013	(18,644)
At 1 February 2011 and 31 January 2012	(18,644)

Deferred tax assets have not been recognised in respect of the following items:

	Group		Company	
	2013 RM	2012 RM	2013 RM	2012 RM
Unused tax losses	49,411,581	54,752,039	15,794,115	19,873,456
Unabsorbed allowances	8,964,656	26,015,693	-	101,693
	58,376,237	80,767,732	15,794,115	19,975,149

The availability of the unused tax losses and unabsorbed allowances for offsetting against future taxable profits of the respective subsidiaries are subject to no substantial changes in shareholdings of those subsidiaries under Section 44(5A) and (5B) of Income Tax Act, 1967.

30. COMMITMENTS

(a) Capital commitments

	Group	
	2013	2012
	RM	RM
Capital expenditure:		
Approved and contracted for	79,016,543	61,113,532
Authorised but not contracted for	19,213,641	14,999,421
	98,230,184	76,112,953

(b) Operating lease commitments

Future minimum rentals payable under non-cancellable operating lease at the reporting date are as follows:

	Group	
	2013	2012
	RM	RM
Not later than 1 year	300,000	-
Later than 1 year but not later than 5 years	400,000	-
	700,000	-

31. FINANCIAL GUARANTEES

	Company	
	2013	2012
	RM	RM
Guarantees given to financial institutions for facilities utilised by subsidiaries	182,499,406	151,532,034

The Company provides unsecured financial guarantees to banks and other institutions in respect of facilities granted to certain subsidiaries.

The Company monitors on an ongoing basis the results of the subsidiaries and repayments made by the subsidiaries.

As at the reporting date, there was no indication that any subsidiary would default on repayment. The financial guarantees have not been recognised as their fair values on initial recognition were not material (2012: not material).

32. MATERIAL LITIGATION

Ingress Fabricators Sdn. Bhd. ("IFSB") had originally filed the following four (4) suits against Ramunia Fabricators Sdn. Bhd. ("RFSB") for the outstanding sum due and owing by RFSB to IFSB arising from contracts entered between IFSB and RFSB:

i. Kuala Lumpur High Court Civil No. S-22-147-2007;
ii. Kuala Lumpur High Court Civil No. S-22-424-2007;
iii. Kuala Lumpur High Court Civil No. S-22-1134-2008; and
iv. Kuala Lumpur High Court Civil No. S-22-419-2010;

32. MATERIAL LITIGATION (CONTINUED)

An agreement was reached by both parties to consolidate all the suits and premised on this, a Court Order dated 9 November 2010 was issued accordingly.

On 5 April 2012, solicitors for both parties entered into a consent judgment that among others requires RFSB to pay to IFSB a sum of RM1,800,000.00 full and final settlement ("Settlement Sum"). As at 31 January 2013, IFSB has received the full Settlement Sum from RFSB of which IFSB and RFSB will not have any future claims whatsoever against each other.

33. RELATED PARTY DISCLOSURES

		Group	
		2013	2012
		RM	RM
(a)	Sales of products by subsidiaries to:		
	Perodua Manufacturing Sdn. Bhd. *	162,529,145	172,512,585
	Perodua Engine Manufacturing Sdn. Bhd. *	1,225,099	1,328,513
	Perodua Sales Sdn. Bhd. *	565,027	299,312
	Katayama Kogyo Co., Ltd. **	-	60,203
(b)	Purchases of materials by subsidiaries from:		
	G-Shin Corporation Sdn. Bhd. ****	-	2,187,223
	Katayama Kogyo Co., Ltd. **	4,570,888	-
	Yonei Co., Ltd. ***	1,788,369	1,588,692
(c)	Purchases of machinery and tooling by subsidiaries from:		
	Katayama Kogyo Co., Ltd. **	-	616,331
	Yonei Co., Ltd. ***	28,980,795	6,093,022
(d)	Advisory fees paid by subsidiaries to:		
	Katayama Kogyo Co., Ltd. **	3,858,339	2,277,754
(e)	Royalty fees paid by subsidiaries to:		
	Katayama Kogyo Co., Ltd. **	248,180	482,586

33. RELATED PARTY DISCLOSURES (CONTINUED)

	Group 2013 RM	Group 2012 RM
(f) Repair and maintenance cost by subsidiaries to:		
Katayama Kogyo Co., Ltd. **	17,482,249	-

* Perodua Manufacturing Sdn. Bhd. and Perodua Engine Manufacturing Sdn. Bhd. are associate companies of Perodua Sales Sdn. Bhd., a corporate shareholder of a subsidiary - Ingress Technologies Sdn. Bhd.

** Katayama Kogyo Co., Ltd. is a foreign corporate shareholder of subsidiaries - Ingress Autoventures Co., Ltd., Ingress Precision Sdn. Bhd. and PT Ingress Malindo Ventures

*** Yonei Co., Ltd. is a foreign corporate shareholder of a subsidiary - Ingress Autoventures Co., Ltd. and PT Ingress Malindo Ventures

**** G-Shin Corporation Sdn. Bhd. is a company related to former executive director of the Company. This company supply parts and raw materials to subsidiaries - Ingress Technologies Sdn. Bhd. and Ingress Precision Sdn. Bhd.

(g) Significant transactions between the Company and related parties during the financial year are as follows:

	Company 2013 RM	Company 2012 RM
Rental expenses paid/payable to subsidiaries	293,000	466,783
Management fees paid/payable by subsidiaries	11,750,000	10,665,000
Dividend income from a subsidiary	7,322,093	7,000,000
Intercompany interest paid/payable by subsidiaries	7,277,977	8,085,757

(h) Compensation of key management personnel

Key management personnel are defined as those having authority and responsibility for planning, directing and controlling the activities of the Group and of the Company either directly or indirectly. The key management personnel comprise of all the directors of the Group and of the Company.

The remuneration of key management personnel of the Group and of the Company during the financial year were as follows:

	Group 2013 RM	Group 2012 RM	Company 2013 RM	Company 2012 RM
Salaries and other emoluments	5,272,311	4,536,650	1,493,056	1,373,851
Bonus	623,754	693,535	222,910	216,000
Fees	204,000	166,000	140,000	130,000
Benefits-in-kind	28,800	36,000	14,400	14,400
	6,128,865	5,432,185	1,870,366	1,734,251

34. FAIR VALUE OF FINANCIAL INSTRUMENTS

(a) Fair value of financial instruments by classes that are not carried at fair value and whose carrying amounts are not reasonable approximation of fair value

	Group		Company	
	Carrying amount RM	Fair value RM	Carrying amount RM	Fair value RM
At 31 January 2013				
Financial Liabilities				
Term loans - non-current				
- 4.0% p.a fixed rate RM loan	6,161,248	5,339,337	-	-
Hire purchase and lease payables				
- non-current (Note 25)	3,141,175	3,033,303	744,322	707,615
	9,302,423	8,372,640	744,322	707,615
At 31 January 2012				
Financial Liabilities				
Term loans - non-current				
- 4.0% p.a fixed rate RM loan	12,705,400	18,033,074	-	-
Hire purchase and lease payables				
(Note 25)	2,695,851	2,451,221	539,063	500,005

Investment in equity instruments carried at cost (Note 18)

Fair value information has not been disclosed for the Group's investments in equity instruments that are carried at cost because fair value cannot be measured reliably. These equity instruments represent ordinary shares in a company that is not quoted on any market.

(b) 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
Trade and other receivables (current)	20
Loan to subsidiaries (non-current)	20
Trade and other payables (current)	26
Borrowings/financing (current)	24
Borrowings/financing (non-current)	
- RM loan at BFR+1.5%	24
- THB loan at THBFIX3M+0.25%	24

34. FAIR VALUE OF FINANCIAL INSTRUMENTS (CONTINUED)

(b) Determination of fair value (continued)

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

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 rates on or near the reporting date.

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

The fair values of current borrowings/financing are estimated by discounting expected future cash flows at market incremental lending rate for similar types of lending, borrowing or leasing arrangements at the reporting date.

35. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Group and the Company are exposed to financial risks arising from their operations and the use of financial instruments. The key financial risks include credit risk, liquidity risk, interest rate risk, foreign currency risk and market price risk.

The Board of Directors reviews and agrees policies and procedures for the management of these risks, which are executed by the Chief Financial Officer and Divisional Financial Controller. The audit committee provides independent oversight to the effectiveness of the risk management process.

It is, and has been throughout the current and previous financial year, the Group's policy that no derivatives shall be undertaken except for the use as hedging instruments where appropriate and cost-efficient. The Group and the Company do not apply hedge accounting.

The following sections provide details regarding the Group's and the Company's exposure to the above- mentioned financial risks and the objectives, policies and processes for the management of these risks.

(a) Credit risk

The Group's credit risk is primarily attributable to trade receivables. The Group trades only with recognised and creditworthy third parties. It is the Group's policy that all customers who wish to trade on credit terms are subject to credit verification procedures. In addition, receivable balances are monitored on an ongoing basis and the Group's exposure to bad debts is not significant. Since the Group trades only with recognised and creditworthy third parties, there is no requirement for collateral.

35. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

(a) Credit risk (continued)

Credit risk concentration profile

The Group determines concentrations of credit risk by monitoring the country and industry sector profile of its trade receivables on an ongoing basis. The credit risk concentration profile of the Group's and the Company's trade receivables at the reporting date are as follows:

	Group			
	2013		2012	
	RM	% of total	RM	% of total
By country:				
Malaysia	75,893,564	61%	54,129,904	68%
Thailand	44,910,784	37%	23,622,516	29%
Indonesia	2,184,191	2%	2,567,024	3%
	122,988,539	100%	80,319,444	100%
By industry sectors:				
Automotive	77,958,718	63%	57,313,616	71%
Power industry	43,961,244	36%	20,537,687	26%
Oil and gas	1,068,577	1%	2,468,141	3%
	122,988,539	100%	80,319,444	100%

At the reporting date, approximately:

19% (2012: 26%) of the Group's trade receivables were due from 4 major customers who are multi- industry conglomerates located in Malaysia.

2% (2012: 7%) of the Group's trade and other receivables were due from related parties while almost all of the Company's receivables were balances with related parties.

Financial assets that are neither past due nor impaired

Information regarding trade receivables that are neither past due nor impaired is disclosed in Note 20.

Financial assets that are either past due or impaired

Information regarding trade receivables that are either past due or impaired is disclosed in Note 20.

(b) Liquidity risk

The Group manages its debt maturity profile, operating cash flows and the availability of funding so as to ensure that refinancing, repayment and funding needs are met. As part of its overall liquidity management, the Group maintains sufficient levels of cash or cash convertible investments to meet its working capital requirements. In addition, the Group strives to maintain available banking facilities at a reasonable level to its overall debt position. As far as possible, the Group raises committed funding from both capital markets and financial institutions and balances its portfolio with some short term funding so as to achieve overall cost effectiveness.

35. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

(b) Liquidity risk

The Group manages its debt maturity profile, operating cash flows and the availability of funding so as to ensure that refinancing, repayment and funding needs are met. As part of its overall liquidity management, the Group maintains sufficient levels of cash or cash convertible investments to meet its working capital requirements. In addition, the Group strives to maintain available banking facilities at a reasonable level to its overall debt position. As far as possible, the Group raises committed funding from both capital markets and financial institutions and balances its portfolio with some short term funding so as to achieve overall cost effectiveness.

Analysis of financial instruments by remaining contractual maturities

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

	On demand or within one year RM	Two to five years RM	Over five years RM	Total RM
Group				
At 31 January 2013				
Financial liabilities				
Trade and other payables	156,539,463	-	-	156,539,463
Borrowings/financing	157,694,663	85,141,860	72,953	242,909,476
Total undiscounted financial liabilities	314,234,126	85,141,860	72,953	399,448,939
At 31 January 2012				
Financial liabilities				
Trade and other payables	102,646,198	-	-	102,646,198
Borrowings/financing	145,247,798	106,696,035	143,528	252,087,361
Total undiscounted financial liabilities	247,893,996	106,696,035	143,528	354,733,559
Company				
At 31 January 2013				
Financial liabilities				
Other payables	51,666,572	-	-	51,666,572
Borrowings/financing	30,337,450	66,215,461	72,953	96,625,864
Total undiscounted financial liabilities	82,004,022	66,215,461	72,953	148,292,436
At 31 January 2012				
Financial liabilities				
Other payables	84,117,010	-	-	84,117,010
Borrowings/financing	26,886,549	91,237,249	104,249	118,228,047
Total undiscounted financial liabilities	111,003,559	91,237,249	104,249	202,345,057

35. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

(c) Interest/finance rate risk

The Group's and the Company's primary interest/finance rate risk relates to interest-bearing debt, as the Group and the Company had no substantial long-term interest-bearing assets as at 31 January 2013. The investment in financial assets are mainly short term in nature and they are not held for speculative purposes but have been mostly placed in fixed deposits which yield better returns than cash at bank.

The information on maturity dates and effective interest/finance rates of financial assets and liabilities are disclosed in their respective notes.

Sensitivity analysis for interest/finance rate risk

At the reporting date, if interest/finance rates had been 10 basis points lower/higher, with all other variables held constant, the Group's and the Company's profit for the financial year would have been RM204,366 and RM76,274 respectively higher/lower, arising mainly as a result of lower/higher interest/finance costs on floating rates borrowings/financing. The assumed movement in basis points for interest/finance rates sensitivity analysis is based on the currently observable market environment.

(d) Foreign exchange risk

The Group is exposed to transactional currency risk primarily through sales and purchases that are denominated in a currency other than the functional currency of the operations to which they relate. The currencies giving rise to this risk are primarily Euro, US Dollar and Japanese Yen. Foreign exchange exposures in transactional currencies other than functional currencies of the operating entities are kept to an acceptable level. The Group maintains a natural hedge, whenever possible, by borrowing in the currency of the country in which the property or investment is located or by borrowing in currencies that match the future revenue stream to be generated from its investments.

The net unhedged financial assets and financial liability of the Group companies that are not denominated in their functional currencies are as follows:

	Net financial assets/(liabilities) held in Non-functional currencies			
	Euro RM'000	**US Dollar RM'000**	**Japanese Yen RM'000**	**Total RM'000**
At 31 January 2013				
Thai Baht	-	664	(34,687)	(34,023)
Ringgit Malaysia	74	-	-	74
Indonesian Rupiah	-	(4,123)	-	(4,123)
	74	(3,459)	(34,687)	(38,072)
At 31 January 2012				
Thai Baht	-	(5,672)	(7,329)	(13,001)
Ringgit Malaysia	74	(3,931)	(11,361)	(15,218)
Indonesian Rupiah	-	(4,006)	-	(4,006)
	74	(13,609)	(18,690)	(32,225)

36. CAPITAL MANAGEMENT

The primary objective of the Group's and 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 Group and 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 Group and 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 years ended 31 January 2013 and 31 January 2012.

The Group and the Company monitors capital using a gearing ratio, which is the aggregate amount of all outstanding borrowings/financing divided by equity attributable to the owners of the parent less all intangibles. The Group's policy is to keep the gearing ratio at a reasonable rate.

	Group		Company	
	2013 RM	2012 RM	2013 RM	2012 RM
Borrowings/financing (Note 24)	239,841,943	233,192,009	85,771,136	100,612,223
Equity attributable to equity holders of the Company	233,299,368	182,493,815	97,324,914	86,260,417
Less: Intangible assets (Note 15)	(2,694,860)	(3,174,706)	(135,766)	(5,901)
	230,604,508	179,319,109	97,189,148	86,254,516
Gearing ratio	104%	130%	88%	117%

37. INSURANCE CLAIM

(a) Insurance claims from flood disaster

On 17 October 2011, the Group announced that its Ayutthaya plant located in High-Tech Industrial Estate, Ayutthaya which produces components solely for Honda Thailand was inundated by massive flood and had to halt its operation.

On 19 December 2011, the Group had submitted insurance claims in relation to machine, equipment, inventory losses (Total Loss Claims) and building damage amounting to RM47.1 million (THB479 million).

On 20 January 2012, the Insurers had agreed to make an interim payment amounting to RM29.4 million (THB300 million out of THB479 million). The amount was received on 30 March 2012.

On 13 July 2012, the Group had submitted final insurance claims of RM64.5 million (THB620.4 million) of which the Insurers approved a final insurance claims settlement of RM54.2 million (THB535.5 million). The balance receivable from the Insurers of RM24.5 million (THB235.5 million) has been received by the Group subsequent to the financial year end.

37. INSURANCE CLAIM (CONTINUED)

(a) Insurance claims from flood disaster (continued)

The total amount of THB535.5 million have been recognised as other income and were accounted for as follows:

	Group 2013 RM	Group 2012 RM
Insurance claim received/receivables (Note 7)	24,715,437	29,439,300
Less:		
Damaged property, plant and equipment written off	-	(14,517,174)
Damaged inventories written off	-	(450,442)
Tooling repair costs	(16,451,141)	-
One-off expenses related to flood	(2,647,583)	(881,891)
Net effect on Group's profit for the financial year	5,616,713	13,589,793

The insurance claim receivables from flood disaster is as disclosed in Note 20.

(b) Insurance claims from fire at Nilai

On 25 June 2012, a warehouse located at Nilai plant was caught on fire. The Group had submitted insurance claims in relation to the warehouse damage, tooling equipment and inventory losses amounting to RM3.7 million.

On 20 December 2012, the Insurers had agreed to make an interim payment amounting to RM1.0 million and the amount was received on 30 January 2013.

The total amount of RM1.0 million has been recognised as other income during the financial year and was accounted for as follows:

	RM
Interim insurance claims received (Note 7)	1,000,000
Income on salvage (Included under miscellaneous income in Note 7)	591,887
Less:	
Damaged property, plant and equipment written off written off	(74,262)
Damaged inventories written off	(2,433,730)
Net effect on Group's profit for the financial year	(916,105)

38. SUBSEQUENT EVENT

On 16 April 2013, the Company received a notice of the conditional take-over offer from Ramdawi Sdn. Bhd., Datuk (Dr.) Rameli Bin Musa, Dato' Dr. Ab Wahab Bin Ismail ("Joint Offerors") through Maybank Investment Bank Berhad ("Maybank IB") to acquire all the remaining ordinary shares of RM1.00 each in the Company not already owned by the Joint Offerors ("Offer Shares") for a cash offer price of RM1.85 per Offer Shares ("Offer"). The directors do not intend to seek an alternative person to make a take-over for the Offer Shares.

In accordance with the Malaysian Code on Take-Overs and Mergers, 2010, the directors had, on 22 April 2013 appointed AFFIN Investment Bank Berhad as the Independent Adviser to advise the non-interested directors and non-interested shareholders of the Company in relation to the Offer.

38. SUBSEQUENT EVENT (CONTINUED)

On 23 April 2013, the Directors issued a notification to the shareholders of the Company in relation to the receipt of notice of conditional take-over offer from Maybank IB on behalf of the Joint Offerors.

On 7 May 2013, Maybank IB, on behalf of the Joint Offerors despatched the offer document dated 7 May 2013, which sets out the details, terms and condition of the Offer ("Offer Document") together with the Form of Acceptance and Transfer to the Directors and the holders of the Offer Shares whose names appear on the records of depositors of the Company and having a registered Malaysian address. The first closing date for the acceptance of the Offer was until 5.00 p.m. (Malaysian time) on Tuesday, 28 May 2013.

On 22 May 2013, Maybank IB, on behalf of the Joint Offerors, informed the Company that the closing date and time for acceptance of the Offer has been extended from 5.00 p.m. (Malaysian time) on Tuesday, 28 May 2013 to 5.00 p.m. (Malaysian time) on Tuesday, 11 June 2013.

39. SEGMENT INFORMATION

(a) Business Segments:

The Group is organised into two major business segments:

(i) Automotive Division comprising:
- (a) Automotive components manufacturing
- (b) Premium automotive dealership

(ii) Energy Division comprising:
- (a) Power engineering and railway
- (b) Oil and gas

39. SEGMENT INFORMATION (CONTINUED)

	Automotive Division		Power Engineering and Projects Division		Corporate		Elimination		Consolidated	
	2013 RM	2012 RM	2013 RM	2012 RM	2013 RM	2012 RM	2013 RM	2012 RM	2013 RM	2012 RM
REVENUE AND EXPENSES										
Revenue										
External sales	745,911,450	593,921,539	114,005,519	64,815,085	-	-	-	-	859,916,969	658,736,624
Inter-segment sales	24,625,658	25,089,594	668,035	4,113,656	19,072,093	17,665,000	(44,365,786)	(46,868,250)	-	-
Total revenue	770,537,108	619,011,133	114,673,554	68,928,741	19,072,093	17,665,000	(44,365,786)	(46,868,250)	859,916,969	658,736,624
Result										
Operating profit/(loss)	43,169,142	40,571,751	(108,372)	(5,558,750)	15,169,730	13,844,105	(7,322,093)	(6,999,877)	50,908,407	41,857,229
Interest/finance costs									(15,827,656)	(14,224,968)
Share of results of associates	371,947	-	(1,033,780)	(306,399)	-	-	-	-	(661,833)	(306,399)
Profit before tax									34,418,918	27,325,862
Income tax (expense)/benefit									(4,867,432)	1,979,303
Profit for the financial year									29,551,486	29,305,165
Assets and liabilities										
Segment assets	791,863,538	699,346,491	142,673,168	103,094,277	234,762,622	270,989,650	(487,022,753)	(518,688,138)	682,276,575	554,742,280
Investment in associates	3,158,170	-	4,576,769	5,114,815	-	-	-	-	7,734,939	5,114,815
Consolidated total assets									690,011,514	559,857,095
Segment liabilities	472,166,603	430,402,213	132,672,131	86,689,239	137,437,708	184,729,233	(345,895,036)	(365,982,478)	396,381,406	335,838,207
Consolidated total liabilities									396,381,406	335,838,207
Other information										
Capital expenditure	74,920,759	21,042,129	546,068	287,647	680,646	169,489	(195,296)	(783,986)	75,952,177	20,715,279
Depreciation and amortisation	31,370,376	38,946,225	475,715	271,144	274,447	239,755	(2,949,701)	(7,557,763)	29,170,837	31,899,361

39. SEGMENT INFORMATION (CONTINUED)

(b) Geographical Segments:

The Group operates in three major geographical areas as follows:

	Malaysia		Thailand		Indonesia		Consolidated	
	2013 RM	2012 RM	2013 RM	2012 RM	2013 RM	2012 RM	2013 RM	2012 RM
Total revenue from external customers	633,808,520	510,879,559	210,971,426	133,089,038	15,137,023	14,768,027	859,916,969	658,736,624
Segment assets	409,241,256	378,878,549	230,936,803	149,794,081	42,098,516	26,069,650	682,276,575	554,742,280
Capital expenditure	12,130,668	6,524,846	48,987,802	11,979,963	14,833,707	2,210,470	75,952,177	20,715,279

40. SUPPLEMENTARY INFORMATION - BREAK DOWN OF RETAINED PROFITS INTO REALISED AND UNREALISED

The breakdown of the retained profits of the Group and of the Company as at 31 January 2013 and 31 January 2012 into realised and unrealised profits is presented in accordance with the directive issued by Bursa Malaysia Securities Berhad dated 25 March 2010 and prepared in accordance with Guidance on Special Matter No. 1, Determination of Realised and Unrealised Profits or Losses in the Context of Disclosure Pursuant to Bursa Malaysia Securities Berhad Listing Requirements, as issued by the Malaysian Institute of Accountants.

	Group		Company	
	2013 RM	**2012 RM**	**2013 RM**	**2012 RM**
Total retained profits of the Company and its subsidiaries				
- Realised	91,337,082	79,307,201	12,924,914	9,460,417
- Unrealised	22,007,053	26,039,322	-	-
	113,344,135	105,346,523	12,924,914	9,460,417
Total share of retained profits from associates				
- Realised	4,829,134	5,490,967	-	-
	118,173,269	110,837,490	12,924,914	9,460,417
Less:				
Consolidation adjustments	(21,332,733)	(31,594,100)	-	-
Retained profits as per financial statements	96,840,536	79,243,390	12,924,914	9,460,417

ANALYSIS OF EQUITY STRUCTURE
as at 18 June 2013

Authorised Share Capital	RM100,000,000
Issued and Fully Paid Up Capital	RM84,400,000
Class of Shares	Ordinary shares of RM1.00 each
Voting Rights	One vote for every share

NO. OF HOLDERS	SIZE OF SHAREHOLDINGS	TOTAL HOLDINGS	%
36	1 - 100	1,208	0.00%
134	101 - 1,000	86,800	0.10%
672	1,001 - 10,000	1,964,448	2.33%
130	10,001 - 100,000	3,505,500	4.15%
15	100,001 to 4,219,999	10,440,800	12.37%
3	4,220,000 and above	68,401,244	81.04%
990	**Total**	**84,400,000**	**100.00%**

DIRECTORS' INTEREST IN SHARES
as at 18 June 2013

NAME	DIRECT HOLDINGS NO.	%	INDIRECT HOLDINGS NO.	%
1. Shamsudin @ Samad Bin Kassim	-	0.00	-	0.00
2. Datuk (Dr.) Rameli Bin Musa	8,602,800	10.19	54,952,444*	65.11
3. Dato' Vaseehar Hassan Bin Abdul Razack	-	0.00	-	0.00
4. Dato' Zulkifly @ Ibrahim Bin Ab Rahman	-	0.00	-	0.00
5. Abdul Khudus Bin Mohd Naaim	-	0.00	-	0.00
6. Mohamad Bin Hassan	-	0.00	-	0.00
7. Ungku Farid Bin Ungku Abd Rahman	-	0.00	-	0.00
8. Abdul Rahim Bin Haji Hitam	-	0.00	-	0.00
Total	**8,602,800**	**10.19**	**54,952,444**	**65.11**

* Deemed interested by virtue of his shareholdings in Ramdawi Sdn. Bhd.

SUBSTANTIAL SHAREHOLDERS
as at 18 June 2013

	NUMBER OF SHARES HELD			
NAME OF SHAREHOLDERS	DIRECT TOTAL SHAREHOLDINGS	%	INDIRECT TOTAL SHAREHOLDINGS	%
1. Maybank Nominees (Tempatan) Sdn. Bhd. Pledged Securities Account for Ramdawi Sdn Bhd (211896)	54,952,444	65.11	-	0.00
2. Maybank Nominees (Tempatan) Sdn. Bhd. Pledged Securities Account for Datuk (Dr.) Rameli Bin Musa (211897)	8,602,800	10.19	54,952,444^	65.11
3. DB (Malaysia) Nominee (Asing) Sdn. Bhd. Exempt An for Deutsche Bank AG London (Prime Brokerage)	4,846,000	5.74	-	0.00
	68,401,244	**81.04**	**54,952,444**	**65.11**

^ Via his shareholdings in Ramdawi Sdn. Bhd.

NAME OF TOP 30 SHAREHOLDERS
as at 18 June 2013

	NAME OF SHAREHOLDERS	TOTAL SHAREHOLDINGS	PERCENTAGE (%) OF SHAREHOLDINGS
1	Maybank Nominees (Tempatan) Sdn. Bhd. Pledged Securities Account for Ramdawi Sdn. Bhd. (211896)	54,952,444	65.11
2	Maybank Nominees (Tempatan) Sdn. Bhd. Pledged Securities Account for Datuk (Dr.) Rameli Bin Musa (211897)	8,602,800	10.19
3	DB (Malaysia) Nominee (Asing) Sdn. Bhd. Exempt An for Deutsche Bank Ag London (Prime Brokerage)	4,846,000	5.74
4	HSBC Nominees (Asing) Sdn. Bhd. Exempt An for Morgan Stanley & Co. International Plc (IPB Client Acct)	3,647,400	4.32
5	Alliancegroup Nominees (Tempatan) Sdn. Bhd. Pledged Securities Account for Yap Chee Kheng (8055840)	2,990,000	3.54
6	Chew Hoi Seng @ Chew Hooi Seng	721,500	0.85
7	Maybank Nominees (Tempatan) Sdn. Bhd. Pledged Securities Account for Dato' Dr. Ab Wahab Ismail (211898)	700,000	0.83
8	DB (Malaysia) Nominee (Asing) Sdn. Bhd.	496,300	0.59
9	Lim Kew Seng	442,300	0.52
10	Wong Siew Chin	250,000	0.30
11	Lim Jit Hai	221,000	0.26
12	Lai Chin Loy	184,000	0.22
13	Leau Kim Pun @ Liau Kim Pun	158,000	0.19
14	Leau Kim Pun @ Liau Kim Pun	144,300	0.17
15	Ng Sai How	132,000	0.16
16	Goh Yoke Choo	126,000	0.15
17	Nik Mohd Ruiz Bin Nik A-F Razy	120,000	0.14
18	Universal Trustee (Malaysia) Berhad	108,000	0.13
19	Abdul Razak Bin Abdul Rahman	100,000	0.12
20	Citigroup Nominees (Tempatan) Sdn. Bhd. Pledged Securities Account for Yeoh Eng Hua (472265)	97,200	0.12
21	Chuah Seong Peng @ Chuah Sheong Tak	80,000	0.09
22	Aw Hai Lee	75,000	0.09
23	Chuan Chek Piow	71,000	0.08
24	Sapiah Binti Abu	69,600	0.08
25	Tan Siew	60,000	0.07
26	RHB Nominees (Tempatan) Sdn. Bhd. Pledged Securities Account for Wan Mohd Ismail Bin Wan Hussain	60,000	0.07
27	Ong Teck Peow	56,000	0.07
28	Jenny Wong	56,000	0.07
29	Ng Bak Eng	52,000	0.06
30	Ong Chin Thye	51,000	0.06
	Total	**79,669,844**	**94.40**

LIST OF PROPERTIES

Location / Description	Intended / Existing use	Approximate age of building (years)	Land area / Built-up area (square feet)	Tenure	Revaluation date	Net carrying amount as at 31 January 2013 (RM'000)
INGRESS ENGINEERING SDN. BHD.						
Nilai Industrial Estates Lot 9144 & 9145 PN 38503 & PN 38504	Industrial land		303,074	Leasehold for 99 years (expiry 3 July 2092)	October 2013	9,969
Mukim of Setul District of Seremban Negeri Sembilan Darul Khusus	Industrial building	18	109,517		October 2013	11,412
PT No 11469 HS (M) 9638 Seksyen 13, Bandar Baru Bangi Mukim of Kajang	Industrial land		43,560	Leasehold for 99 years (expiry 29 September 2086)	October 2013	2,193
District of Hulu Langat Selangor Darul Ehsan	Industrial building	21	25,900		October 2013	2,281
Unit 17-1-1 to 17-1-14 HS (D) 75362, PT No 2193 Mukim of Setul District of Seremban Negeri Sembilan Darul Khusus	Staff accomodation	19	9,494	Strata Title (freehold)	October 2013	625
Nilai Spring (Bandar Nilai Utama) GRN 197544, Lot 26332 Mukim of Bandar Nilai Utama	Land	8	12,425	Freehold	October 2013	300
Lot 58568 & 58569 GM 4541 & 4542 Sungai Penchala Mukim Kuala Lumpur	Commercial & office building	5	78,689	-	October 2013	30,034
Wilayah Persekutuan	Land		81,623	Lease	October 2013	19,739
INGRESS TECHNOLOGIES SDN. BHD.						
Bukit Beruntung Industrial Estates HS (D) 39152	Industrial land		365,564	Freehold	October 2013	11,300
PT 13990 Seksyen 20 Mukim Bandar Serendah	Industrial building	15 9	62,735 103,117			7,979 18,024
District of Ulu Selangor Selangor Darul Ehsan	Canteen & Prayer room	9	12,325		October 2013	2,660
EG-05 to EG-08, E1-05 to E1-08, E2-05 to E2-08, E3-05 to E3-08, E4-05 to E4-08 Rose Court Block E, Bandar Bukit Sentosa 48300 Rawang, Selangor Darul Ehsan	Staff accomodation	9	15,640	Master Title (freehold)	October 2013	1,309

Location / Description	Intended / Existing use	Approximate age of building (years)	Land area / Built-up area (square feet)	Tenure	Revaluation date	Net carrying amount as at 31 January 2013 (RM'000)
INGRESS AUTOVENTURES CO., LTD.						
Plot No S26, (phase 11A) Eastern Seaboard Industrial Estates (Rayong) Off Highway 331 Pluakdaeng District Amphur Pluakdaeng Rayong Province, Thailand	Industrial land		220,183	Freehold	November 2009	4,776
	Industrial building	16	39,957		November 2009	9,055
		12	52,334		November 2009	13,226
Hi-Tech Industrial Estate 64/6 Moo 1 Tambol Ban Lane Amphur Bang Pa-in Ayutthaya 13160, Thailand	Industrial land		191,664	Freehold	November 2009	3,776
	Industrial building	9	55,768		November 2009	9,953
PT INGRESS MALINDO VENTURES						
Blok GG-7A, 7B & GG-8 Jl. Industri Selatan 6A Blok GG-7 A-B Kawasan Industri Jababeka Tahap II Cikarang, Indonesia	Industrial land	10	143,031	Leasehold for 30 years (expiry March 2033)	December 2009	6,243
	Industrial building	10	10,473		December 2009	2,775
FINE COMPONENTS (THAILAND) CO., LTD.						
600 Moo 4, T.Makhamkhu King-Am-Pur Nikhompattana, Rayong 21180 Thailand	Industrial land		413,334	Freehold	November 2009	3,443
	Industrial building	11	70,716		November 2009	4,235

This page has been intentionally left blank.

This page has been intentionally left blank.

This page has been intentionally left blank.

INGRESS CORPORATION BERHAD (490799-K)

PROXY FORM

Number of Shares held	

I/We .... IC No. / Passport No. / Co. No. ....
(FULL NAME IN CAPITAL LETTERS)

of (Address) ....

....

being a member/members of INGRESS CORPORATION BERHAD, do hereby appoint ....

....

....
(FULL NAME IN CAPITAL LETTERS)

of (Address) ....
of failing him THE CHAIRMAN OF THE MEETING as my/our proxy, to vote for me/us and on my/our behalf, at the 14th Annual General Meeting of the Company, to be held at The Royale Boardroom, Level 2, The Royale Bintang Damansara, 2, Jalan PJU 7/3, Mutiara Damansara, 47810 Petaling Jaya, Selangor Darul Ehsan on Wednesday, 24 July 2013 at 11.00 a.m. and at any adjournment thereof.

My/our proxy is to vote as indicated below:

Resolution	Agenda	For	Against
Resolution 1	Receive the Directors' Report and Audited Financial Statements for the year ended 31 January 2013.		
Resolution 2	Payment of Directors' fees in respect of the financial year ended 31 January 2013.		
Resolution 3	Re-election of Datuk (Dr.) Rameli Bin Musa.		
Resolution 4	Re-election of Dato' Zulkifly @ Ibrahim Bin Ab Rahman.		
Resolution 5	Re-election of En. Mohamad Bin Hassan.		
Resolution 6	Appointment of Messrs Ernst & Young as Auditors of the Company.		
Resolution 7	Retention of En. Shamsudin @ Samad Bin Kassim as an Independent Non-Executive Director of the Company pursuant to Recommendation 3.3 of the MCCG 2012.		
Resolution 8	Retention of Dato' Vaseehar Hassan Bin Abdul Razack as an Independent Non-Executive Director of the Company pursuant to Recommendation 3.3 of the MCCG 2012.		
Resolution 9	Authority to issue new ordinary shares pursuant to Section 132D of the Companies Act, 1965.		
Resolution 10	Proposed amendments to the Articles of Association of the Company.		

(Please indicate with "X" on the spaces provided how you wish your votes to be cast. In the absence of specific directions, your proxy will vote or abstain from voting at his discretion.)

Dated this __________________ of __________________ 2013.

____
Signature of Member(s)/Common Seal

Notes:
1. A member entitled to attend and vote at the meeting is entitled to appoint a proxy or proxies to attend and vote in his or her stead. A proxy may, but need not be a member of the Company and the provisions of Section 149(1)(b) of the Act shall not apply to the Company.
2. The instrument appointing a proxy shall be in writing under the hand of appointer or his or her attorney duly appointed under a power of attorney or if such appointer is a corporation either under its common seal or under the hand of an officer or attorney duly appointed under a power of attorney.
3. Where a member appoints more than one proxy, the appointment is invalid unless the proportions of holdings represented to each proxy are specified.
4. Where a member of the Company is an authorized nominee as defined under the Securities Industry (Central Depositories) Act 1991, it may appoint at least one (1) proxy in respect of each securities account it holds with ordinary shares of the Company standing to the credit of the said securities account.
5. The instrument appointing a proxy must be deposited at the registered office of the Company, Lot 2778, 5th Floor, Jalan Damansara, Sungai Penchala, 60000 Kuala Lumpur, at least forty-eight (48) hours before the time appointed for holding the meeting or any adjournment thereof.
6. Registration of members/proxies attending the meeting will be from 10.00 a.m. on the day of the meeting. Members/proxies are required to produce their identification documents for registration.

(fold here)

affix
postage
here

INGRESS CORPORATION BERHAD
Lot 2778, Fifth Floor,
Jalan Damansara, Sungai Penchala,
60000 Kuala Lumpur,
Malaysia.

(fold here)

INGRESS CORPORATION BERHAD (490799-K)

2012 / 2013 ANNUAL REPORT

INGRESS CORPORATION BERHAD (490799-K)

Lot 2778, 5th Floor, Jalan Damansara,
Sungai Penchala, 60000 Kuala Lumpur, Malaysia.
Tel: 603-7725 5565 Fax: 603-7725 5560 / 61
E-mail: enquiry@ingresscorp.com.my
www.ingresscorp.com.my