

Ingress Industrial (Thailand) Public Company Limited  
and its subsidiaries  
Report and consolidated financial statements  
31 January 2022

## **Independent Auditor's Report**

To the Shareholders of Ingress Industrial (Thailand) Public Company Limited

### **Opinion**

I have audited the accompanying consolidated financial statements of Ingress Industrial (Thailand) Public Company Limited and its subsidiaries (the Group), which comprise the consolidated statement of financial position as at 31 January 2022, and the related consolidated statements of comprehensive income, changes in shareholders' equity and cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies, and have also audited the separate financial statements of Ingress Industrial (Thailand) Public Company Limited for the same period.

In my opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Ingress Industrial (Thailand) Public Company Limited and its subsidiaries and of Ingress Industrial (Thailand) Public Company Limited as at 31 January 2022, their financial performance and cash flows for the year then ended in accordance with Thai Financial Reporting Standards.

### **Basis for Opinion**

I conducted my audit in accordance with Thai Standards on Auditing. My responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of my report. I am independent of the Group in accordance with the Code of Ethics for Professional Accountants as issued by the Federation of Accounting Professions as relevant to my audit of the financial statements, and I have fulfilled my other ethical responsibilities in accordance with the Code. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

## **Key Audit Matters**

Key audit matters are those matters that, in my professional judgement, were of most significance in my audit of the financial statements of the current period. These matters were addressed in the context of my audit of the financial statements as a whole, and in forming my opinion thereon, and I do not provide a separate opinion on these matters.

I have fulfilled the responsibilities described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of my report, including in relation to these matters. Accordingly, my audit included the performance of procedures designed to respond to my assessment of the risks of material misstatement of the financial statements. The results of my audit procedures, including the procedures performed to address the matters below, provide the basis for my audit opinion on the accompanying financial statements as a whole.

Key audit matters and how audit procedures respond for the matters are described below.

### *Revenue recognition*

The Group is principally engaged in the manufacture and distribution of automotive components. The Group's revenue was mainly derived from sales of automotive components, which were significant in terms of volume and value, accounting for approximately 95 percent of total revenues. As this revenue had a direct impact on the Group's operating performance, I focused on the recognition of revenue from sales of automotive components, especially the timing of such recognition.

I have assessed and tested the Group's internal controls with respect to the revenue cycle by making enquiry of responsible executives, gaining an understanding of the controls and selecting representative samples to test the operation of the designed controls. In addition, on a sampling basis, I examined supporting documents for sales transactions occurring during the year and near the end of the accounting period, reviewed credit notes issued after the period-end and performed analytical procedures on revenue from sales accounts to detect possible irregularities.

## **Other Information**

Management is responsible for the other information. The other information comprise the information included in annual report of the Group, but does not include the financial statements and my auditor's report thereon. The annual report of the Group is expected to be made available to me after the date of this auditor's report.

My opinion on the financial statements does not cover the other information and I do not express any form of assurance conclusion thereon.

In connection with my audit of the financial statements, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or my knowledge obtained in the audit or otherwise appears to be materially misstated.

When I read the annual report of the Group, if I conclude that there is a material misstatement therein, I am required to communicate the matter to those charged with governance for correction of the misstatement.

### **Responsibilities of Management and Those Charged with Governance for the Financial Statements**

Management is responsible for the preparation and fair presentation of the financial statements in accordance with Thai Financial Reporting Standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Group's financial reporting process.

### **Auditor's Responsibilities for the Audit of the Financial Statements**

My objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Thai Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Thai Standards on Auditing, I exercise professional judgement and maintain professional skepticism throughout the audit. I also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit 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 Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. I am responsible for the direction, supervision and performance of the group audit. I remain solely responsible for my audit opinion.

I communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

I also provide those charged with governance with a statement that I have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on my independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, I determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. I describe these matters in my auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, I determine that a matter should not be communicated in my report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

I am responsible for the audit resulting in this independent auditor's report.

Sirirat Sricharoensup  
Certified Public Accountant (Thailand) No. 5419

EY Office Limited  
Bangkok: 30 March 2022

**Ingress Industrial (Thailand) Public Company Limited and its subsidiaries**

**Statement of financial position**

**As at 31 January 2022**

(Unit: Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2022	2021	2022	2021
<b>Assets</b>					
<b>Current assets</b>					
Cash and cash equivalents	7	568,061,770	534,684,772	1,253,443	6,527,952
Trade and other receivables	8	627,145,685	491,519,222	62,521,940	120,186,499
Contract assets		26,941,944	26,870,909	-	-
Short-term loans to related parties	6	-	-	38,007,440	95,728,460
Current portion of long-term loans to related parties	6	-	-	43,452,299	44,824,107
Inventories	9	320,014,116	242,870,844	-	-
Other current assets		399,632,600	94,399,466	3,090,851	2,642,115
		1,941,796,115	1,390,345,213	148,325,973	269,909,133
Asset held for sale		-	89,820,980	-	-
<b>Total current assets</b>		<b>1,941,796,115</b>	<b>1,480,166,193</b>	<b>148,325,973</b>	<b>269,909,133</b>
<b>Non-current assets</b>					
Restricted bank deposits	29.3	103,732,864	12,114,494	-	-
Other long-term receivable - related party	6	-	-	55,914,353	-
Long-term loans to related parties, net of current portion	6	-	-	282,406,584	65,830,186
Investments in subsidiaries	10	-	-	1,881,160,230	1,881,160,230
Investment properties	11	47,924,400	44,422,800	-	-
Property, plant and equipment	12	3,625,124,372	2,719,437,978	247,518	224,027
Right-of-use assets	18	698,805,476	336,985,561	1,370,992	3,890,251
Intangible assets	13	27,169,561	28,080,678	2	2
Goodwill	14	30,822,515	28,346,200	-	-
Deferred tax assets	24	63,949,454	73,176,727	3,675,166	3,672,949
Other non-current assets		227,662,190	168,338,660	340,265	556,437
<b>Total non-current assets</b>		<b>4,825,190,832</b>	<b>3,410,903,098</b>	<b>2,225,115,110</b>	<b>1,955,334,082</b>
<b>Total assets</b>		<b>6,766,986,947</b>	<b>4,891,069,291</b>	<b>2,373,441,083</b>	<b>2,225,243,215</b>

The accompanying notes are an integral part of the financial statements.

**Ingress Industrial (Thailand) Public Company Limited and its subsidiaries**

**Statement of financial position (continued)**

**As at 31 January 2022**

(Unit: Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2022	2021	2022	2021
<b>Liabilities and shareholders' equity</b>					
<b>Current liabilities</b>					
Bank overdrafts and short-term loans from financial institutions	15	718,509,473	653,583,683	-	-
Trade and other payables	16	2,027,787,350	692,415,636	52,447,538	90,053,177
Contract liabilities		8,242,506	163,006,402	-	-
Short-term loans from related parties	6	-	-	17,000,000	105,000,000
Current portion					
- Lease liabilities	18	42,407,439	37,863,894	1,085,500	1,641,540
- Long-term loans from related party	6	-	-	15,560,400	78,000,000
- Long-term loans from financial institutions	17	170,383,842	155,933,078	-	-
Income tax payable		13,673,895	9,866,237	-	-
Dividend payables	6	44,418	40,849	-	-
Other current liabilities		360,477,548	62,773,841	357,183	303,790
<b>Total current liabilities</b>		<b>3,341,526,471</b>	<b>1,775,483,620</b>	<b>86,450,621</b>	<b>274,998,507</b>
<b>Non-current liabilities</b>					
Other long-term payable - related party	6	-	-	53,210,149	-
Net of current portion					
- Lease liabilities	18	122,582,929	135,100,016	355,706	2,326,284
- Long-term loans from related party	6	-	-	571,939,380	317,000,000
- Long-term loans from financial institutions	17	906,693,694	671,564,249	-	-
Provision for long-term employee benefits	19	66,343,336	66,483,942	84,589	73,504
Deferred tax liabilities	24	74,227,883	61,376,802	-	-
Other non-current liabilities		11,306,627	8,853,563	-	-
<b>Total non-current liabilities</b>		<b>1,181,154,469</b>	<b>943,378,572</b>	<b>625,589,824</b>	<b>319,399,788</b>
<b>Total liabilities</b>		<b>4,522,680,940</b>	<b>2,718,862,192</b>	<b>712,040,445</b>	<b>594,398,295</b>

The accompanying notes are an integral part of the financial statements.

**Ingress Industrial (Thailand) Public Company Limited and its subsidiaries**

**Statement of financial position (continued)**

**As at 31 January 2022**

(Unit: Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2022	2021	2022	2021
<b>Shareholders' equity</b>					
Share capital					
Registered					
1,446,942,690 ordinary shares of Baht 1 each		<u>1,446,942,690</u>	<u>1,446,942,690</u>	<u>1,446,942,690</u>	<u>1,446,942,690</u>
Issued and fully paid up					
1,446,942,690 ordinary shares of Baht 1 each		1,446,942,690	1,446,942,690	1,446,942,690	1,446,942,690
Share premium		80,749,575	80,749,575	80,749,575	80,749,575
Surplus (deficit) from the change in the ownership interests in subsidiaries		1,476,983	(8,707,251)	-	-
Deficit from business combination under common control		(114,092,533)	(114,092,533)	-	-
Retained earnings					
Appropriated - statutory reserve	20	27,900,000	26,300,000	27,900,000	26,300,000
Unappropriated (deficit)		(315,270,107)	(139,292,944)	105,808,373	76,852,655
Other components of shareholders' equity		<u>232,201,898</u>	<u>37,707,186</u>	-	-
Equity attributable to owners of the Company		1,359,908,506	1,329,606,723	1,661,400,638	1,630,844,920
Non-controlling interests of the subsidiaries		<u>884,397,501</u>	<u>842,600,376</u>	-	-
<b>Total shareholders' equity</b>		<u>2,244,306,007</u>	<u>2,172,207,099</u>	<u>1,661,400,638</u>	<u>1,630,844,920</u>
<b>Total liabilities and shareholders' equity</b>		<u>6,766,986,947</u>	<u>4,891,069,291</u>	<u>2,373,441,083</u>	<u>2,225,243,215</u>
		-	-	-	-

The accompanying notes are an integral part of the financial statements.

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Directors  
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**Ingress Industrial (Thailand) Public Company Limited and its subsidiaries**

**Statement of comprehensive income**

**For the year ended 31 January 2022**

(Unit: Baht)

	<u>Note</u>	<u>Consolidated financial statements</u>		<u>Separate financial statements</u>	
		<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
<b>Profit or loss:</b>					
<b>Revenues</b>					
Sales and services income		2,689,287,406	2,153,287,985	-	-
Other income					
Dividend income	6,10	-	-	37,500,220	37,500,220
Scrap sales		63,223,384	53,224,527	-	-
Management fee income	6	-	-	40,383,950	33,841,040
Gain on exchange		43,533,011	-	4,830,607	-
Others		26,672,949	17,255,518	68,698	19,351
<b>Total revenues</b>		<u>2,822,716,750</u>	<u>2,223,768,030</u>	<u>82,783,475</u>	<u>71,360,611</u>
<b>Expenses</b>					
Cost of sales and services		2,322,239,998	1,909,893,861	-	-
Selling and distribution expenses		44,282,786	36,779,179	-	-
Administrative expenses	23	644,247,019	436,617,471	45,477,791	34,656,946
Loss on exchange		-	25,776,182	-	311,287
<b>Total expenses</b>		<u>3,010,769,803</u>	<u>2,409,066,693</u>	<u>45,477,791</u>	<u>34,968,233</u>
<b>Operating profit (loss)</b>		<u>(188,053,053)</u>	<u>(185,298,663)</u>	<u>37,305,684</u>	<u>36,392,378</u>
Finance income	6	5,132,464	1,204,051	28,385,876	13,297,593
Finance cost	6	<u>(83,857,757)</u>	<u>(65,746,301)</u>	<u>(35,140,496)</u>	<u>(26,462,436)</u>
<b>Profit (loss) before tax income (expenses)</b>		<u>(266,778,346)</u>	<u>(249,840,913)</u>	<u>30,551,064</u>	<u>23,227,535</u>
Tax income (expenses)	24	<u>(28,491,875)</u>	<u>(10,048,585)</u>	<u>2,704</u>	<u>846,801</u>
<b>Profit (loss) for the year</b>		<u><u>(295,270,221)</u></u>	<u><u>(259,889,498)</u></u>	<u><u>30,553,768</u></u>	<u><u>24,074,336</u></u>

The accompanying notes are an integral part of the financial statements.

**Ingress Industrial (Thailand) Public Company Limited and its subsidiaries**

**Statement of comprehensive income (continued)**

**For the year ended 31 January 2022**

(Unit: Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2022	2021	2022	2021
<b>Other comprehensive income:</b>					
<i>Other comprehensive income to be reclassified</i>					
<i>to profit or loss in subsequent periods:</i>					
Exchange differences on translation of financial statements					
in foreign currencies		111,594,165	(55,369,999)	-	-
Other comprehensive income to be reclassified					
to profit or loss in subsequent periods		111,594,165	(55,369,999)	-	-
<i>Other comprehensive income not to be reclassified</i>					
<i>to profit or loss in subsequent periods:</i>					
Changes in revaluation of assets - net of income tax	24	178,212,797	(3,307,216)	-	-
Actuarial gain (loss) - net of income tax	24	7,752,591	3,345,391	1,950	(3,054)
Other comprehensive income not to be reclassified					
to profit or loss in subsequent periods - net of income tax		185,965,388	38,175	1,950	(3,054)
<b>Other comprehensive income for the year</b>		<b>297,559,553</b>	<b>(55,331,824)</b>	<b>1,950</b>	<b>(3,054)</b>
<b>Total comprehensive income for the year</b>		<b>2,289,332</b>	<b>(315,221,322)</b>	<b>30,555,718</b>	<b>24,071,282</b>
<b>Profit (loss) attributable to:</b>					
Equity holders of the Company		(208,701,646)	(221,915,020)	30,553,768	24,074,336
Non-controlling interests of the subsidiaries		(86,568,575)	(37,974,478)		
		<u>(295,270,221)</u>	<u>(259,889,498)</u>		
<b>Total comprehensive income attributable to:</b>					
Equity holders of the Company		20,117,549	(265,080,893)	30,555,718	24,071,282
Non-controlling interests of the subsidiaries		(17,828,217)	(50,140,429)		
		<u>2,289,332</u>	<u>(315,221,322)</u>		
<b>Earnings per share</b>					
Basic earnings (loss) per share					
Profit (loss) attributable to equity holders of the Company	26	<u>(0.14)</u>	<u>(0.15)</u>	<u>0.02</u>	<u>0.02</u>

The accompanying notes are an integral part of the financial statements.

Ingress Industrial (Thailand) Public Company Limited and its subsidiaries

Statement of changes in shareholders' equity

For the year ended 31 January 2022

(Unit: Baht)

Consolidated financial statements													
Equity attributable to owners of the Company													
	Note	Issued and fully paid-up		Surplus (deficit) from the change in the ownership interests in subsidiaries	Deficit from business combination under common control	Retained earnings		Other components of shareholders' equity			Total equity attributable to owners of the Company	Equity attributable to non-controlling interests of the subsidiaries	Total shareholders' equity
		share capital	Share premium			Appropriated - statutory reserve	Unappropriated (deficit)	Other comprehensive income					
								on translation of financial statements in foreign currencies	Surplus on revaluation of assets	Total other components of shareholder's equity			
<b>Balance as at 1 February 2020</b>		1,446,942,690	80,749,575	(8,748,287)	(114,092,533)	25,000,000	39,230,120				(242,663,098)	368,228,113	125,565,015
Loss for the year		-	-	-	-	-	(221,915,020)	-	-	-	(221,915,020)	(37,974,478)	(259,889,498)
Other comprehensive income for the year		-	-	-	-	-	2,018,067	(42,372,806)	(2,811,134)	(45,183,940)	(43,165,873)	(12,165,951)	(55,331,824)
Total comprehensive income for the year		-	-	-	-	-	(219,896,953)	(42,372,806)	(2,811,134)	(45,183,940)	(265,080,893)	(50,140,429)	(315,221,322)
Issuance of subsidiaries' ordinary shares	10	-	-	-	-	-	-	-	-	-	-	55,965,963	55,965,963
Change in the ownership interests in subsidiary	10	-	-	41,036	-	-	-	-	-	-	41,036	(41,036)	-
Transfer revaluation surplus on assets in the same amount of depreciation of revalued amount to retained earnings - net of income tax	21	-	-	-	-	-	27,305,272	-	(27,305,272)	(27,305,272)	-	-	-
Transfer revaluation surplus on assets of a subsidiary to retained earnings due to disposal of land - net of income tax	21	-	-	-	-	-	15,368,617	-	(15,368,617)	(15,368,617)	-	-	-
Transfer unappropriated retained earnings to statutory reserve	20	-	-	-	-	1,300,000	(1,300,000)	-	-	-	-	-	-
Dividend paid to non-controlling interests of the subsidiaries		-	-	-	-	-	-	-	-	-	-	(30,848,068)	(30,848,068)
<b>Balance as at 31 January 2021</b>		<u>1,446,942,690</u>	<u>80,749,575</u>	<u>(8,707,251)</u>	<u>(114,092,533)</u>	<u>26,300,000</u>	<u>(139,292,944)</u>	<u>(285,035,904)</u>	<u>322,743,090</u>	<u>37,707,186</u>	<u>1,329,606,723</u>	<u>842,600,376</u>	<u>2,172,207,099</u>
<b>Balance as at 1 February 2021</b>		1,446,942,690	80,749,575	(8,707,251)	(114,092,533)	26,300,000	(139,292,944)	(285,035,904)	322,743,090	37,707,186	1,329,606,723	842,600,376	2,172,207,099
Loss for the year		-	-	-	-	-	(208,701,646)	-	-	-	(208,701,646)	(86,568,575)	(295,270,221)
Other comprehensive income for the year		-	-	-	-	-	4,527,283	83,935,930	140,355,982	224,291,912	228,819,195	68,740,358	297,559,553
Total comprehensive income for the year		-	-	-	-	-	(204,174,363)	83,935,930	140,355,982	224,291,912	20,117,549	(17,828,217)	2,289,332
Issuance of subsidiaries' ordinary shares	10	-	-	-	-	-	-	-	-	-	-	92,309,356	92,309,356
Change in the ownership interests in subsidiary	10	-	-	10,184,234	-	-	-	-	-	-	10,184,234	(10,184,234)	-
Transfer revaluation surplus on assets in the same amount of depreciation of revalued amount to retained earnings - net of income tax	21	-	-	-	-	-	29,797,200	-	(29,797,200)	(29,797,200)	-	-	-
Transfer unappropriated retained earnings to statutory reserve	20	-	-	-	-	1,600,000	(1,600,000)	-	-	-	-	-	-
Dividend paid to non-controlling interests of the subsidiary		-	-	-	-	-	-	-	-	-	-	(22,499,780)	(22,499,780)
<b>Balance as at 31 January 2022</b>		<u>1,446,942,690</u>	<u>80,749,575</u>	<u>1,476,983</u>	<u>(114,092,533)</u>	<u>27,900,000</u>	<u>(315,270,107)</u>	<u>(201,099,974)</u>	<u>433,301,872</u>	<u>232,201,898</u>	<u>1,359,908,506</u>	<u>884,397,501</u>	<u>2,244,306,007</u>

The accompanying notes are an integral part of the financial statements.

**Ingress Industrial (Thailand) Public Company Limited and its subsidiaries**

**Statement of changes in shareholders' equity (continued)**

**For the year ended 31 January 2022**

(Unit: Baht)

	Note	Separate financial statements				Total shareholder's equity
		Issued and fully paid-up share capital	Share premium	Retained earnings		
				Appropriated - statutory reserve	Unappropriated	
<b>Balance as at 1 February 2020</b>		1,446,942,690	80,749,575	25,000,000	54,081,373	1,606,773,638
Profit for the year		-	-	-	24,074,336	24,074,336
Other comprehensive income for the year		-	-	-	(3,054)	(3,054)
Total comprehensive income for the year		-	-	-	24,071,282	24,071,282
Transfer unappropriated retained earnings to statutory reserve	20	-	-	1,300,000	(1,300,000)	-
<b>Balance as at 31 January 2021</b>		<u>1,446,942,690</u>	<u>80,749,575</u>	<u>26,300,000</u>	<u>76,852,655</u>	<u>1,630,844,920</u>
<b>Balance as at 1 February 2021</b>		1,446,942,690	80,749,575	26,300,000	76,852,655	1,630,844,920
Profit for the year		-	-	-	30,553,768	30,553,768
Other comprehensive income for the year		-	-	-	1,950	1,950
Total comprehensive income for the year		-	-	-	30,555,718	30,555,718
Transfer unappropriated retained earnings to statutory reserve	20	-	-	1,600,000	(1,600,000)	-
<b>Balance as at 31 January 2022</b>		<u>1,446,942,690</u>	<u>80,749,575</u>	<u>27,900,000</u>	<u>105,808,373</u>	<u>1,661,400,638</u>

The accompanying notes are an integral part of the financial statements.

**Ingress Industrial (Thailand) Public Company Limited and its subsidiaries**

**Cash flow statement**

**For the year ended 31 January 2022**

(Unit: Baht)

	Consolidated financial statements		Separate financial statements	
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
<b>Cash flows from operating activities</b>				
Profit (loss) before tax	(266,778,346)	(249,840,913)	30,551,064	23,227,535
Adjustments to reconcile profit (loss) before tax to net cash provided by (paid from) operating activities:				
Depreciation and amortisation	392,665,991	301,473,806	1,394,963	1,294,527
Written-off of withholding tax deducted at source	2,921,282	1,569,024	968,003	1,023,693
Allowance for expected credit losses (reversal)	(5,905,559)	(8,466,334)	11,760,000	-
Reduction of inventory to net realisable value	63,185	3,434,897	-	-
Reversal of allowance for impairment loss on equipment	-	(310,103)	-	-
(Gain) loss on disposal/written-off of machinery and equipment	2,771,869	(29,760,685)	(31,779)	-
Amortisation of government grant	139,982	(518,341)	-	-
(Gain) loss on lease modification	(38,672)	227,232	(38,672)	-
Loss on written-off of intangible assets	5	1	-	-
Provision for long-term employee benefits	7,668,251	12,210,373	13,522	12,425
Unrealised (gain) loss on exchange	13,776,744	641,825	(4,045,933)	5,453,716
Dividend income	-	-	(37,500,220)	(37,500,220)
Finance income	(5,132,464)	(1,204,051)	(28,385,876)	(13,297,593)
Finance cost	83,857,757	65,746,301	35,140,496	26,462,436
Profit from operating activities before changes in operating assets and liabilities	226,010,025	95,203,032	9,825,568	6,676,519
Operating assets (increase) decrease				
Trade and other receivables	(130,937,990)	29,954,073	21,635,353	(4,842,958)
Contract assets	(71,035)	-	-	-
Inventories	(77,206,457)	15,093,765	-	-
Other current assets	(274,110,047)	(34,240,091)	(30,610)	(157,510)
Other non-current assets	(58,063,213)	(136,275,672)	216,172	137,362
Operating liabilities increase (decrease)			-	
Trade and other payables	497,004,678	184,881,261	(24,292,132)	(117,328,137)
Contract liabilities	(154,763,896)	158,555,004	-	-
Other current liabilities	342,614,197	48,978,631	53,393	(3,661,408)
Provision for long-term employee benefits	(683,501)	(7,700,376)	-	-
Other non-current liabilities	2,313,082	-	-	-
Cash flows from (used in) operating activities	372,105,843	354,449,627	7,407,744	(119,176,132)
Interest paid	(84,320,093)	(65,194,257)	(421,723)	(18,621,684)
Corporate income tax paid	(21,672,197)	(14,653,900)	(1,386,129)	(569,515)
<b>Net cash flows from (used in) operating activities</b>	<b>266,113,553</b>	<b>274,601,470</b>	<b>5,599,892</b>	<b>(138,367,331)</b>

The accompanying notes are an integral part of the financial statements.

**Ingress Industrial (Thailand) Public Company Limited and its subsidiaries**

**Cash flow statement (continued)**

**For the year ended 31 January 2022**

(Unit: Baht)

	Consolidated financial statements		Separate financial statements	
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
<b>Cash flows from investing activities</b>				
(Increase) decrease in restricted bank deposits	(91,618,370)	64,829	-	-
Increase in short-term loans to related parties	-	-	(160,525,000)	(62,668,360)
Cash paid for long-term loans to related parties	-	-	-	(107,869,640)
Cash received from repayment of long-term loans to related parties	-	-	5,373,770	95,050,872
Cash paid for acquisition of machinery and equipment	(393,907,702)	(688,558,623)	(112,152)	(135,079)
Cash paid for acquisition of intangible assets	(1,332,118)	(13,885,350)	-	-
Cash paid for acquisition of right-of-use assets	(60,091,227)	-	-	-
Proceeds from disposals of asset classified as held for sale	44,910,490	-	-	-
Proceeds from disposals of machinery and equipment	1,846,035	59,336,697	31,786	-
Cash received from interest income	5,132,462	1,204,051	3,632,191	3,219,063
Dividend received	-	-	37,500,220	37,500,220
<b>Net cash flows used in investing activities</b>	<u>(495,060,430)</u>	<u>(641,838,396)</u>	<u>(114,099,185)</u>	<u>(34,902,924)</u>
<b>Cash flows from financing activities</b>				
Increase in short-term loans from financial institutions	138,380,447	2,644,601	-	-
Cash received from short-term loans from related parties	-	-	147,000,000	105,000,000
Repayment of short-term loans from related parties	-	-	(27,500,220)	-
Payment of principal portion of lease liabilities	(35,983,680)	(27,903,354)	(1,274,996)	(1,058,580)
Cash received from long-term loans from related party	-	-	-	75,000,000
Repayment of long-term loans from related party	-	-	(15,000,000)	(6,000,000)
Cash received from long-term loans from financial institutions	311,239,567	431,982,477	-	-
Repayment of long-term loans from financial institutions	(114,637,383)	(68,130,086)	-	-
Cash paid for deferred front end fee	(17,274,470)	-	-	-
Cash received from government grant	-	17,758,693	-	-
Proceeds from issuance of new ordinary shares of a subsidiaries	92,309,356	55,965,963	-	-
Dividend paid by the subsidiaries to non-controlling interests	(22,499,780)	(48,037,620)	-	-
<b>Net cash flows from financing activities</b>	<u>351,534,057</u>	<u>364,280,674</u>	<u>103,224,784</u>	<u>172,941,420</u>
<b>Increase (decrease) in translation adjustment</b>	<u>(15,755,525)</u>	<u>7,086,247</u>	<u>-</u>	<u>-</u>
<b>Net increase (decrease) in cash and cash equivalents</b>	<u>106,831,655</u>	<u>4,129,995</u>	<u>(5,274,509)</u>	<u>(328,835)</u>
Cash and cash equivalents at beginning of year	<u>391,136,965</u>	<u>387,006,970</u>	<u>6,527,952</u>	<u>6,856,787</u>
<b>Cash and cash equivalents at end of year (Note 7)</b>	<u>497,968,620</u>	<u>391,136,965</u>	<u>1,253,443</u>	<u>6,527,952</u>
	-	-	-	-

The accompanying notes are an integral part of the financial statements.

**Ingress Industrial (Thailand) Public Company Limited and its subsidiaries**

**Cash flow statement (continued)**

**For the year ended 31 January 2022**

(Unit: Baht)

	<u>Consolidated financial statements</u>		<u>Separate financial statements</u>	
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
<b>Supplemental cash flows information:</b>				
Non-cash transactions				
Acquisitions of assets under lease agreements	24,353,697	68,492,484	-	5,026,404
Reclassify short-term loans from related party to long-term loans from related party	-	-	207,500,000	-
Reclassify short-term loan to related parties to long-term loans to related parties	-	-	221,588,360	-
Acquisitions of machinery and equipment for which no cash has been paid	603,605,379	85,657,606	-	-
Acquisitions of right-of-use assets for which no cash has been paid	158,541,801	-	-	-
Transfer of inventory to equipment	-	10,980,684	-	-
Transfer of assets under construction to intangible assets	735,152	-	-	-
Transfer of land to assets classified as held for sale	-	89,820,980	-	-
Transfer of advance payment to right-of-use assets	(89,268,750)	-	-	-
Transfer of advance payment to buildings and and buildings improvement	(29,474,571)	-	-	-

The accompanying notes are an integral part of the financial statements.

# **Ingress Industrial (Thailand) Public Company Limited and its subsidiaries**

## **Notes to consolidated financial statements**

**For the year ended 31 January 2022**

### **1. General information**

#### **1.1 General information of the Company**

Ingress Industrial (Thailand) Public Company Limited (“the Company”) is a public company incorporated and domiciled in Thailand. Its parent company is Ingress Corporation Berhad, which was incorporated in Malaysia and its parent company of the group is Ramdawi Sdn. Bhd., which was incorporated in Malaysia. The Company is principally engaged in the investment holding. The subsidiaries are principally engaged in the manufacture and distribution of automotive components. The registered office of the Company is 9/141, 14th floor, Unit A, UM Tower Building, Ramkhamhaeng Road, Suanluang, Bangkok.

#### **1.2 COVID-19 pandemic**

The COVID-19 pandemic is adversely impacting most businesses and industries, including the business activities of the Group. This situation may bring uncertainties and have an impact on the environment in which the group operates. The Group’s management has continuously monitored ongoing developments and assessed the financial impact in respect of the valuation of assets, provisions and contingent liabilities, and has used estimates and judgement in respect of various issues as the situation has evolved.

### **2. Basis of preparation**

2.1 The financial statements have been prepared in accordance with Thai Financial Reporting Standards enunciated under the Accounting Professions Act B.E. 2547 and their presentation has been made in compliance with the stipulations of the Notification of the Department of Business Development, issued under the Accounting Act B.E. 2543.

The financial statements in Thai language are the official statutory financial statements of the Company. The financial statements in English language have been translated from the Thai language financial statements.

The financial statements have been prepared on a historical cost basis except where otherwise disclosed in the accounting policies.

## 2.2 Basis of consolidation

- a) The consolidated financial statements include the financial statements of Ingress Industrial (Thailand) Public Company Limited (“the Company”) and the following subsidiary companies (“the subsidiaries”) (collectively as “the Group”):

Company's name	Nature of business	Country of incorporation	Percentage of shareholding	
			<u>2022</u>	<u>2021</u>
			Percent	Percent
<b><u>Subsidiaries held directly by the Company</u></b>				
Ingress Industrial (Malaysia) Sdn. Bhd.	Investment holding	Malaysia	100.0	100.0
Ingress Autoventures Company Limited	Manufacture and distribution of automotive components	Thailand	62.5	62.5
Fine Components (Thailand) Company Limited	Manufacture and distribution of automotive components	Thailand	85.0	85.0
<b><u>Subsidiaries held through Ingress Industrial (Malaysia) Sdn. Bhd.</u></b>				
Ingress Precision Sdn. Bhd.	Manufacture and distribution of automotive components	Malaysia	90.0	90.0
Ingress Technologies Sdn. Bhd.	Manufacture and distribution of automotive components	Malaysia	70.0	70.0
Talent Synergy Sdn. Bhd.	Provision of engineering and automatic production system design services	Malaysia	100.0	100.0
Ingress Autoventures (India) Private Limited	Manufacture and distribution of automotive components	India	97.06	97.06
PT Ingress Industrial Indonesia	Manufacture and distribution of automotive components	Indonesia	69.97	99.96
<b><u>Subsidiary held through Ingress Precision Sdn. Bhd.</u></b>				
PT Ingress Malindo Ventures	Manufacture and distribution of automotive components	Indonesia	60.0	60.0
<b><u>Subsidiaries held through Ingress Technologies Sdn. Bhd.</u></b>				
PT Ingress Technologies Indonesia	Manufacture and distribution of automotive components	Indonesia	100.0	100.0
Ingress AOI Technologies Sdn. Bhd.	Manufacture and distribution of automotive components	Malaysia	51.0	51.0

- b) The Company is deemed to have control over an investee or subsidiaries if it has rights, or is exposed, to variable returns from its involvement with the investee, and it has the ability to direct the activities that affect the amount of its returns.
- c) Subsidiaries are fully consolidated, being the date on which the Company obtains control, and continue to be consolidated until the date when such control ceases.
- d) The financial statements of the subsidiaries are prepared using the same significant accounting policies as the Company.
- e) The assets and liabilities in the financial statements of overseas subsidiary companies are translated to Baht using the exchange rate prevailing at the end of reporting period, and revenues and expenses translated using monthly average exchange rates. The resulting differences are shown under the caption of “Exchange differences on translation of financial statements in foreign currencies” in the statements of changes in shareholders’ equity.
- f) Material balances and transactions between the Group have been eliminated from the consolidated financial statements.
- g) Non-controlling interests represent the portion of profit or loss and net assets of the subsidiaries that are not held by the Company and are presented separately in the consolidated profit or loss and within equity in the consolidated statement of financial position.

2.3 The separate financial statements present investments in subsidiaries under the cost method.

### **3. New financial reporting standards**

#### **3.1 Financial reporting standards that became effective in the current year**

During the year, the Group has adopted the revised financial reporting standards and interpretations which are effective for fiscal years beginning on or after 1 January 2021. These financial reporting standards were aimed at alignment with the corresponding International Financial Reporting Standards with most of the changes directed towards clarifying accounting treatment and providing accounting guidance for users of the standards.

The adoption of these financial reporting standards does not have any significant impact on the Group’s financial statements.

### **3.2 Financial reporting standards that will become effective for fiscal years beginning on or after 1 January 2022**

The Federation of Accounting Professions issued a number of revised financial reporting standards, which are effective for fiscal years beginning on or after 1 January 2022. These financial reporting standards were aimed at alignment with the corresponding International Financial Reporting Standards with most of the changes directed towards clarifying accounting treatment and, for some standards, providing temporary reliefs or temporary exemptions for users.

The management of the Group believes that adoption of these amendments will not have any significant impact on the Group's financial statements.

## **4. Significant accounting policies**

### **4.1 Revenue and expense recognition**

#### **Sales of goods**

Revenue from sale of goods is recognised at the point in time when control of the asset is transferred to the customer, generally upon delivery of the goods. Revenue is measured at the amount of the consideration received or receivable, excluding value added tax, of goods supplied after deducting returns, discounts, allowances and price promotions to customers.

#### **Rendering of services**

Service revenue is recognised over time when services have been rendered taking into account the stage of completion, measuring based on information provided by the Group's engineers or project managers.

The recognised revenue which is not yet due per the contracts has been presented under the caption of "Contract assets" in the statement of financial position. The amounts recognised as contract assets are reclassified to trade receivables when the Group's right to consideration is unconditional such as upon completion of services and acceptance by the customer.

The obligation to transfer goods or services to a customer for which the Group has received consideration (or an amount of consideration is due) from the customer is presented under the caption of "Contract liabilities" in the statement of financial position. Contract liabilities are recognised as revenue when the Group performs under the contract.

## **Interest income**

Interest income is calculated using the effective interest method and recognised on an accrual basis. The effective interest rate is applied to the gross carrying amount of a financial asset, unless the financial assets subsequently become credit-impaired when it is applied to the net carrying amount of the financial asset (net of the expected credit loss allowance).

## **Finance cost**

Interest expense from financial liabilities at amortised cost is calculated using the effective interest method and recognised on an accrual basis.

## **Dividends**

Dividends are recognised when the right to receive the dividends is established.

### **4.2 Cash and cash equivalents**

Cash and cash equivalents consist of cash in hand and at banks, and all highly liquid investments with an original maturity of three months or less and not subject to withdrawal restrictions.

### **4.3 Inventories**

Finished goods and work in process are valued at the lower of cost (under the weighted average method) and net realisable value. The cost of inventories is measured using the standard cost method, which approximates actual cost and includes all production costs and attributable factory overheads.

Raw materials, spare parts and factory supplies are valued at the lower of average cost and net realisable value and are charged to production costs whenever consumed.

### **4.4 Investments in subsidiaries**

Investments in subsidiaries is accounted for in the separate financial statements using the cost method, net of allowance for impairment loss (if any).

### **4.5 Investment properties**

Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are stated at fair value. Any gains or losses arising from changes in the value of investment properties are recognised in profit or loss when incurred.

On disposal of investment properties, the difference between the net disposal proceeds and the carrying amount of the asset is recognised in profit or loss in the period when the asset is derecognised.

#### 4.6 Property, plant and equipment/Depreciation

Land is stated at revalued amount. Buildings and equipment are stated at revalued amount and cost, respectively and less accumulated depreciation and allowance for loss on impairment of assets (if any).

The Group's land and buildings are initially recorded at cost on the acquisition date, and subsequently revalued by an independent professional appraiser to their fair values. Revaluations are made with sufficient regularity to ensure that the carrying amount does not differ materially from fair value at the end of reporting period.

Differences arising from the revaluation are dealt with in the financial statements as follows:

- When an asset's carrying amount is increased as a result of a revaluation of the Group's assets, the increase is credited directly to the other comprehensive income and the cumulative increase is recognised in equity under the heading of "Surplus on revaluation of assets". However, a revaluation increase is recognised as income to the extent that it reverses a revaluation decrease in respect of the same asset previously recognised as an expense.
- When an asset's carrying amount is decreased as a result of a revaluation of the Group's assets, the decrease is recognised in profit or loss. However, the revaluation decrease is charged to the other comprehensive income to the extent that it does not exceed an amount already held in "Surplus on revaluation of assets" in respect of the same asset.

Depreciation of plant and equipment is calculated by reference to their costs or the revalued amount on the straight-line basis except for toolings utilised for specific product models which are depreciated using the units-of-production method. The estimated useful lives can be summarised as follows:

Buildings and buildings improvement	-	5 - 50 years
Long-term leasehold buildings and buildings improvement	-	20 years
Machinery and equipment	-	3 - 15 years
Furniture, fixtures and office equipment	-	3 - 10 years
Motor vehicles	-	5 - 10 years

Depreciation is included in determining income.

No depreciation is provided on land and assets under construction and installation.

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 arising on disposal of an asset is included in profit or loss when the asset is derecognised.

#### 4.7 Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the respective assets. All other borrowing costs are expensed in the period they are incurred. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

#### 4.8 Intangible assets

Intangible assets acquired through business combination are initially recognised at their fair value on the date of business acquisition while intangible assets acquired in other cases are recognised at cost. Following the initial recognition, the intangible assets are carried at cost less any accumulated amortisation and any accumulated impairment losses (if any).

Intangible assets with finite lives are amortised on the straight-line basis over the economic useful life and tested for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method of such intangible assets are reviewed at least at each financial year end. The amortisation expense is charged to profit or loss.

A summary of the intangible assets with finite useful lives is as follows:

	<u>Useful lives</u>
Customer relationships	10 years
Computer software	5 and 10 years

#### 4.9 Goodwill

Goodwill is initially recorded at cost, which equals to the excess of cost of business combination over the fair value of the net assets acquired. If the fair value of the net assets acquired exceeds the cost of business combination, the excess is immediately recognised as gain in profit or loss.

Goodwill is carried at cost less any accumulated impairment losses. Goodwill is tested for impairment annually and when circumstances indicate that the carrying value may be impaired.

For the purpose of impairment testing, goodwill acquired in a business combination is allocated to each of the Group's cash generating units (or group of cash-generating units) that are expected to benefit from the synergies of the combination. The Group estimates the recoverable amount of each cash-generating unit (or group of cash-generating units) to which the goodwill relates. 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 relating to goodwill cannot be reversed in future periods.

#### 4.10 Leases

At inception of contract, the Group assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

##### **The Group as a lessee**

The Group applied a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. At the commencement date of the lease (i.e. the date the underlying asset is available for use), the Group recognises right-of-use assets representing the right to use underlying assets and lease liabilities based on lease payments.

##### ***Right-of-use assets***

Right-of-use assets for long-term leasehold land are measured at revalued amount and other Right-of-use assets are measured at cost, less accumulated depreciation, any accumulated impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities initially recognised, initial direct costs incurred, and lease payments made at or before the commencement date of the lease less any lease incentives received.

Depreciation of right-of-use assets are calculated by reference to their costs or the revalued amount, on the straight-line basis over the shorter of their estimated useful lives and the lease term.

Long-term leasehold land	20 and 99 years
Long-term leasehold buildings and buildings improvement	2 - 10 years
Machinery and equipment	5 - 10 years
Furniture, fixtures and office equipment	3 years
Motor vehicles	3 - 10 years

If ownership of the leased assets are transferred to the Group at the end of the lease term or the cost reflects the exercise of a purchase option, right-of-use assets are presented as part of property, plant and equipment in the statement of financial position, and depreciation is calculated using the estimated useful life of the asset.

### ***Lease liabilities***

Lease liabilities are measured at the present value of the lease payments to be made over the lease term. The lease payments include fixed payments less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be payable under residual value guarantees. Moreover, the lease payments include the exercise price of a purchase option reasonably certain to be exercised by the Group and payments of penalties for terminating the lease, if the lease term reflects the Group exercising an option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses in the period in which the event or condition that triggers the payment occurs.

The Group discounted the present value of the lease payments by the interest rate implicit in the lease or the Group's incremental borrowing rate. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a change in the lease term, a change in the lease payments or a change in the assessment of an option to purchase the underlying asset.

### ***Short-term leases and leases of low-value assets***

A lease that has a lease term less than or equal to 12 months from commencement date or a lease of low-value assets is recognised as expenses on a straight-line basis over the lease term.

### **The Group as a lessor**

A lease is classified as an operating lease if it does not transfer substantially all the risks and rewards incidental to ownership of an underlying asset to a lessee. Lease receivables from operating leases is recognised as income in profit or loss on a straight-line basis over the lease term. Initial direct costs incurred in obtaining an operating lease are added to the carrying amount of the underlying assets and recognised as an expense over the lease term on the same basis as the lease income.

## **4.11 Related party transactions**

Related parties comprise individuals or enterprises that control, or are controlled by, the Group, whether directly or indirectly, or which are under common control with the Group.

They also include associates, and individuals or enterprises which directly or indirectly own a voting interest in the Group that give them significant influence over the Group, key management personnel, directors, and officers with authority in the planning and direction of the Group's operations.

#### **4.12 Foreign currencies**

The consolidated and separate financial statements are presented in Baht, which is also the Company's functional currency. Items of each entity included in the consolidated financial statements are measured using the functional currency of that entity.

Transactions in foreign currencies are translated into Baht at the exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated into Baht at the exchange rate ruling at the end of reporting period.

Gains and losses on exchange are included in determining income.

#### **4.13 Impairment of non-financial assets**

At the end of each reporting period, the Group performs impairment reviews in respect of the property, plant and equipment, right-of-use assets, and other intangible assets whenever events or changes in circumstances indicate that an asset may be impaired. The Group also carries out annual impairment reviews in respect of goodwill. An impairment loss is recognised when the recoverable amount of an asset, which is the higher of the asset's fair value less costs to sell and its value in use, is less than the carrying amount. In determining value in use, the estimated future cash flows 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. In determining fair value less costs to sell, an appropriate valuation model is used. These calculations are corroborated by a valuation model that, based on information available, reflects the amount that the Group could obtain from the disposal of the asset in an arm's length transaction between knowledgeable, willing parties, after deducting the costs of disposal.

An impairment loss is recognised in profit or loss. However, in cases where land and building were previously revalued and the revaluation was taken to equity, a part of such impairment is recognised in equity up to the amount of the previous revaluation.

In the assessment of asset impairment (except for goodwill), if there is any indication that previously recognised impairment losses may no longer exist or may have decreased, the Group estimates the asset's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The increased carrying amount of the asset attributable to a reversal of an impairment loss shall not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in profit or loss unless the asset is carried at a revalued amount, in which case the reversal, which exceeds the carrying amount that would have been determined, is treated as a revaluation increase.

#### **4.14 Employee benefits**

##### ***Short-term employee benefits***

Salaries, wages, bonuses and contributions to the social security fund are recognised as expenses when incurred.

##### ***Post-employment benefits***

###### ***Defined contribution plans***

The Group and its employees have jointly established a provident fund. The fund is monthly contributed by employees and by the Group. The fund's assets are held in a separate trust fund and the Group's contributions are recognised as expenses when incurred.

###### ***Defined benefit plans***

The Group has obligations in respect of the severance payments it must make to employees upon retirement under labor law. The Group treats these severance payment obligations as a defined benefit plan.

The obligation under the defined benefit plan is determined by a professionally qualified independent actuary based on actuarial techniques, using the projected unit credit method.

Actuarial gains and losses arising from defined benefit plans are recognised immediately in other comprehensive income.

#### **4.15 Provisions**

Provisions are recognised when the Group has a present obligation as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

#### **4.16 Income tax**

Income tax expense represents the sum of corporate income tax currently payable and deferred tax.

##### **Current tax**

Current income tax is provided in the accounts at the amount expected to be paid to the taxation authorities, based on taxable profits determined in accordance with tax legislation.

##### **Deferred tax**

Deferred income tax is provided on temporary differences between the tax bases of assets and liabilities and their carrying amounts at the end of each reporting period, using the tax rates enacted at the end of the reporting period.

The Group recognises deferred tax liabilities for all taxable temporary differences while it recognises deferred tax assets for all deductible temporary differences and tax losses carried forward to the extent that it is probable that future taxable profit will be available against which such deductible temporary differences and tax losses carried forward can be utilised.

At each reporting date, the Group reviews and reduces the carrying amount of deferred tax assets 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.

The Group records deferred tax directly to shareholder's equity if the tax relates to items that are recorded directly to shareholders' equity.

#### **4.17 Financial instruments**

The Group initially measures financial assets at its fair value plus, in the case of financial assets that are not measured at fair value through profit or loss, transaction costs. However, trade receivables, that do not contain a significant financing component, are measured at the transaction price as disclosed in the accounting policy relating to revenue recognition.

##### **Classification and measurement of financial assets**

Financial assets are classified, at initial recognition, as to be subsequently measured at amortised cost, fair value through other comprehensive income ("FVOCI"), or fair value through profit or loss ("FVTPL"). The classification of financial assets at initial recognition is driven by the Group's business model for managing the financial assets and the contractual cash flows characteristics of the financial assets.

##### ***Financial assets at amortised cost***

The Group measures financial assets at amortised cost if the financial asset is held in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at amortised cost are subsequently measured using the effective interest rate ("EIR") method and are subject to impairment. Gains and losses are recognised in profit or loss when the asset is derecognised, modified or impaired.

##### **Classification and measurement of financial liabilities**

At initial recognition the Group's financial liabilities are recognised at fair value net of transaction costs and classified as liabilities to be subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process. In determining amortised cost, the Group takes into account any fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance costs in profit or loss.

## **Derecognition of financial instruments**

A financial asset is primarily derecognised when the rights to receive cash flows from the asset have expired or have been transferred and either the Group has transferred substantially all the risks and rewards of the asset, or the Group has transferred control of the asset.

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. 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 the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in profit or loss.

## **Impairment of financial assets**

The Group recognises an allowance for expected credit losses (“ECLs”) for all debt instruments not held at FVTPL. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Group expects to receive, discounted at an approximation of the original effective interest rate.

For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12-months (a 12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure (a lifetime ECL).

The Group considers a significant increase in credit risk to have occurred when contractual payments are more than 30 days past due and considers a financial asset as credit impaired or default when contractual payments are 90 days past due. However, in certain cases, the Group may also consider a financial asset to have a significant increase in credit risk and to be in default using other internal or external information, such as credit rating of issuers.

For trade receivables and contract assets, the Group applies a simplified approach in calculating ECLs. Therefore, the Group does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date.

ECLs are calculated based on its historical credit loss experience and adjusted for forward-looking factors specific to the debtors and the economic environment.

A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

#### **Offsetting of financial instruments**

Financial assets and financial liabilities are offset, and the net amount is reported in the statement of financial position if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

#### **4.18 Fair value measurement**

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between buyer and seller (market participants) at the measurement date. The Group applies a quoted market price in an active market to measure their assets and liabilities that are required to be measured at fair value by relevant financial reporting standards. Except in case of no active market of an identical asset or liability or when a quoted market price is not available, the Group measures fair value using valuation technique that are appropriate in the circumstances and maximises the use of relevant observable inputs related to assets and liabilities that are required to be measured at fair value.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy into three levels based on categorise of input to be used in fair value measurement as follows:

Level 1 - Use of quoted market prices in an active market for such assets or liabilities

Level 2 - Use of other observable inputs for such assets or liabilities, whether directly or indirectly

Level 3 - Use of unobservable inputs such as estimates of future cash flows

At the end of each reporting period, the Group determines whether transfers have occurred between levels within the fair value hierarchy for assets and liabilities held at the end of the reporting period that are measured at fair value on a recurring basis.

## 5. Significant accounting judgments and estimates

The preparation of financial statements in conformity with financial reporting standards at times requires management to make subjective judgments and estimates regarding matters that are inherently uncertain. These judgments and estimates affect reported amounts and disclosures; and actual results could differ from these estimates. Significant judgments and estimates are as follows:

### **Revenue from contracts with customers**

#### ***Determination of timing of revenue recognition***

In calculating the revenue recognised over time, the management is required to use judgement regarding measuring progress towards complete satisfaction of a performance obligation, measuring based on information provided by the Group's engineers or project managers.

### **Leases**

#### ***Determining the lease term with extension and termination options - The Group as a lessee***

In determining the lease term, the management is required to exercise judgement in assessing whether the Group is reasonably certain to exercise the option to extend or terminate the lease considering all relevant facts and circumstances that create an economic incentive for the Group to exercise either the extension or termination option.

#### ***Estimating the incremental borrowing rate - The Group as a lessee***

The Group cannot readily determine the interest rate implicit in the lease, therefore, the management is required to exercise judgement in estimating its incremental borrowing rate to discount lease liabilities. The incremental borrowing rate is the rate of interest that the Group would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment.

### **Allowance for expected credit losses of account receivables and contract assets**

In determining an allowance for expected credit losses of account receivables and contract assets, the management needs to make judgement and estimates based upon, among other things, past collection history, aging profile of outstanding debts and the forecast economic condition for groupings of various customer segments with similar credit risks. The Group's historical credit loss experience and forecast economic conditions may also not be representative of whether a customer will actually default in the future.

**Net realisable value of inventories**

The management uses judgment to estimate the net realisable value of inventories based on the amount the inventories are expected to realise. These estimates take into consideration fluctuations of price or cost directly relating to events occurring after the end of reporting date. In addition, the management makes judgment and estimates expected loss from stock obsolescence based upon past sales history and the prevailing economic condition.

**Investment properties**

The Company presents investment property at the fair value estimated by an independent appraiser using the market approach. The valuation involves certain assumptions and estimates.

**Property plant and equipment/Depreciation**

In determining depreciation of plant and equipment, the management is required to make estimates of the useful lives and residual values of the plant and equipment and to review estimate useful lives and residual values when there are any changes.

The Group measures land and buildings at revalued amounts. Such amounts are determined by the independent valuer using the market approach for land and the depreciated replacement cost approach for buildings. The valuation involves certain assumptions and estimates.

In addition, the management is required to review property, plant and equipment for impairment on a periodical basis and record impairment losses when it is determined that their recoverable amount is lower than the carrying amount. This requires judgements regarding forecast of future revenues and expenses relating to the assets subject to the review.

**Right-of-use assets**

The Group measures Right-of-use assets for long-term leasehold land at revalued amount. Such amounts are determined by the independent valuer. The valuation involves certain assumptions and estimates.

**Goodwill**

The initial recognition and measurement of goodwill, and subsequent impairment testing, require management to make estimates of cash flows to be generated by the asset or the cash-generating units and to choose a suitable discount rate in order to calculate the present value of those cash flows.

**Deferred tax assets**

Deferred tax assets are recognised for deductible temporary differences and unused tax losses to the extent that it is probable that taxable profit will be available against which the temporary differences and losses can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and level of estimate future taxable profits.

**Allowance for impairment of non-financial assets**

In determining allowance for impairment of a non-financial asset, the management is required to exercise judgements regarding determination of the recoverable amount of the asset, which is the higher of its fair value less costs of disposal and its value in use. The fair value less costs of disposal calculation is based on available data from binding sales transactions, conducted at arm's length, for similar assets or observable market prices less incremental costs of disposing of the asset. The value in use calculation is based on a discounted cash flow model. The cash flows do not include restructuring activities that the Group is not yet committed to or significant future investments that will enhance the performance of the assets of the cash-generating unit being tested. The recoverable amount is sensitive to the discount rate used for the discounted cash flow model as well as the expected future cash-inflows and the growth rate used for extrapolation purposes. These estimates are most relevant to property, plant and equipment, and goodwill recognised by the Group.

**Post-employment benefits under defined benefit plans**

The obligation under the defined benefit plan is determined based on actuarial techniques. Such determination is made based on various assumptions, including discount rate, future salary increase rate, mortality rate and staff turnover rate.

## 6. Related party transactions

During the years, the Group had significant business transactions with related parties. Such transactions, which are summarised below, arose in the ordinary course of business and were concluded on commercial terms and bases agreed upon between the Group and those related parties.

(Unit: Million Baht)

	Consolidated		Separate		<u>Transfer pricing policy</u>
	financial statements		financial statements		
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>	
<b><u>Transactions with subsidiaries</u></b>					
(eliminated from the consolidated financial statements)					
Management fee income	-	-	40	34	Contract rate
Dividend income	-	-	38	38	As announced
Interest income	-	-	28	13	Contract rate
Interest expense	-	-	35	26	Contract rate
<b><u>Transactions with corporate shareholders of subsidiaries</u></b>					
Purchase of raw materials and supplies	19	12	-	-	As agreed
Purchase of machinery and equipment	83	37	-	-	As agreed
Advance payment for mold	199	-	-	-	As agreed
Royalty fee	20	11	-	-	Contract rate
Technical assistance fee	6	4	-	-	Contract price
Dividend paid	22	31	-	-	As announced
<b><u>Transactions with subsidiaries of corporate shareholders of subsidiaries</u></b>					
Sales of goods	958	1,078	-	-	As agreed
<b><u>Transactions with related companies</u></b>					
Sales of goods	3	3	-	-	As agreed
Sales of machinery and equipment	1	-	-	-	As agreed
Purchase of raw materials and supplies	2	1	-	-	As agreed
Purchase of machinery and equipment	23	3	-	-	As agreed
Advance payment for mold	88	30	-	-	As agreed
Interest income	1	-	-	-	Contract rate
Rental income	2	2	-	-	Contract rate
Rental expense	2	1	-	-	Contract rate

The balances of the accounts as at 31 January 2022 and 2021 between the Group and those related parties were as follows:

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements	financial statements	financial statements	financial statements
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
<b><u>Trade and other receivables - related parties</u></b>				
<b><u>Trade receivables - related parties (Note 8)</u></b>				
Subsidiaries of corporate shareholders of subsidiaries	88,478	45,320	-	-
Corporate shareholders of subsidiaries	2,597	-	-	-
Related companies (common shareholders and directors)	4,103	924	-	-
Total trade receivables - related parties	95,178	46,244	-	-
Less: Allowance for expected credit losses	(63)	-	-	-
Total trade receivables - related parties, net	95,115	46,244	-	-
<b><u>Other receivables - related parties (Note 8)</u></b>				
Parent company	41,442	51,134	-	-
Subsidiaries	-	-	64,131	120,168
A subsidiary of a corporate shareholder of a subsidiary	-	32,725	-	-
Related companies (common shareholders and directors)	10,879	8,237	-	18
Total other receivables - related parties	52,321	92,096	64,131	120,186
Less: Allowance for expected credit losses	(333)	(279)	(1,609)	-
Total other receivables - related parties, net	51,988	91,817	62,522	120,186
<b><u>Other long-term receivable - related party</u></b>				
Subsidiary	-	-	65,055	-
Total other long-term receivable - related party	-	-	65,055	-
Less: Allowance for expected credit losses	-	-	(9,141)	-
Total other long-term receivable - related parties, net	-	-	55,914	-
Total trade and other receivables - related parties, net	147,103	138,061	118,436	120,186

### Short-term loans to related parties

The balances of short-term loans to related parties between the Company and its subsidiaries as at 31 January 2022 and 2021 and the movement of those loans are as follows:

(Unit: Thousand Baht)

		Separate financial statements						
Company's name	Currency	Balance as at 31 January 2021	Increase during the year	Decrease during the year	Transfer loans between the Group	Reclassify to long-term loans to related parties	Unrealised gain on exchange	Balance as at 31 January 2022
<b>PT Ingress Industrial Indonesia</b>								
(1)	THB	65,063	135,000	-	(200,063)	-	-	-
(2)	USD	20,870	-	-	(20,870)	-	-	-
(3)	IDR	9,795	-	-	(9,795)	-	-	-
Total		95,728	135,000	-	(230,728)	-	-	-
<b>Ingress Industrial (Malaysia) Sdn. Bhd.</b>								
(1)	THB	-	23,000	-	200,063	(219,063)	-	4,000
(2)	USD	-	-	-	20,870	-	2,414	23,284
(3)	IDR	-	-	-	9,795	-	928	10,723
Total		-	23,000	-	230,728	(219,063)	3,342	38,007
<b>Talent Synergy Sdn. Bhd.</b>								
(1)	THB	-	2,525	-	-	(2,525)	-	-
Total		-	2,525	-	-	(2,525)	-	-
<b>Total short-term loans to related parties</b>		95,728	160,525	-	-	(221,588)	3,342	38,007

On 30 December 2021, the Company, PT Ingress Industrial Indonesia and Ingress Industrial (Malaysia) Sdn. Bhd. (the subsidiaries) entered into an agreement that all loans and outstanding interest due from PT Ingress Industrial Indonesia to the Company is novated to Ingress Industrial (Malaysia) Sdn. Bhd. Under the agreement, Ingress Industrial (Malaysia) Sdn. Bhd. agreed to repay such loans and outstanding interest to the Company by January 2022.

Subsequently, on 31 January 2022, the Company, Ingress Industrial (Malaysia) Sdn. Bhd. and Talent Synergy Sdn. Bhd. (the subsidiaries) changed the repayment schedule of principal and interest receivables including conditions and interest rates whereby the subsidiaries shall repay the loans and interest on a monthly basis from February 2022 to January 2028 and the interest rate was revised to 5.73 to 5.84 percent per annum. The Company therefore classifies these loans as long-term loans, as describe in “Long-term loans to related parties”.

These loans are unsecured and carry interest at the rate of 5.73 to 5.84 percent per annum (2021: 10.00 to 10.25 percent per annum).

#### Long-term loans to related parties

The balances of long-term loans to related parties between the Company and its subsidiaries as at 31 January 2022 and 2021 are as follows:

(Unit: Thousand Baht)

Company's name	Interest rate (percent per annum)	Repayment within	Separate financial statements					
			31 January 2022			31 January 2021		
			Current portion	Long-term portion	Total	Current portion	Long-term portion	Total
Ingress Industrial								
(Malaysia) Sdn. Bhd.	5.00 - 5.73	31 January 2028	32,044	238,687	270,731	5,627	46,041	51,668
Ingress Precision								
Sdn. Bhd.	5.00	31 May 2024	7,650	19,260	26,910	31,252	783	32,035
Talent Synergy								
Sdn. Bhd.	5.60	31 March 2026	1,560	2,610	4,170	1,645	-	1,645
PT Ingress Malindo								
Ventures	9.35	31 December 2028	2,198	10,989	13,187	6,300	7,136	13,436
Ingress Autoventures								
(India) Private Limited	4.75	10 December 2025	-	11,870	11,870	-	11,870	11,870
Total			43,452	283,416	326,868	44,824	65,830	110,654
Less: Allowance for expected credit losses			-	(1,010)	(1,010)	-	-	-
Total			43,452	282,406	325,858	44,824	65,830	110,654

The movement of those loans are as follows:

(Unit: Thousand Baht)

Company's name	Separate financial statements				Balance as at 31 January 2022
	Balance as at 31 January 2021	Increase during the year	Decrease during the year	Reclassify to long-term loans to related parties	
	Ingress Industrial (Malaysia) Sdn. Bhd.	51,668	-	-	
Ingress Precision Sdn. Bhd.	32,035	-	(5,125)	-	26,910
Talent Synergy Sdn. Bhd.	1,645	-	-	2,525	4,170
PT Ingress Malindo Ventures	13,436	-	(249)	-	13,187
Ingress Autoventures (India) Private Limited	11,870	-	-	-	11,870
<b>Total</b>	<b>110,654</b>	<b>-</b>	<b>(5,374)</b>	<b>221,588</b>	<b>326,868</b>
Less: Allowance for expected credit losses	-	(1,010)	-	-	(1,010)
<b>Total long-term loans to related parties, net</b>	<b>110,654</b>	<b>(1,010)</b>	<b>(5,374)</b>	<b>221,588</b>	<b>325,858</b>

These loans are unsecured.

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
<b><u>Trade and other payables - related parties</u></b>				
<b><u>Trade payables - related parties (Note 16)</u></b>				
Corporate shareholders of subsidiaries	12,243	1,433	-	-
Related companies (common shareholders and directors)	2,141	185	-	-
<b>Total trade payables - related parties</b>	<b>14,384</b>	<b>1,618</b>	<b>-</b>	<b>-</b>
<b><u>Other payables - related parties (Note 16)</u></b>				
Parent company	502	735	61	55
Corporate shareholders of subsidiaries	704,277	164,733	-	-
Subsidiaries	-	-	44,697	86,421
Related companies (common shareholders and directors)	31,965	28,275	-	-
<b>Total other payables - related parties</b>	<b>736,744</b>	<b>193,743</b>	<b>44,758</b>	<b>86,476</b>

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
<b><u>Other long-term payable - related party</u></b>				
Subsidiary	-	-	53,210	-
Total other long-term payable - related party	-	-	53,210	-
Total trade and other payable - related party	<u>751,128</u>	<u>195,361</u>	<u>97,968</u>	<u>86,476</u>
<b><u>Dividend payables to related parties</u></b>				
Corporate shareholders of subsidiaries	<u>44</u>	<u>41</u>	-	-
Total dividend payables to related parties	<u>44</u>	<u>41</u>	-	-
<b><u>Lease liabilities - related party</u></b>				
Related company (common shareholder and director)	<u>3,913</u>	<u>5,328</u>	-	-
Total lease liabilities - related party	<u>3,913</u>	<u>5,328</u>	-	-

#### Short-term loans from related parties

The balances of short-term loans from related parties between the Company and its subsidiaries as at 31 January 2022 and 2021 and the movement of those loans are as follows:

(Unit: Thousand Baht)

	Separate financial statements				
	Balance as at 31 January 2021	Increase during the year	Decrease during the year	Reclassify to	Balance as at 31 January 2022
				long-term loans from related parties	
Short-term loans					
Ingress Autoventures					
Company Limited	105,000	125,000	(22,500)	(207,500)	-
Fine Components (Thailand)					
Company Limited	-	22,000	(5,000)	-	17,000
Total	<u>105,000</u>	<u>147,000</u>	<u>(27,500)</u>	<u>(207,500)</u>	<u>17,000</u>

These loans are unsecured and carry interest at the rate of 5.84 to 6.00 percent per annum (2021: 6.00 percent per annum).

On 31 January 2022, the Company and Ingress Autoventures Company Limited (the subsidiary) changed the repayment conditions of all short-term loans and accrued interest expenses, such that they are repayable in more than 1 year. The Company, therefore classifies these loans as long-term loans, as described in "Long-term loans from related party".

### Long-term loans from related party

The balances and the movements of long-term loans between the Company and Ingress Autoventures Company Limited, subsidiary, are as follows:

	(Unit: Thousand Baht)	
	Separate financial statement	
	<u>2022</u>	<u>2021</u>
<b>Beginning balance</b>	395,000	326,000
Add: Borrowing during the period	-	75,000
Add: Reclassify from short-term loans to long-term loans	207,500	-
Less: Repayment during the period	(15,000)	(6,000)
<b>Ending balance</b>	587,500	395,000
Less: Current portion	(15,561)	(78,000)
<b>Long-term loans from related party, net of current portion</b>	<u>571,939</u>	<u>317,000</u>

On 31 January 2022, the Company and Ingress Autoventures Company Limited changed the repayment conditions of loan amounting to Baht 588 million and accrued interest expenses amounting to Baht 44 million, such that the principal is repayable from February 2022 until May 2029 and accrued interest expenses are repayable within January 2023 and January 2024. These loans are unsecured and carries an interest rate of 4 percent per annum (2021: 6 percent per annum).

### Directors and management's benefits

During the years ended 31 January 2022 and 2021, the Group had employee benefit expenses payable to their directors and management as below.

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
Short-term employee benefits	91,072	81,516	9,426	8,712
Post-employment benefits	730	2,841	-	-
Total	<u>91,802</u>	<u>84,357</u>	<u>9,426</u>	<u>8,712</u>

### Guarantee obligations with related parties

The Company has outstanding guarantee obligations with its related parties, as described in Note 29.3 to the consolidated financial statements.

## 7. Cash and cash equivalents

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
Cash	310	297	50	50
Bank deposits	567,752	534,388	1,203	6,478
Total	<u>568,062</u>	<u>534,685</u>	<u>1,253</u>	<u>6,528</u>

As at 31 January 2022, bank deposits in saving accounts and fixed deposits carried interests between 0.1 to 0.7 percent per annum (2021: between 0.1 to 0.5 percent per annum) (the Company only: 0.7 percent per annum, (2021: 0.5 percent per annum).

Cash and cash equivalents as at 31 January 2022 and 2021 presented in the cash flow statements consist of:

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
Cash	310	297	50	50
Bank deposits	567,752	534,388	1,203	6,478
Total cash and bank deposits	568,062	534,685	1,253	6,528
Less: Bank overdrafts (Note 15)	(70,093)	(143,548)	-	-
Total	<u>497,969</u>	<u>391,137</u>	<u>1,253</u>	<u>6,528</u>

## 8. Trade and other receivables

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
<u>Trade receivables - related parties</u>				
Aged on the basis of due dates				
Not yet due	92,016	44,233	-	-
Past due				
Up to 3 months	1,263	1,583	-	-
3 - 6 months	1,185	52	-	-
6 - 12 months	628	376	-	-
Over 12 months	86	-	-	-
Total trade receivables - related parties	95,178	46,244	-	-
Less: Allowance for expected credit losses	(63)	-	-	-
Total trade receivables - related parties, net	<u>95,115</u>	<u>46,244</u>	<u>-</u>	<u>-</u>

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
<u>Trade receivables - unrelated parties</u>				
Aged on the basis of due dates				
Not yet due	291,862	210,720	-	-
Past due				
Up to 3 months	93,048	81,633	-	-
3 - 6 months	2,687	192	-	-
6 - 12 months	1,104	582	-	-
Over 12 months	5,033	5,740	-	-
Total trade receivables - unrelated parties	393,734	298,867	-	-
Less: Allowance for expected credit losses	(4,971)	(4,827)	-	-
Total trade receivables - unrelated parties, net	388,763	294,040	-	-
Total trade receivables - net	483,878	340,284	-	-
<u>Other receivables</u>				
Other receivables - related parties	52,321	92,096	28,286	109,438
Interest receivables - related parties	-	-	35,845	10,748
Total	52,321	92,096	64,131	120,186
Less: Allowance for expected credit losses	(333)	(279)	(1,609)	-
Other receivables - related parties, net	51,988	91,817	62,522	120,186
Other receivables - unrelated parties	103,805	76,547	-	-
Less: Allowance for expected credit losses	(12,525)	(17,129)	-	-
Other receivables - unrelated parties, net	91,280	59,418	-	-
Total other receivables - net	143,268	151,235	62,522	120,186
Total trade and other receivables - net	627,146	491,519	62,522	120,186

The normal credit term is 15 to 90 days.

## 9. Inventories

(Unit: Thousand Baht)

	Consolidated financial statements					
	Cost		Reduce cost to net realisable value		Inventories - net	
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
Finished goods	56,741	54,860	(3,828)	(4,421)	52,913	50,439
Work in process	54,317	44,181	(1,937)	(1,742)	52,380	42,439
Raw materials	184,619	146,602	(8,236)	(7,775)	176,383	138,827
Spare parts and factory supplies	11,598	10,402	-	-	11,598	10,402
Goods in transit	26,740	764	-	-	26,740	764
Total	<u>334,015</u>	<u>256,809</u>	<u>(14,001)</u>	<u>(13,938)</u>	<u>320,014</u>	<u>242,871</u>

During the current year, the subsidiaries reduced cost of inventories by Baht 0.1 million (2021: Baht 3.4 million), to reflect the net realisable value. This was included in cost of sales.

## 10. Investments in subsidiaries

10.1 Details of investments in subsidiaries as presented in separate financial statements are as follows:

Company's name	Registered capital		Paid-up capital		Shareholding percentage		Cost		(Unit: Thousand Baht) Dividend received during the year	
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
					(Percent)	(Percent)				
Ingress Industrial (Malaysia) Sdn. Bhd.	118 Million Ringgit	118 Million Ringgit	118 Million Ringgit	118 Million Ringgit	100.0	100.0	1,114,334	1,114,334	-	-
Ingress Autoventures Company Limited	300 Million Baht	300 Million Baht	300 Million Baht	300 Million Baht	62.5	62.5	685,883	685,883	37,500	37,500
Fine Components (Thailand) Company Limited	220 Million Baht	220 Million Baht	220 Million Baht	220 Million Baht	85.0	85.0	80,943	80,943	-	-
Total							<u>1,881,160</u>	<u>1,881,160</u>	<u>37,500</u>	<u>37,500</u>

## 10.2 Details of investments in subsidiaries that have material non-controlling interests

(Unit: Million Baht)

Company's name	Proportion of equity interest held by non-controlling interests		Accumulated balance of non-controlling interests		Profit (loss) allocated to non-controlling interests during the year		Other comprehensive income allocated to non-controlling interests during the year		Dividend paid to non-controlling interests during the year	
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
	(Percent)	(Percent)								
Ingress Autoventures Company Limited	37.5	37.5	362	357	12	(3)	16	-	23	23
Ingress Technologies Sdn. Bhd.	30.0	30.0	433	464	(73)	7	40	(11)	-	8
PT Ingress Industrial Indonesia	30.0	-	36	-	-	-	-	-	-	-

## 10.3 Summarised financial information based on amounts before inter-company elimination about subsidiaries that have material non-controlling interests

### Summarised information about financial position

(Unit: Million Baht)

	Ingress Autoventures Company Limited		Ingress Technologies Sdn. Bhd.		PT Ingress Industrial Indonesia	
	As at 31 January		As at 31 January		As at 31 January	
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
Current assets	263	427	1,592	1,064	511	-
Non-current assets	1,174	874	1,816	1,430	994	-
Current liabilities	404	286	1,504	666	1,418	-
Non-current liabilities	66	62	672	636	-	-

### Summarised information about comprehensive income

(Unit: Million Baht)

	Ingress Autoventures Company Limited		Ingress Technologies Sdn. Bhd.		PT Ingress Industrial Indonesia	
	For the years ended 31 January		For the years ended 31 January		For the years ended 31 January	
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
Revenue	736	582	1,013	889	32	-
Profit (Loss)	31	(8)	(152)	12	(22)	-
Other comprehensive income	43	1	136	(35)	-	-
Total comprehensive income	74	(7)	(16)	23	(22)	-

## Summarised information about cash flow

(Unit: Million Baht)

	Ingress Autoventures Company Limited		Ingress Technologies Sdn. Bhd.		PT Ingress Industrial Indonesia	
	For the years ended 31 January		For the years ended 31 January		For the years ended 31 January	
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
Cash flow from operating activities	51	42	321	171	410	-
Cash flow from (used in) investing activities	(116)	(164)	(411)	(354)	(304)	-
Cash flow from (used in) financing activities	23	18	(30)	422	(58)	-
Net increase (decrease) in cash and cash equivalents	(42)	(104)	(120)	239	48	-

### **Subsidiary held through Ingress Industrial (Malaysia) Sdn. Bhd.**

#### PT Ingress Industrial Indonesia

On 13 September 2019, the Board of Directors' meeting of the Company approved a resolution requiring a wholly owned subsidiary (Ingress Industrial (Malaysia) Sdn. Bhd. ("IIM")) to establish the incorporation of PT Ingress Industrial Indonesia ("PT III"), incorporated in Indonesia with a registered share capital of IDR 14,000 million or equivalent to approximately Baht 30 million (1,000,000 ordinary shares with a par value of IDR 14,000 each), 99.6% of which are held by IIM. The initial paid-up share capital of PT III represents 25 percent of registered share capital, totaling IDR 3,500 million or equivalent to approximately Baht 7.5 million (250,000 ordinary shares with a par value of IDR 14,000 each). The subsidiary received the whole payment of this share capital.

During the first quarter of 2020, PT III gradually called up an additional 57.143 percent of the value of its 1,000,000 ordinary shares with a par value of IDR 14,000 million, or a total of IDR 8,000 million (equivalent to approximately Baht 17.6 million) and received such share subscription in full. The minor interests sent a letter expressing its intention not to make payment for the additional. As a result, IIM's shareholding in such subsidiary increased from 99.60 percent to 99.88 percent. The Group recorded the difference between the cost and the book value of the Group's equity interest in the subsidiary that resulted from the change in shareholding under the caption of "Surplus from the change in ownership interests in subsidiaries". This is presented as a separate item in shareholders' equity in the consolidated statements of financial position.

Subsequently on 26 June 2020, the Board of Directors' meeting of the Company approved a resolution requiring PT III (a subsidiary held through IIM) to increase its registered share capital from IDR 14,000 million (equivalent to approximately Baht 30 million) (1,000,000 ordinary shares of IDR 14,000 each) to IDR 105,000 million (equivalent to approximately Baht 221 million) (7,500,000 ordinary shares of IDR 14,000 each) by issuing 6,500,000 ordinary shares of IDR 14,000 each. PT III called up an additional 20.238 percent of the value of its registered share capital, or a total of IDR 21,250 million (equivalent to approximately Baht 45 million), and received such share subscription in full on 25 August 2020. The minority shareholder sent a letter expressing its intention not to make payment for the additional share capital. As a result, IIM's shareholding in this subsidiary increased from 99.88 percent to 99.96 percent.

On 11 September 2020, a meeting of the Board of Directors of the Company approved a resolution for PT III to call up an additional 19.524 percent of the value of its registered capital, or a total of IDR 20,500 million (equivalent to approximately Baht 43 million) such that the 50.714 percent of the registered share capital is paid up. IIM is to invest in an additional 323,214 ordinary shares of PT III and allow TS Automotive Co., Ltd. ("TSA"), incorporated in the Republic of Korea, to acquire 1,141,072 ordinary shares in PT III, or a 30 percent interest, while a minority shareholder will transfer 1,000 existing ordinary shares to IIM.

On 17 January 2022, PT III registered the increase in its share capital at 18.81 percent of the value of its registered capital, or a total of IDR 19,750 million (equivalent to approximately Baht 45 million), accounting for 50.00 percent of the paid-up capital. IIM invested in an additional 285,710 ordinary shares and TSA acquired 1,125,000 ordinary shares. PT III received a payment for the share subscription from IIM and TSA in full. As a result of the investment by TSA, IIM's shareholding in PT III decreased from 99.96 percent to 69.97 percent. The Group recorded the difference between the cost and the book value of the Group's equity in the subsidiary that was resulted from the change in shareholding under the caption of "Surplus (deficit) from the change in ownership interests in subsidiaries", which is presented as a separate item in shareholders' equity in the consolidated statement of financial position.

On 24 March 2022, the minority shareholder who held 1,000 shares, transferred the shares to IIM which in turned increasing IIM's shareholdings in PT III from 69.97 percent to 70 percent.

On 30 March 2022, a meeting of the Board of Directors of the Company approved a resolution for PT III to call up an additional 50.00 percent of the value of its registered capital, or a total of IDR 52,500 million (equivalent to approximately Baht 128 million) such that the 100 percent of the registered share capital is paid up. IIM is to invest in an additional 2,625,000 ordinary shares of PT III, or a 70 percent interest, and TSA to invest 1,125,000 ordinary shares in PT III, or a 30 percent interest. The proposed increase and subscription of the remaining shares expected to complete in the second quarter of 2022.

### Ingress Autoventures (India) Private Limited

On 26 June 2020, the Board of Directors' meeting of the Company approved a resolution requiring Ingress Autoventures (India) Private Limited ("IAIPL") (a subsidiary held through Ingress Industrial (Malaysia) Sdn. Bhd. ("IIM")) to increase its paid-up share capital from INR 93 million (equivalent to approximately Baht 46 million) (9,272,598 ordinary shares of INR 10 each) to INR 150 million (equivalent to approximately Baht 70 million) (15,000,000 ordinary shares of INR 10 each) by issuing 5,727,402 ordinary shares of INR 10 each to be offered to the existing shareholders in proportion to their shareholding (Right offering). Subsequently, on 18 August 2020, IAIPL registered the increase of its share capital and has received such share subscription in full.

On 16 January 2021, the Board of Directors' meeting of the Company approved a resolution requiring IAIPL to increase its paid-up share capital from INR 150 million (15,000,000 ordinary shares of INR 10 each) to INR 250 million (25,000,000 ordinary shares of INR 10 each) by issuing 4,500,000 ordinary shares of INR 10 each to be allocated to the existing shareholders of IAIPL in proportion to their current shareholding (Right offering). IAIPL received a share payment and register its share capital for the new ordinary shares on 15 June 2021. The remaining 5,500,000 ordinary shares will be allocated in the future.

On 30 March 2022, a meeting of the Board of Directors of the Company approved a resolution for IAIPL to call up the remaining 5,500,000 ordinary shares of INR10 each, totaling INR 55 million or equivalent to approximately Baht 25 million to be allocated to the existing shareholders of IAIPL. The share payment is expected to be completed in the first Quarter of 2022.

### **Subsidiary held through Ingress Technologies Sdn. Bhd.**

#### Ingress AOI Technologies Sdn. Bhd.

On 14 October 2019, Ingress Technologies Sdn. Bhd. ("ITSB"), a subsidiary entered into the Joint Venture Agreement with AOI Machine Industry Co., Ltd. ("AOI"). Subsequently, its name changes to D-ACT Co., Ltd., incorporated in Japan and Perodua Auto Corporation Sdn. Bhd. ("PCSB"), incorporated in Malaysia, to establish Ingress AOI Technologies Sdn. Bhd. ("IATSB"), incorporated in Malaysia, with an initial registered share capital of MYR 100 or equivalent to approximately Baht 750 (100 ordinary shares with a par value of MYR 1 each). The subsidiary received a payment of this share capital on 17 October 2019, thereby ITSB, AOI and PCSB having 51, 34 and 15 percent of interest, respectively.

Under the agreement, the joint venture is obliged to increase its initial registered share capital to new registered share capital from MYR 100 or equivalent to approximately Baht 750 (100 ordinary shares with a par value of MYR 1 each) to MYR 60 million (equivalent to approximately Baht 450 million) (60,000,000 ordinary shares with a par value of MYR 1 each).

During 2019 and 2020, IATSB registered its increase of share capital and received the payment of Baht 337,499,250 (44,999,900 ordinary shares with a par value of MYR 1 each). The remaining amount was Baht 112,500,000 (15,000,000 ordinary shares with a par value of MYR 1 each). On 26 April 2021, IATSB registered its increase of share capital and received all the remaining amount.

### **Subsidiary held through Ingress Precision Sdn. Bhd.**

#### PT Ingress Malindo Ventures

On 21 January 2021, the Board of Directors' meeting of the Company approved a resolution requiring PT Ingress Malindo Ventures ("PT IMV") to increase its registered share capital from IDR 59,999,996,625 (6,760,563 ordinary shares of IDR 8,875 each) to IDR 99,999,994,375 (11,267,605 ordinary shares of IDR 8,875 each). Ingress Precision Sdn. Bhd. ("IPSB") will fully subscribe the increase of 4,507,042 ordinary shares of IDR 8,875 each, or a total of IDR 39,999,997,750.

However, one of shareholders does not agree with this share capital increase, therefore, PT IMV has cancelled to increase its share capital.

## **11. Investment properties**

Reconciliations of the net book value of investment properties for the years ended 31 January 2022 and 2021 are presented below.

	(Unit: Thousand Baht)	
	<u>Consolidated financial statements</u>	
	<u>2022</u>	<u>2021</u>
Net book value at beginning of year	44,423	45,715
Translation adjustment	3,501	(1,292)
Net book value at ending of year	<u>47,924</u>	<u>44,423</u>

A subsidiary (Ingress Precision Sdn. Bhd.) leased land to a related company (Ingress Katayama Technical Centre Sdn. Bhd.) under a long-term lease agreement for land and buildings on the plot. The subsidiary presented these investment properties at fair value as appraised by an independent appraiser.

During the current year, such company received rental income from investment properties of Baht 2 million (2021: Baht 2 million).

The subsidiary has used the investment properties as collateral against credit facilities received from financial institutions, as described in Notes 15 and 17 to the consolidated financial statements.

## 12. Property, plant and equipment

(Unit: Thousand Baht)

	Consolidated financial statements							Total
	Revaluation basis		Cost basis					
	Land	Buildings and buildings improvement	Machinery and equipment	Furniture, fixtures and office equipment	Motor vehicles	Right-of-use assets	Assets under construction and installation	
<b>Cost/Revalued amount:</b>								
As at 1 February 2020	387,765	1,206,255	6,220,215	136,564	35,778	61,770	205,056	8,253,403
Additions	-	1,380	29,790	4,342	11,141	10,057	706,955	763,665
Disposals/write-off	-	-	(13,767)	(2,547)	(636)	-	(28,383)	(45,333)
Transfers	-	-	585,410	3,332	394	-	(589,136)	-
Reversal of surplus on revaluation of land	(4,134)	-	-	-	-	-	-	(4,134)
Transfer to asset held for sale	(89,821)	-	-	-	-	-	-	(89,821)
Translation adjustment	(3,554)	(17,149)	(137,128)	(2,020)	(1,051)	-	(13,743)	(174,645)
As at 31 January 2021	290,256	1,190,486	6,684,520	139,671	45,626	71,827	280,749	8,703,135
Additions	-	236,502	354,227	10,519	1,806	1,504	351,804	956,362
Disposals/write-off	-	(1,114)	(97,079)	(11,575)	(1,856)	-	(1,455)	(113,079)
Transfers	-	4,332	617,777	3,108	-	-	(625,952)	(735)
Revaluations	32,202	252,508	-	-	-	-	-	284,710
Translation adjustment	10,190	42,942	300,456	4,662	3,060	-	25,293	386,603
As at 31 January 2022	332,648	1,725,656	7,859,901	146,385	48,636	73,331	30,439	10,216,996

(Unit: Thousand Baht)

## Consolidated financial statements

	Revaluation basis		Cost basis					Total
	Land	Buildings and buildings improvement	Machinery and equipment	Furniture, fixtures and office equipment	Motor vehicles	Right-of-use assets	Assets under construction and installation	
<b>Accumulated depreciation:</b>								
As at 1 February 2020	-	505,572	5,178,875	127,493	24,797	14,394	-	5,851,131
Depreciation for the year	-	45,286	202,935	4,141	4,158	6,457	-	262,977
Depreciation on disposals/ write-off	-	-	(12,577)	(2,543)	(636)	-	-	(15,756)
Translation adjustment	-	(4,055)	(108,430)	(1,623)	(547)	-	-	(114,655)
As at 31 January 2021	-	546,803	5,260,803	127,468	27,772	20,851	-	5,983,697
Depreciation for the year	-	48,408	274,654	5,083	5,381	7,292	-	340,818
Depreciation on disposals/ write-off	-	(1,114)	(94,137)	(11,572)	(1,638)	-	-	(108,461)
Depreciation on revaluations	-	165,653	-	-	-	-	-	165,653
Translation adjustment	-	10,624	194,336	3,728	1,477	-	-	210,165
As at 31 January 2022	-	770,374	5,635,656	124,707	32,992	28,143	-	6,591,872
<b>Allowance for impairment loss</b>								
As at 1 February 2020	-	-	310	-	-	-	-	310
Decrease during the year	-	-	(310)	-	-	-	-	(310)
As at 31 January 2021	-	-	-	-	-	-	-	-
As at 31 January 2022	-	-	-	-	-	-	-	-

(Unit: Thousand Baht)

Consolidated financial statements

	Revaluation basis		Cost basis					
	Land	Buildings and buildings improvement	Machinery and equipment	Furniture, fixtures and office equipment	Motor vehicles	Right-of-use assets	Assets under construction and installation	Total
<b>Net book value:</b>								
As at 31 January 2021	290,256	643,683	1,423,717	12,203	17,854	50,976	280,749	2,719,438
As at 31 January 2022	332,648	955,282	2,224,245	21,678	15,644	45,188	30,439	3,625,124
<b>Depreciation for the year</b>								
2021 (Baht 232 million included in manufacturing cost, and the balance in selling and administrative expenses)								262,977
2022 (Baht 217 million included in manufacturing cost, and the balance in selling and administrative expenses)								340,818

(Unit: Thousand Baht)

	Separate financial statements		
	Buildings improvement	Furniture, fixtures and office equipment	Total
<b>Cost:</b>			
As at 1 February 2020	2,335	1,533	3,868
Additions	-	135	135
As at 31 January 2021	2,335	1,668	4,003
Additions	-	112	112
Disposals/write-off	(889)	(107)	(996)
As at 31 January 2022	1,446	1,673	3,119
<b>Accumulated depreciation:</b>			
As at 1 February 2020	2,273	1,349	3,622
Depreciation for the year	58	99	157
As at 31 January 2021	2,331	1,448	3,779
Depreciation for the year	-	88	88
Depreciation on disposals/write-off	(889)	(107)	(996)
As at 31 January 2022	1,442	1,429	2,871
<b>Net book value:</b>			
As at 31 January 2021	4	220	224
As at 31 January 2022	4	244	248

Depreciation for the year are recorded in administrative expenses in full amount.

Movements of right-of-use assets represented as part of property, plant and equipment for the years ended 31 January 2022 and 2021 are summarised below.

(Unit: Thousand Baht)

	Consolidated financial statements		
	Machinery	Office equipment	Total
Net book value as at 1 February 2020	47,277	99	47,376
Addition	10,057	-	10,057
Depreciation for the year	(6,415)	(42)	(6,457)
Net book value as at 31 January 2021	50,919	57	50,976
Addition	1,880	-	1,880
Depreciation for the year	(7,270)	(41)	(7,311)
Net book value as at 31 January 2022	45,529	16	45,545

The Group arranged for an independent professional valuer to appraise the value of land and buildings in the current year on an asset-by-asset basis. The basis of the revaluation was as follows:

- Land was revalued using the market approach.
- Buildings were revalued using the depreciated replacement cost approach.

Key assumptions used in the valuation are summarised below:

	Currency	Amount	Result to fair value whereas an increase in assumption value
Land price per square wah	Baht	5,000 - 15,000	Increase in fair value
Land price per square metre	Malaysian Ringgit	559 - 586	Increase in fair value
Building price per square metre	Baht	2,100 - 13,920	Increase in fair value
	Malaysian Ringgit	682 - 2,445	Increase in fair value
	Indonesian Rupiah	1,947,028	Increase in fair value

Had the land and buildings been carried in the financial statements on a historical cost basis, their net book value as of 31 January 2022 and 2021 would have been as follows:

	(Unit: Thousand Baht)	
	Consolidated financial statements	
	<u>2022</u>	<u>2021</u>
Land	136,722	195,916
Buildings and buildings improvement	641,208	376,830

As at 31 January 2022, certain items of plant, equipment and vehicles were fully depreciated but are still in use. The gross carrying amount before deducting accumulated depreciation and allowance for impairment loss of those assets amounted to approximately Baht 4,175 million (2021: Baht 3,953 million).

The subsidiaries have pledged their property, plant and equipment amounting to approximately Baht 1,660 million (2021: Baht 1,120 million) as collateral against credit facilities received from financial institutions as described in Note 15 and 17 to the consolidated financial statements.

### Classification of property, plant and equipment as asset held for sale

On 7 September 2020, a meeting of the Board of Directors of Fine Components (Thailand) Company Limited (a subsidiary) passed a resolution to approve the disposal of the land at a market price. Subsequently, on 30 October 2020, the subsidiary entered into a sale and purchase agreement with a company to sell the land at its net book value which approximated to market price, with a condition requiring a deposit of 30 percent at the date of signing the agreement. A second deposit installment of 20 percent and the balance of 50 percent were to be paid within February 2021. Subsequently, the buyer requested to postpone the final payment to 19 April 2021. The land was to be transferred after the subsidiary received full payment.

As at 31 January 2021, the subsidiary received payment for the first and the second payment for the deposits, totalling Baht 45 million, and recorded such deposits under other current liabilities. The subsidiary therefore presented assets relating to land separately under the caption of "Asset held for sale". On 19 April 2021, the subsidiary received the final payment and transferred the ownership of the land to the buyer.

### 13. Intangible assets

The net book value of intangible assets as at 31 January 2022 and 2021 is presented below.

	(Unit: Thousand Baht)			
	Consolidated financial statements			Separate
	Computer software	Customer relationships	Total	financial statements Computer software
<b>Cost:</b>				
As at 1 February 2020	98,222	13,048	111,270	79
Additions	13,885	-	13,885	-
Write-off	(5)	-	(5)	-
Translation adjustment	(1,281)	(835)	(2,116)	-
As at 31 January 2021	110,821	12,213	123,034	79
Additions	1,332	-	1,332	-
Write-off	(441)	-	(441)	-
Transfer in	735	-	735	-
Translation adjustment	4,038	1,067	5,105	-
As at 31 January 2022	116,485	13,280	129,765	79

(Unit: Thousand Baht)

	Consolidated financial statements			Separate
	Computer	Customer	Total	financial statements
	software	relationships		Computer software
<b>Accumulated amortisation:</b>				
As at 1 February 2020	89,332	2,791	92,123	77
Amortisation for the year	2,782	1,259	4,041	2
Write-off	(5)	-	(5)	-
Translation adjustment	(984)	(222)	(1,206)	-
As at 31 January 2021	91,125	3,828	94,953	79
Amortisation for the year	3,645	1,299	4,944	-
Write-off	(441)	-	(441)	-
Translation adjustment	2,776	363	3,139	-
As at 31 January 2022	97,105	5,490	102,595	79
<b>Net book value:</b>				
As at 31 January 2021	19,696	8,385	28,081	-
As at 31 January 2022	19,380	7,790	27,170	-
<b>Amortisation for the year</b>				
2021 (Included in administrative expenses in full amount)			4,041	2
2022 (Included in administrative expenses in full amount)			4,944	-

#### 14. Goodwill

The net book values of goodwill as at 31 January 2022 and 2021 represent goodwill from purchase of investment in Ingress Autoventures (India) Private Limited.

The Company determines the recoverable amount of the cash generating unit from the value in use of assets by estimating future cash flow expected to receive based on the financial plan approved by the management which covers a five-year period.

Key assumptions used in value in use calculation are summarised below.

(Unit: Percent per annum)

Long-term growth rate	3.9
Pre-tax discount rate	13.0

The management determined long-term growth rates based on expected market growth in the industry and economic growth. Pre-tax discount rate reflects the risk specific to each cash generating unit.

The management believes that there is no impairment loss for goodwill.

## 15. Bank overdrafts and short-term loans from financial institutions

(Unit: Thousand Baht)

	Interest rate (percent per annum)	Consolidated financial statements	
		<u>2022</u>	<u>2021</u>
Bank overdrafts (Note 7)	MOR, BLR+1.5%,8.30	70,093	143,548
Promissory notes - Baht	MLR - 1.50	304,940	239,940
Bills payable and trust receipts -			
Malaysian Ringgit	3.42 - 6.00	100,252	82,074
Revolving credits - Malaysian Ringgit	4.03 - 6.40	192,380	140,672
Revolving credits - Indonesian Rupiah	10.00	46,486	42,646
Revolving credits - Indian Rupee	10.95	4,358	4,704
Total		<u>718,509</u>	<u>653,584</u>

Details of collateral of bank overdrafts and short-term loans from financial institutions can be summarised as follows:

Company's name	Secured by
Ingress Autoventures Company Limited	The mortgage of certain land with structures thereon and pledge of certain machinery
Fine Components (Thailand) Company Limited	The mortgage of certain land with structures thereon
Talent Synergy Sdn. Bhd.	Fixed deposits of the subsidiary
Ingress Precision Sdn. Bhd. and Ingress Technologies Sdn. Bhd.	Guaranteed by Ingress Corporation Berhad (parent company)
PT Ingress Malindo Ventures	The mortgage of certain land with structures thereon and pledge of certain machinery and equipment
Ingress Autoventures (India) Private Limited	Guaranteed by Ingress Industrial (Malaysia) Sdn. Bhd.

## 16. Trade and other payables

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
Trade payables - related parties	14,384	1,618	-	-
Trade payables - unrelated parties	558,657	271,653	-	-
Other payables - related parties	736,744	193,743	44,758	86,476
Other payables - unrelated parties	672,909	191,953	5,789	865
Accrued expenses	45,093	33,449	1,901	2,712
Total trade and other payables	<u>2,027,787</u>	<u>692,416</u>	<u>52,448</u>	<u>90,053</u>

## 17. Long-term loans from financial institutions

The subsidiaries have long-term loan agreements with commercial banks as follows:

(Unit: Thousand Baht)

				Consolidated financial statements						
				As at 31 January 2022			As at 31 January 2021			
Loan	Currency	Interest rate (% per annum)	Repayment schedule	Current portion	Long-term portion	Total	Current portion	Long-term portion	Total	Secured by
<b>Fine Components (Thailand) Company Limited</b>										
(1)	Baht	2.00	The loan repayment is in monthly installments, starting from February 2021 to July 2022.	7,613	-	7,613	1,166	7,624	8,790	- Guaranteed by the Company
Total				7,613	-	7,613	1,166	7,624	8,790	
<b>Ingress Precision Sdn. Bhd.</b>										
(1)	MYR	-	The loan repayment is in monthly installments, starting from July 2016 to June 2022.	3,978	-	3,978	9,359	-	9,359	- The mortgage of certain land and building.
(2)	MYR	2.76	The loan repayment is in monthly installments, starting from December 2016 to May 2022.	-	-	-	203	70	273	- The pledge of certain machinery and equipment.
(3)	MYR	5.00	The loan repayment is in monthly installments, starting from August 2017 to August 2022.	28,159	-	28,159	49,259	4,121	53,380	- Guaranteed by Ingress Corporation Berhad (parent company) and Ingress Technologies Sdn. Bhd.

(Unit: Thousand Baht)

Consolidated financial statements										
Loan	Currency	Interest rate (% per annum)	Repayment schedule	As at 31 January 2022			As at 31 January 2021			Secured by
				Current portion	Long-term portion	Total	Current portion	Long-term portion	Total	
(4)	MYR	COF + 1.75	The loan repayment is in monthly installments, starting from August 2017 to June 2023.	9,198	5,808	15,006	5,665	12,119	17,784	
(5)	MYR	2.35	The loan repayment is in monthly installments, starting from September 2017 to February 2023.	972	83	1,055	863	978	1,841	
(6)	MYR	5.00	The loan repayment is in monthly installments, starting from April 2020 to September 2024.	1,615	4,008	5,623	1,549	4,510	6,059	
(7)	MYR	5.00	The loan repayment is in monthly installments, starting from August 2021 to January 2026.	2,412	10,528	12,940	1,220	10,775	11,995	
Total				46,334	20,427	66,761	68,118	32,573	100,691	

(Unit: Thousand Baht)

Consolidated financial statements										
Loan	Currency	Interest rate (% per annum)	Repayment schedule	As at 31 January 2022			As at 31 January 2021			Secured by
				Current portion	Long-term portion	Total	Current portion	Long-term portion	Total	
<b>Ingress Technologies Sdn. Bhd.</b>										
(1)	MYR	COF + 1.75	The loan repayment is in monthly installments, starting from January 2016 to December 2023.	33,122	28,550	61,672	20,062	59,191	79,253	- The mortgage of certain land and buildings - The pledge of certain machinery and equipment.
(2)	MYR	5.00	The loan repayment is in monthly installments, starting from July 2016 to December 2021.	-	-	-	3,108	-	3,108	- Guaranteed by Ingress Corporation Berhad (parent company).
(3)	MYR	5.00	The loan repayment is in monthly installments, starting from August 2017 to January 2023.	25,591	2,141	27,732	22,592	25,706	48,298	
(4)	MYR	COF + 1.75	The loan repayment is in monthly installments, starting from July 2018 to June 2023.	9,820	2,513	12,333	5,930	12,103	18,033	
(5)	MYR	5.00	The loan repayment is in monthly installments, starting from January 2020 to June 2025.	2,952	7,298	10,250	2,606	9,502	12,108	
(6)	MYR	5.00	The loan repayment is in monthly installments, starting from August 2017 to January 2023.	5,430	454	5,884	4,793	5,454	10,247	

(Unit: Thousand Baht)

Consolidated financial statements										
Loan	Currency	Interest rate (% per annum)	Repayment schedule	As at 31 January 2022			As at 31 January 2021			Secured by
				Current portion	Long-term portion	Total	Current portion	Long-term portion	Total	
(7)	MYR	2.35	The loan repayment is in monthly installments, starting from September 2017 to February 2023.	972	83	1,055	863	978	1,841	
(8)	MYR	2.21	The loan repayment is in monthly installments, starting from January 2021 to December 2025.	437	1,388	1,825	387	1,692	2,079	
Total				78,324	42,427	120,751	60,341	114,626	174,967	
<b>Ingress AOI Technologies Sdn. Bhd.</b>										
(1)	MYR	COF + 1.75	The loan repayment is in monthly installments, starting from March 2024 to February 2029.	-	533,713	533,713	-	396,993	396,993	- The mortgage of certain land and buildings - Guaranteed by Ingress Corporation Berhad (parent company) and Ingress Technologies Sdn. Bhd.
(2)	MYR	3.17	The loan repayment is in monthly installments, starting from July 2020 to June 2025.	85	228	313	74	291	365	
(3)	MYR	2.26	The loan repayment is in monthly installments, starting from August 2020 to July 2025.	284	767	1,051	252	974	1,226	

(Unit: Thousand Baht)

Consolidated financial statements										
Loan	Currency	Interest rate (% per annum)	Repayment schedule	As at 31 January 2022			As at 31 January 2021			Secured by
				Current portion	Long-term portion	Total	Current portion	Long-term portion	Total	
(4)	MYR	2.30	The loan repayment is in monthly installments, starting from August 2020 to July 2025.	184	498	682	149	646	795	
(5)	MYR	2.49	The loan repayment is in monthly installments, starting from August 2020 to July 2025.	106	288	394	93	366	459	
(6)	MYR	2.91	The loan repayment is in monthly installments, starting from August 2020 to July 2025.	74	201	275	64	254	318	
Total				733	535,695	536,428	632	399,524	400,156	

(Unit: Thousand Baht)

Consolidated financial statements										
Loan	Currency	Interest rate (% per annum)	Repayment schedule	As at 31 January 2022			As at 31 January 2021			Secured by
				Current portion	Long-term portion	Total	Current portion	Long-term portion	Total	
<b>Ingress Industrial (Malaysia) Sdn. Bhd.</b>										
(1)	MYR	4.36 - 5.45	The loan repayment is in monthly installments, starting from July 2015 to February 2024	38,415	105,771	144,186	24,197	113,638	137,835	- The mortgage of certain land and building of the Ingress Precision Sdn. Bhd., Ingress Technologies Sdn. Bhd. and PT Ingress Industrial Indonesia.
(2)	MYR	2.22	The loan repayment is in monthly installments, starting from February 2020 to January 2025	560	1,431	1,991	496	1,869	2,365	- Guaranteed by Ingress Corporation Berhad (parent company), Ingress Precision Sdn. Bhd. and Ingress Technologies Sdn. Bhd. and the Company
(3)	MYR	2.37	The loan repayment is in monthly installments, starting from August 2020 to July 2025.	474	1,260	1,734	418	1,628	2,046	- Guaranteed by Ingress Industrial (Malaysia) Sdn. Bhd's deposits.
(4)	MYR	5.73	The loan repayment is in monthly installments, starting from February 2023 to July 2030.	-	214,797	214,797	-	-	-	
				39,449	323,259	362,708	25,111	117,135	142,246	
			Less: Deferred front end fee	(2,159)	(15,115)	(17,274)	-	-	-	
			Total	37,290	308,144	345,434	25,111	117,135	142,246	

(Unit: Thousand Baht)

Consolidated financial statements										
				As at 31 January 2022			As at 31 January 2021			
Loan	Currency	Interest rate (% per annum)	Repayment schedule	Current portion	Long-term portion	Total	Current portion	Long-term portion	Total	Secured by
<b>Talent Synergy Sdn. Bhd.</b>										
(1)	MYR	2.85	The loan repayment is in monthly installments, starting from February 2016 to February 2021.	-	-	-	30	-	30	- None
Total				-	-	-	30	-	30	
<b>Ingress Autoventures (India) Private Limited</b>										
(1)	INR	8.25	The loan repayment is in monthly installments, starting from April 2018 to April 2021	-	-	-	119	-	119	- The pledge of motor vehicles.
(2)	INR	8.70	The loan repayment is in monthly installments, starting from November 2018 to November 2021	-	-	-	334	-	334	
(3)	INR	9.78	The loan repayment is in monthly installments, starting from December 2019 to November 2022	90	-	90	82	82	164	
Total				90	-	90	535	82	617	
<b>Total long-term loans</b>				<b>170,384</b>	<b>906,693</b>	<b>1,077,077</b>	<b>155,933</b>	<b>671,564</b>	<b>827,497</b>	

Movement of the long-term loans account during the years ended 31 January 2022 and 2021 are summarised below:

	(Unit: Thousand Baht)	
	<u>Consolidated financial statements</u>	
	<u>2022</u>	<u>2021</u>
Beginning balance	827,497	479,213
Add: Additional borrowings	311,240	431,982
Less: Repayment	(114,637)	(68,130)
Translation adjustment	70,251	(15,568)
Total	1,094,351	827,497
Less: Deferred front end fee	(17,274)	-
Ending Balance	<u>1,077,077</u>	<u>827,497</u>

Key restrictions of long-term loans from financial institutions are summarised below:

<u>Subsidiaries' name</u>	<u>Key restriction</u>
Ingress Industrial (Malaysia) Sdn. Bhd.	- Restrictions on dividend payments, shareholding structure, and creation of obligations over property, etc.
Ingress Precision Sdn. Bhd. and Ingress Technologies Sdn. Bhd.	- Shareholding of Malaysian shareholders is at least 51 percent. - Restrictions on dividend payments, shareholding structure, and creation of obligations over property, etc.

The loan agreements contain several covenants which, among other things, require the Group to maintain such as Gearing ratio at the rate prescribed in the agreements.

As at 31 January 2022, the long-term credit facilities of the Group which have not yet been drawn down amounted to MYR 141 million or equivalent to approximately Baht 1,129 million (2021: None).

## 18. Leases

The Group entered into various lease agreements for items used in its operations. Those agreement have lease terms between 2 - 99 years.

### a) Right-of-use assets

Movements of right-of-use assets for the years ended 31 January 2022 and 2021 are summarised below.

(Unit: Thousand Baht)

	Consolidated financial statements					Total
	Revaluation basis	Cost basis				
	Long-term leasehold land	Long-term leasehold buildings and improvement	Machinery and equipment	Furniture, fixtures and office equipment	Motor vehicles	
As at 1 February 2020	221,757	98,496	5,521	586	4,036	330,396
Additions	-	55,829	738	-	1,868	58,435
Depreciation for the year	(12,683)	(16,086)	(2,696)	(176)	(2,815)	(34,456)
Decrease from lease modification	-	(2,371)	-	-	-	(2,371)
Write-off	-	(310)	-	-	-	(310)
Translation adjustment	(9,065)	(5,392)	(145)	-	(106)	(14,708)
As at 31 January 2021	200,009	130,166	3,418	410	2,983	336,986
Additions	294,375	11,773	8,591	-	2,487	317,226
Revaluations	69,772	-	-	-	-	69,772
Depreciation for the year	(14,360)	(26,143)	(3,395)	(176)	(2,829)	(46,903)
Decrease from lease modification	-	(6,845)	-	-	-	(6,845)
Translation adjustment	18,100	9,920	420	-	129	28,569
As at 31 January 2022	567,896	118,871	9,034	234	2,770	698,805

(Unit: Thousand Baht)

	Separate financial statements		
	Building improvement	Motor vehicles	Total
As at 1 February 2020	-	-	-
Additions	4,336	690	5,026
Depreciation for the year	(964)	(172)	(1,136)
As at 31 January 2021	3,372	518	3,890
Decrease from lease modification	(1,213)	-	(1,213)
Depreciation for the year	(1,076)	(230)	(1,306)
As at 31 January 2022	1,083	288	1,371

The balances of right-of-use assets as at 31 January 2022 and 2021 are summarised below:

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
Right-of-use assets which are presented as part of property, plant and equipment (Note 12)	45,545	50,976	-	-
Right-of-use assets which are presented separately	698,805	336,986	1,371	3,890
Total	744,350	387,962	1,371	3,890

The Group arranged for an independent professional valuer to appraise the value of right-of-use assets in the current year. The basis of the revaluation was as follows:

- Long-term leasehold land was revalued using the market approach.

Key assumptions used in the valuation are summarised below:

	Currency	Amount	Result to fair value
			whereas an increase in assumption value
Land price per square meter	Malaysian Ringgit	568	Increase in fair value
	Indonesian Rupiah	3,900,000	Increase in fair value

Had the long-term leasehold land of the subsidiaries been carried in the financial statements on a historical cost basis, their net book value as of 31 January 2022 and 2021 would have been as follows:

	(Unit: Thousand Baht)	
	Consolidated financial statements	
	<u>2022</u>	<u>2021</u>
Long-term leasehold land	480,024	200,009

The subsidiaries have mortgaged their long-term leasehold land as collateral against credit facilities received from financial institutions as described in Note 15 and 17 to the consolidated financial statements.

#### Long-term leasehold land in Malaysia

As at 31 January 2022, a subsidiary in Malaysia (Ingress Precision Sdn. Bhd.) had the outstanding long-term leasehold land with net book values amounting to MYR 16 million or equivalent to approximately Baht 131 million (2021: MYR 15 million or equivalent to approximately Baht 107 million). The leasehold the land were derived from two long-term lease agreements and the Government of Malaysia granted written permission for the subsidiary to utilise the rights to the two plots of land for manufacturing business activity for periods of 99 years, ending in 2086 and 2092. During the lease term, the subsidiary is not required to pay rent annually. After the expiry of 99 years, if the subsidiary wishes to renew the lease, it is required to comply with legal requirements, including payment of fees for renewal and use of the land to the government. Each subsequent renewal may not exceed 99 years. However, if the subsidiary does not follow the legal procedures to seek permission from the Government of Malaysia for the utilisation of two plots of land for business purposes, the right to use the land, buildings and structures thereon will be returned to the Government of Malaysia.

The long-term leasehold land of the subsidiary are subject to several restrictions with which the subsidiary must comply, including on the use of land for the purposes permitted by the relevant authorities, the transfer or sale of the leasehold land to other individuals or juristic persons, or the use of land as collateral for debt repayment. The utilisation of land for these purposes requires permission from the authorities before proceeding in accordance with relevant regulations.

The Malaysian law on the possession of land for commercial or industrial purposes stipulates that the type of possession and use of land ( defined by the Malaysian government and relevant authorities) is mainly divided into two types, namely the possession and use of land by an occupier who has the ownership of the land (Freehold title) and the possession and use of land by an occupier who has the right to use the land for a period of not exceeding 99 years (Leasehold title).

#### Long-term leasehold land in Indonesia

As at 31 January 2022, two subsidiaries in Indonesia ( PT Ingress Malindo Ventures and PT Ingress Industrial Indonesia) had the outstanding long-term leasehold land with net book values amounting to IDR 61,583 million and IDR 92,086 million, respectively or equivalent to approximately Baht 353 million (2021: IDR 43,422 million or equivalent to approximately Baht 93 million).

The Government of Indonesia granted PT Ingress Malindo Ventures the right to build on land in Indonesia for a period of 30 years, which will expire in 2026. During the lease term, the subsidiary is not required to pay rent annually (The right to build is regarded as a right to utilise and derive benefit from land in Indonesia (Right of Usage)). After a period of 30 years, the right to use such land may be extended, with the first renewal to be for 20 years, while subsequent renewals will be for 30 years. If the subsidiary wishes to renew the lease, it is required to comply with legal requirements, including payment of fees for renewal and use of the land to the government.

The Government of Indonesia granted PT Ingress Industrial Indonesia the right to build on land in Indonesia for a period of 20 years, which will expire in 2042. During the lease term, the subsidiary is not required to pay rent annually ( The right to build is regarded as a right to utilise and derive benefit from land in Indonesia (Right of Usage)). After a period of 20 years, the right to use such land may be extended for 20 years for each term. If the subsidiary wishes to renew the lease, it is required to comply with legal requirements, including payment of fees for renewal and use of the land to the government.

However, if the subsidiaries do not follow the legal procedures to seek permission from the Government of Indonesia to use the land for business purposes, the right to use the land, buildings and structures thereon will be returned to the Government of Indonesia.

The long-term leasehold land of the subsidiaries are subject to several restrictions with which the subsidiaries must comply, including on the use of land for the purposes permitted by relevant authorities, the transfer or sale of the leasehold land to other individuals or juristic persons, or the use of land as collateral for debt repayment. The utilisation of land for these purposes requires permission from the authorities before proceeding in accordance with relevant regulations.

According to the Constitution of the Republic of Indonesia, the ownership of all lands in the country belongs to the government. The law governing the right to occupy and use the land of Indonesia restricts the rights of ownership and use of land (Freehold land ownership) to individuals who have Indonesian nationality and particular juristic persons organised under Indonesia under Indonesian law, such as government agencies, state-run banks, agriculture or agriculture-related cooperatives, and organisations for religious and social causes. Business organisations, whether incorporated in or outside Indonesia, can only seek approval from the Government of Indonesia for the right to use and derive benefit from land located in Indonesia (Right of usage).

**b) Lease liabilities**

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
Lease payments	206,099	216,681	1,504	4,261
Less: Deferred interest expenses	(41,109)	(43,717)	(62)	(293)
Total	164,990	172,964	1,442	3,968
Less: Portion due within one year	(42,407)	(37,864)	(1,086)	(1,642)
Lease liabilities - net of current portion	<u>122,583</u>	<u>135,100</u>	<u>356</u>	<u>2,326</u>

A maturity analysis of lease payments is disclosed in Note 31.1 to the consolidated financial statements under the liquidity risk.

**c) Expenses relating to leases that are recognised in profit or loss**

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
Depreciation expense of right-of-use assets	54,214	40,913	1,306	1,136
Interest expense on lease liabilities	12,081	9,860	156	186
Expense relating to short-term leases	6,978	7,595	50	1,251
Expense relating to leases of low-value assets	485	62	44	44

#### d) Others

The Group had total cash outflows for leases for the year ended 31 January 2022 of Baht 56 million (2021: Baht 45 million) (the Company only: Baht 1.5 million, 2021: Baht 2.6 million), including the cash outflow related to short-term lease, leases of low-value assets and variable lease payments that do not depend on an index or a rate.

#### 19. Provision for long-term employee benefits

Provision for long-term employee benefits, which represents compensation payable to employees after they retired, was as follows:

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements	financial statements	financial statements	financial statements
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
<b>Provision for long-term employee benefits at beginning of year</b>	66,484	66,830	74	57
Included in profit or loss:				
Current service cost	6,211	6,266	12	11
Interest cost	1,544	1,950	1	1
Past service costs	(87)	3,994	-	-
Included in other comprehensive income:				
Actuarial (gain) loss arising from				
Demographic assumptions changes	-	12	-	-
Financial assumptions changes	(11,107)	1,368	(22)	1
Experience adjustments	2,590	(5,123)	20	3
Benefits paid during the year	(684)	(1,112)	-	-
Translation adjustment	1,392	(7,701)	-	-
<b>Provision for long-term employee benefits at end of year</b>	<u>66,343</u>	<u>66,484</u>	<u>85</u>	<u>73</u>

The Group expects to pay Baht 2.7 million of long-term employee benefits during the next year (The Company only: Nil) (2021: Baht 1.2 million, the Company only: Nil).

As at 31 January 2022, the weighted average duration of the liabilities for long-term employee benefit is 13 - 22 years (The Company only: 22 years) (2021: 14 - 20 years, the Company only: 20 years).

Significant actuarial assumptions are summarised below:

(Unit: percent per annum)

	Consolidated financial statements		Separate financial statements	
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
Discount rate	2.53 - 7.75	1.54 - 7.75	3.35	1.92
Salary increase rate	5.00 - 8.00	5.00 - 8.00	5.00	5.00
Turnover rate	1.43 - 22.92	1.43 - 22.92	1.91 - 22.92	1.91 - 22.92

The result of sensitivity analysis for significant assumptions that affect the present value of the long-term employee benefit obligation as at 31 January 2022 and 2021 are summarised below:

(Unit: Thousand Baht)

As at 31 January 2022

	Consolidated financial statement		Separate financial statement	
	<u>Increase 1%</u>	<u>Decrease 1%</u>	<u>Increase 1%</u>	<u>Decrease 1%</u>
Discount rate	(6,227)	7,204	(15)	18
Salary increase rate	7,028	(6,200)	18	(15)
	<u>Increase 10%</u>	<u>Decrease 10%</u>	<u>Increase 10%</u>	<u>Decrease 10%</u>
Turnover rate	(1,859)	1,977	(9)	10

(Unit: Thousand Baht)

As at 31 January 2021

	Consolidated financial statement		Separate financial statement	
	<u>Increase 1%</u>	<u>Decrease 1%</u>	<u>Increase 1%</u>	<u>Decrease 1%</u>
Discount rate	(7,130)	8,343	(13)	16
Salary increase rate	8,028	(7,017)	16	(13)
	<u>Increase 10%</u>	<u>Decrease 10%</u>	<u>Increase 10%</u>	<u>Decrease 10%</u>
Turnover rate	(2,159)	2,305	(8)	8

## 20. Statutory reserve

Pursuant to Section 116 of the Public Limited Companies Act B.E. 2535, the Company is required to set aside a statutory reserve at least 5 percent of its net profit after deducting accumulated deficit brought forward (if any), until the reserve reaches 10 percent of the registered capital. The statutory reserve is not available for dividend distribution.

## 21. Revaluation surplus

This represents surplus arising from revaluation of land, buildings and right-of-use assets - long-term leasehold land. The surplus is amortised to retained earnings on a straight-line basis over the remaining useful lives of the related assets.

Movements of revaluation surplus account for the years ended 31 January 2022 and 2021 are summarised below:

	(Unit: Thousand Baht)	
	Consolidated financial statements	
	<u>2022</u>	<u>2021</u>
Balance at beginning of year	322,743	368,228
Increase from revaluation	140,356	-
Less: Amortisation for the year	(29,797)	(27,305)
Less: Reversal of revaluation surplus	-	(2,811)
Less: Transfer to retained earnings (deficit) due to disposal of land	-	(15,369)
Balance at end of year	<u>433,302</u>	<u>322,743</u>

The surplus on revaluation of assets can neither be offset against deficit nor used for dividend payment.

## 22. Expenses by nature

Significant expenses classified by nature are as follows:

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
Raw materials and consumables used	1,601,646	1,253,951	-	-
Changes in inventories of finished goods and work in process	(11,890)	(4,038)	-	-
Salaries, wages and other employee benefits	627,970	537,180	21,629	21,911
Depreciation and amortisation	392,666	301,474	1,395	1,295
Repair and maintenance expenses	73,394	44,664	773	736
Rental expenses	17,957	30,544	-	257
Utility expenses	63,630	52,291	180	223
Travelling expenses	9,329	8,084	853	818
Transportation expenses	49,022	37,996	-	-
Royalty fee	20,033	10,200	-	-

## 23. Administrative expenses

The subsidiaries in Malaysia had to temporarily close their operations from 1 June 2021 to 17 August 2021 to comply with government measures to control the COVID-19 pandemic, and the effect of the COVID-19 pandemic caused the subsidiaries' production not to be able to run at normal capacity. The management of the Group therefore separately presented all fixed production costs incurred during the period where the operations were suspended and did not run at normal capacity as administrative expenses in the profit or loss as follows:

	(Unit: Thousand Baht)	
	<u>Consolidated financial statements</u>	
	<u>2022</u>	<u>2021</u>
Fixed production costs which included in administrative expenses	117,467	25,640

## 24. Income tax

Tax income (expenses) for the years ended 31 January 2022 and 2021 are made up as follows:

	(Unit: Thousand Baht)			
	<u>Consolidated</u>		<u>Separate</u>	
	<u>financial statements</u>		<u>financial statements</u>	
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
<b>Current income tax:</b>				
Current income tax charge	(12,545)	(1,550)	-	-
Adjustment in respect of income tax of previous year	(7,105)	(3,761)	-	-
Total current income tax	<u>(19,650)</u>	<u>(5,311)</u>	<u>-</u>	<u>-</u>
<b>Deferred tax:</b>				
Relating to origination and reversal of temporary differences	(7,304)	(4,917)	2	847
Adjustment in respect of deferred tax of previous year	(1,538)	179	-	-
Total deferred tax	<u>(8,842)</u>	<u>(4,738)</u>	<u>2</u>	<u>847</u>
<b>Tax income (expenses) reported in profit or loss</b>	<u>(28,492)</u>	<u>(10,049)</u>	<u>2</u>	<u>847</u>

The amounts of income tax relating to each component of other comprehensive income for the years ended 31 January 2022 and 2021 are as follows:

	(Unit: Thousand Baht)			
	<u>Consolidated</u>		<u>Separate</u>	
	<u>financial statements</u>		<u>financial statements</u>	
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
Deferred tax on gain from revaluation of assets	15,344	827	-	-
Deferred tax on actuarial gains and losses	765	(357)	(1)	1
	<u>16,109</u>	<u>470</u>	<u>(1)</u>	<u>1</u>

The reconciliations between accounting profit (loss) and tax income (expenses) are shown below.

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
Accounting profit (loss) before tax	(266,778)	(249,481)	30,551	23,228
Thai corporate income tax rate	20 percent	20 percent	20 percent	20 percent
Accounting profit (loss) before tax				
multiplied by income tax rate	53,356	49,968	(6,110)	(4,646)
Difference in tax rate in the Group	12,306	(16,917)	-	-
Adjustment in respect of income tax of previous year	(7,105)	(3,761)	-	-
Reversal of tax losses and unused tax benefits				
related to reinvestment expenditures of previous year which were expected to not be utilised	(37,669)	(1,795)	-	(1,795)
Unused tax loss in the current year which has not recognised as deferred tax assets	(35,307)	(27,453)	-	-
Unused tax loss in the previous year which recognised as deferred tax assets in the current year	1,376	-	-	-
Used reinvestment allowance and tax losses in the current year, on which deferred tax asset have not been recognised	1,210	3,744	-	-
Temporary difference which has not recognised as deferred tax assets	1,131	-	-	-
Reversal of deferred tax liability from transferring revaluation surplus of assets to retained earnings due to disposal of land	-	4,520	-	-
Effects of:				
Promotional privileges (Note 25)	273	-	-	-
Non-deductible expenses	(23,553)	(19,162)	(2,603)	(216)
Tax-exempt income	872	41	7,500	7,500
Additional expenses deductions allowed	4,514	-	-	-
Adjustment of deferred tax of previous year	(3,092)	179	-	-
Others	3,196	587	5	4
Total	(17,790)	(18,355)	4,902	7,288
Tax income (expenses) reported in profit or loss	(28,492)	(10,049)	2	847

The components of deferred tax assets and deferred tax liabilities as at 31 January 2022 and 2021 are as follows:

(Unit: Thousand Baht)

	Statement of financial position			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
<b>Deferred tax assets</b>				
Allowance for expected credit losses	4,104	7,044	-	-
Reduction of inventory to net realisable value	2,800	2,788	-	-
Provision for long-term employee benefits	11,219	11,019	17	15
Unused tax losses	5,165	5,060	3,658	3,658
Unused reinvestment expenditures and tax benefits related to capital expenditures	129,819	137,702	-	-
<b>Total</b>	<b>153,107</b>	<b>163,613</b>	<b>3,675</b>	<b>3,673</b>
<b>Deferred tax liabilities</b>				
Differences of depreciation for accounting and tax purpose	58,974	57,496	-	-
Surplus on revaluation of property and plant	103,670	92,786	-	-
Lease	741	1,531	-	-
<b>Total</b>	<b>163,385</b>	<b>151,813</b>	<b>-</b>	<b>-</b>
Deferred tax assets (liabilities) - net	<u>(10,278)</u>	<u>11,800</u>	<u>3,675</u>	<u>3,673</u>
<b>Deferred tax assets (liabilities) presented in the statements of financial position:</b>				
Deferred tax assets	63,950	73,177	3,675	3,673
Deferred tax liabilities	(74,228)	(61,377)	-	-
Deferred tax assets (liabilities) - net	<u>(10,278)</u>	<u>11,800</u>	<u>3,675</u>	<u>3,673</u>

As at 31 January 2022, the Group has deductible temporary differences and unused tax losses totaling Baht 1,883 million (2021: Baht 997 million) (the Company only: Baht 3 million, 2021: Baht 9 million), on which deferred tax assets have not been recognised as the Group believes future taxable profits may not be sufficient to allow utilisation of the temporary differences and unused tax losses.

The unused tax losses amounting to Baht 102 million will expire by 2029.

## 25. Promotional privileges

One subsidiary (Ingress Autoventures Company Limited) has received promotional privileges from the Board of Investment for the manufacture of automotive components, pursuant to the promotion certificate as follows:

Item	Certificate No.	Dated	Description of products	Income tax privilege (years)	Date of first income derived
1	1379(2)/2552	22 May 2009	Molding belt line and EGR pipes	8	26 August 2009
2	2345(2)/2553	3 December 2010	Door sashes	8	17 October 2011
3	5092(2)/2556	21 May 2013	Door sashes	8	11 March 2013

Subject to certain imposed conditions, the privileges include exemptions from import duty on approved machinery and raw materials, exemption from corporate income tax on profits from the promoted activities, for a period of 8 years commencing from the date of the first sales, and decrease from corporate income tax on profits from the promoted activities 50 percent of the normal rate, for a period of 5 years commencing from the date of expiration of exemption.

## 26. Earnings per share

Basic earnings per share is calculated by dividing profit (loss) for the year attributable to equity holders of the Company (excluding other comprehensive income) by the weighted average number of ordinary shares in issue during the year.

	Consolidated		Separate	
	financial statements	financial statements	financial statements	financial statements
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
Profit (loss) attributable to equity holders of the Company (Thousand Baht)	(208,702)	(221,915)	30,554	24,074
The weighted average number of ordinary shares in issue during the year (Thousand shares)	1,446,943	1,446,943	1,446,943	1,446,943
Earnings (loss) per share (Baht per share)	(0.14)	(0.15)	0.02	0.02

## 27. Segment information

Operating segment information is reported in a manner consistent with the internal reports that are regularly reviewed by the chief operating decision maker in order to make decisions about the allocation of resources to the segment and assess its performance.

The Group is principally engaged in the manufacturing of the automotive components. Its operations are carried on in Thailand, Malaysia, Indonesia and India. Segment performance is measured based on operating profit or loss, on a basis consistent with that used to measure operating profit or loss and total assets in the financial statements. As a result, all of the revenues, operating profits and assets as reflected in these financial statements pertain exclusively to the aforementioned reportable operating segment.

### Information about geographic

Sales and services revenue from external customers is based on locations of the customers for the year ended 31 January 2022 and 2021 as follows:

	(Unit: Thousand Baht)	
	Consolidated financial statements	
	<u>2022</u>	<u>2021</u>
<b>Revenue from external customers</b>		
Thailand	978,776	704,377
Malaysia	1,275,627	1,187,453
Indonesia	211,701	100,810
India	223,183	160,648
Total	<u>2,689,287</u>	<u>2,153,288</u>

Other non-current assets (other than deferred tax assets and goodwill) as at 31 January 2022 and 2021 as follows:

	(Unit: Thousand Baht)	
	Consolidated financial statements	
	<u>2022</u>	<u>2021</u>
<b>Non-current assets</b>		
Thailand	749,773	712,231
Malaysia	2,406,054	1,961,326
Indonesia	1,378,616	467,044
India	195,976	168,779
Total	<u>4,730,419</u>	<u>3,309,380</u>

### Information about major customers

For the year ended 31 January 2022, the Group has revenue from three major customers in amount of Baht 309 million, Baht 350 million and Baht 223 million (2021: Baht 383 million, Baht 309 million and Baht 279 million derived from three major customers).

## 28. Provident fund

The Group in Thailand and its employees in Thailand have jointly established a provident fund in accordance with the Provident Fund Act B.E. 2530. Both the Group and employees contribute to the fund monthly, at the rate of 2 - 15 percent of basic salary. The fund, which is managed by Kasikorn Asset Management Company Limited (the Company only: Kasikorn Asset Management Company Limited), will be paid to employees upon termination in accordance with the fund rules. For the years ended 31 January 2022 and 2021, the Group contributed Baht 4 million and Baht 3 million to the fund, respectively (the Company only: Baht 0.5 million and Baht 0.4 million, respectively).

The provident funds of the overseas subsidiaries and their employees have been established in accordance with each subsidiary's policies and the law of its country of domicile.

## 29. Commitments and contingent liabilities

### 29.1 Capital commitments

As at 31 January 2022 and 2021, the subsidiaries had capital commitments relating to the acquisitions of property, plant and equipment as follows:

	(Unit: Million)	
	<u>Consolidated financial statements</u>	
	<u>2022</u>	<u>2021</u>
Baht	2	-
Malaysian Ringgit	2	13
Indonesian Rupiah	43,368	155,918
Japanese Yen	-	243
<i>Total (Million Baht)</i>	<i>118</i>	<i>501</i>

### 29.2 Long-term service commitments

Four subsidiaries (Ingress Autoventures Company Limited, Ingress Precision Sdn. Bhd., PT Ingress Malindo Ventures and Ingress Autoventures (India) Private Limited) have entered into royalty agreements and technical assistance agreements with Katayama Kogyo Co., Ltd., a corporate shareholder of Ingress Autoventures Company Limited, Ingress Precision Sdn. Bhd. and PT Ingress Malindo Ventures. Under the conditions of the royalty agreements, the subsidiaries are to pay an annual royalty fee as stipulated in the agreements.

One subsidiary (Fine Components (Thailand) Company Limited) has entered into royalty agreement, technical assistance agreement and market assistance agreement with Iwamoto Co., Ltd., a corporate shareholder of that subsidiary. Under the conditions of the royalty agreement, the subsidiary is to pay an annual royalty fee as stipulated in the agreement. However, there was no annual royalty fee paid during the year since it will occur only when the technical and market assistance has been provided to the subsidiary.

One subsidiary (Ingress AOI Technologies Sdn. Bhd.) has entered into royalty agreement and technical assistance agreements with D-ACT Co., Ltd., (formerly known as AOI Machine Industry Co., Ltd.) a corporate shareholder of that subsidiary. Under the conditions of the royalty agreement, the subsidiary is to pay an annual royalty fee as stipulated in the agreement.

### 29.3 Guarantees

- (1) The Company has guaranteed bank credit facilities of its subsidiaries amounting to MYR 150 million or equivalent to approximately Baht 1,198 million and Baht 9 million (2021: Baht 9 million).
- (2) As at 31 January 2022, the subsidiaries have outstanding bank guarantees of approximately Baht 18 million (2021: Baht 7 million) issued by banks on behalf of the subsidiaries in respect of certain performance bonds as required in the normal course of business.
- (3) As at 31 January 2022, the Group has pledged restricted bank deposits amounting to Baht 104 million (2021: Baht 12 million) as collateral to secure credit facilities received from financial institutions as described in Notes 15 and 17 to the consolidated financial statements, and has pledged collateral to secure bank guarantees issued by the banks as described in Note 29.3 (2) to the consolidated financial statements.

### 30. Fair value hierarchy

As at 31 January 2022 and 2021, the subsidiaries had the assets and liabilities that were measured at fair value using different levels of inputs as follows:

(Unit: Million Baht)

	Consolidated financial statements							
	As at 31 January							
	Level 1		Level 2		Level 3		Total	
	2022	2021	2022	2021	2022	2021	2022	2021
<b>Assets measured at fair value</b>								
Asset held for sale	-	-	-	-	-	90	-	90
Investment properties	-	-	-	-	48	44	48	44
Property and plant	-	-	-	-	1,288	934	1,288	934
Right-of-use assets	-	-	-	-	568	200	568	200
<b>Liabilities for which fair value are disclosed</b>								
Long-term loans from financial institutions	-	-	-	-	979	784	979	784

## **31. Financial instruments**

### **31.1 Financial risk management objectives and policies**

The Group's financial instruments principally comprise cash and cash equivalents, trade and other receivables, contract assets, restricted bank deposits, loans to related parties, bank overdrafts and short-term loans from financial institutions and long-term loans from financial institutions. The financial risks associated with these financial instruments and how they are managed is described below.

#### ***Credit risk***

The Group is exposed to credit risk primarily with respect to trade and other receivables, contract assets and deposits with banks and financial institutions. The maximum exposure to credit risk is limited to the carrying amounts as stated in the statement of financial position.

#### ***Trade receivables and contract assets***

The Group manages the risk by adopting appropriate credit control policies and procedures and therefore does not expect to incur material financial losses. Outstanding trade receivables and contract assets are regularly monitored.

An impairment analysis is performed at each reporting date to measure expected credit losses. The provision rates are based on days past due for groupings of various customer segments with similar credit risks. The Group classifies customer segments by customer type. The calculation reflects the probability-weighted outcome, the time value of money and reasonable and supportable information that is available at the reporting date about past events, current conditions and forecasts of future economic conditions.

#### ***Cash deposits***

The Group manages the credit risk from balances with banks and financial institutions by making investments only with approved counterparties to mitigate financial loss through a counterparty's potential failure to make payments.

#### **Market risk**

There are two types of market risk comprising foreign currency risk and interest rate risk.

#### ***Foreign currency risk***

The Group's exposure to foreign currency risk relates primarily to its trading transactions and acquisition of machinery and loans that are denominated in foreign currencies.

As at 31 January 2022 and 2021, the balances of financial assets and liabilities denominated in foreign currencies are summarised below.

Foreign currency	Consolidated financial statements					
	Financial assets		Financial liabilities		Average exchange rate	
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
	(Million)	(Million)	(Million)	(Million)	(Baht per 1 foreign currency unit)	
Malaysian Ringgit	-	-	1.8	1.4	7.9874	7.4038
US Dollar	0.6	1.5	0.2	-	33.4318	29.9928
Japanese Yen	-	-	2,096.0	509.6	0.2882	0.2872

  

Foreign currency	Separate financial statements					
	Financial assets		Financial liabilities		Average exchange rate	
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
	(Million)	(Million)	(Million)	(Million)	(Baht per 1 foreign currency unit)	
Malaysian Ringgit	10.7	9.6	6.5	10.0	7.9874	7.4038
US Dollar	0.8	0.8	-	-	33.4318	29.9928
Indonesian Rupiah	5,630.3	5,138.3	3.6	3.6	0.0023	0.0021

#### *Foreign currency sensitivity*

The following tables demonstrate the sensitivity of the Group's profit (loss) before tax to a reasonably possible change in Japanese Yen exchange rates, with all other variables held constant. The impact on the Group's profit (loss) before tax is due to changes in the fair value of monetary assets and liabilities as at 31 January 2022 and 2021. The Group's exposure to foreign currency changes for all other currencies is not material.

Currency	2022		2021	
	Increase/ decrease	Effect on profit (loss) before tax	Increase/ decrease	Effect on profit (loss) before tax
	(%)	(Million Baht)	(%)	(Million Baht)
Japanese Yen	+1	(6)	+1	(1)
	-1	6	-1	1

This information is not a forecast or prediction of future market conditions and should be used with care.

### ***Interest rate risk***

The Group's exposures to interest rate risk relates primarily to their short-term loans to related parties, long-term loans to related parties, short-term loans from financial institutions, short-term loans from related parties, long-term loans from related party, long-term loans from financial institutions and lease liabilities with interest. Most of the Group's financial assets and liabilities bear floating interest rates or fixed interest rates which are close to the market rate, the Group's exposure to interest rate risk is low. Therefore, the Group does not use derivatives to manage their interest rate risk.

Significant financial assets and liabilities as at 31 January 2022 and 2021 classified by type of interest rate are summarised in the table below, with those financial assets and liabilities that carry fixed interest rates further classified based on the maturity date, or the repricing date if this occurs before the maturity date.

(Unit: Million Baht)

## Consolidated financial statements

As at 31 January

	Fixed interest rates						Floating interest rates	Non-interest bearing	Total	Effective interest rates					
	Within 1 year		1 - 5 years		Over 5 years					2022	2021	2022	2021	2022	2021
	2022	2021	2022	2021	2022	2021									
<b>Financial assets</b>															
Cash and cash equivalents	-	2	-	-	-	-	1	8	567	525	568	535	Note 7	Note 7	
Trade and other receivables	-	-	-	-	-	-	-	-	627	492	627	492	-	-	
Contract assets	-	-	-	-	-	-	-	-	27	27	27	27	-	-	
Restricted bank deposits	1	-	61	12	41	-	1	-	-	-	104	12	3.30 - 3.50	1.49 - 1.80	
	1	2	61	12	41	-	2	8	1,221	1,044	1,326	1,066			
<b>Financial liabilities</b>															
Bank overdrafts and short-term loans from financial institutions	382	379	-	-	-	-	336	281	-	-	718	654	Note 15	Note 15	
Trade and other payables	-	-	-	-	-	-	-	-	2,028	692	2,028	692	-	-	
Contract liabilities	-	-	-	-	-	-	-	-	8	163	8	163	-	-	
Long-term loans from financial institutions	170	100	845	77	62	-	-	650	-	-	1,077	827	Note 17	Note 17	
Lease liabilities	42	38	89	94	34	41	-	-	-	-	165	173	2.43 - 10.00	2.43 - 10.00	
	594	511	934	171	96	41	336	931	2,036	855	3,996	2,509			

(Unit: Million Baht)

Separate financial statements														
As at 31 January														
	Fixed interest rates						Floating interest rates	Non-interest bearing		Total		Effective interest rates		
	Within 1 year		1 - 5 years		Over 5 years			2022	2021	2022	2021	2022	2021	2022
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
													(% p.a.)	(% p.a.)
<b>Financial assets</b>														
Cash and cash equivalents	-	-	-	-	-	-	-	1	1	6	1	7	Note 7	Note 7
Trade and other receivables	-	-	-	-	-	-	-	-	62	120	62	120	-	-
Short-term loans to related parties	38	96	-	-	-	-	-	-	-	-	38	96	Note 6	Note 6
Other long-term receivable - related party	-	-	-	-	-	-	-	-	56	-	56	-	-	-
Long-term loans to related parties	43	45	190	66	93	-	-	-	-	-	326	111	4.75 - 9.35	4.75 - 10.25
	<u>81</u>	<u>141</u>	<u>190</u>	<u>66</u>	<u>93</u>	<u>-</u>	<u>-</u>	<u>1</u>	<u>119</u>	<u>126</u>	<u>483</u>	<u>334</u>		
<b>Financial liabilities</b>														
Other payables	-	-	-	-	-	-	-	-	53	90	53	90	-	-
Short-term loans from related parties	17	105	-	-	-	-	-	-	-	-	17	105	Note 6	Note 6
Other long-term payable - related party	-	-	-	-	-	-	-	-	53	-	53	-	-	-
Long-term loans from related party	16	78	229	269	342	48	-	-	-	-	587	395	Note 6	Note 6
Lease liabilities	1	2	-	2	-	-	-	-	-	-	1	4	6.00	6.00
	<u>34</u>	<u>185</u>	<u>229</u>	<u>271</u>	<u>342</u>	<u>48</u>	<u>-</u>	<u>-</u>	<u>106</u>	<u>90</u>	<u>711</u>	<u>594</u>		

### *Interest rate sensitivity*

The following table demonstrates the sensitivity of the Group's profit (loss) before tax to a reasonably possible change in interest rates on that portion of floating rate bank overdrafts and short-term loans from financial institutions and long-term loans from financial institutions affected as at 31 January 2022 and 2021.

Currency	2022		2021	
	Increase/ decrease	Effect on profit (loss) before tax	Increase/ decrease	Effect on profit (loss) before tax
	(%)	(Million Baht)	(%)	(Million Baht)
Baht	+1	(3)	+1	-
	- 1	3	- 1	-
Malaysian Ringgit	+1	-	+1	6
	- 1	-	- 1	(6)

The above analysis has been prepared assuming that the amounts of the floating rate bank overdrafts and short-term loans from financial institutions and long-term loans from financial institutions and all other variables remain constant over one year. Moreover, the floating legs of these bank overdrafts and short-term loans from financial institutions and long-term loans from financial institutions are assumed to not yet have set interest rates. As a result, a change in interest rates affects interest payable for the full 12-month period of the sensitivity calculation. This information is not a forecast or prediction of future market conditions and should be used with care.

### **Liquidity risk**

The Group monitors the risk of a shortage of liquidity through the use of bank overdrafts and short-term loans from financial institutions and lease contracts. The Group has debt-free assets which can be used to mortgage further loans and access to variety of sources of funding to ensure that the Group has sufficient cash for its operation.

The table below summarises the maturity profile of the Group financial liabilities as at 31 January 2022 and 2021 based on contractual undiscounted cash flows:

(Unit: Thousand baht)

Consolidated financial statement				
As at 31 January 2022				
	Less than 1 year	1 to 5 years	Over 5 years	Total
<b>Financial liabilities</b>				
Bank overdraft and short-term loans from financial institutions	731,498	-	-	731,498
Trade and other payables	2,027,787	-	-	2,027,787
Long-term loans from financial institutions	181,154	1,131,533	72,776	1,385,463
Lease liabilities	53,797	114,186	38,116	206,099
<b>Total</b>	<b>2,994,236</b>	<b>1,245,719</b>	<b>110,892</b>	<b>4,350,847</b>

(Unit: Thousand baht)

Separate financial statement				
As at 31 January 2022				
	Less than 1 year	1 to 5 years	Over 5 years	Total
<b>Financial liabilities</b>				
Other payables	52,448	-	-	52,448
Short-term loans from related parties	17,115	-	-	17,115
Other long-term payable - related party	53,210	-	-	53,210
Long-term loans from related party	15,560	324,837	363,471	703,868
Lease liabilities	1,143	361	-	1,504
<b>Total</b>	<b>139,476</b>	<b>325,198</b>	<b>363,471</b>	<b>828,145</b>

(Unit: Thousand baht)

Consolidated financial statement				
As at 31 January 2021				
	Less than			Total
	1 year	1 to 5 years	Over 5 years	
<b>Financial liabilities</b>				
Bank overdraft and short-term				
loans from financial institutions	655,025	-	-	655,025
Trade and other payables	692,416	-	-	692,416
Long-term loans from financial				
institutions	237,269	891,618	-	1,128,887
Lease liabilities	51,201	116,769	48,711	216,681
<b>Total</b>	<b>1,635,911</b>	<b>1,008,387</b>	<b>48,711</b>	<b>2,693,009</b>

(Unit: Thousand baht)

Separate financial statement				
As at 31 January 2021				
	Less than			Total
	1 year	1 to 5 years	Over 5 years	
<b>Financial liabilities</b>				
Other payables	90,053	-	-	90,053
Short-term loans from related party	106,821	-	-	106,821
Long-term loans from related party	99,519	317,238	50,989	467,746
Lease liabilities	1,835	2,426	-	4,261
<b>Total</b>	<b>298,228</b>	<b>319,664</b>	<b>50,989</b>	<b>668,881</b>

### 31.2 Fair values of financial instruments

The estimated fair value of financial instruments, in comparison with the carrying amounts as at 31 January 2022 and 2021 are as follows:

(Unit: Million Baht)

Consolidated financial statements				
	2022		2021	
	Carrying amount	Fair value	Carrying amount	Fair value
<b>Financial liabilities</b>				
Long-term loans from financial institutions	1,077	979	827	784

The methods and assumptions used by the Group in estimating the fair value of financial instruments are as follows:

- a) For financial assets and liabilities which have short-term maturity, including cash and cash equivalents, trade and other receivables, contract assets, short-term loans to related parties, restricted bank deposits, bank overdrafts and short-term loans from financial institutions, trade and other payables, contract liabilities and short-term loans from related parties, their carrying amounts in the statement of financial position approximate their fair value.
- b) For lease liabilities and long-term loans carrying interest approximate to the market rate, their carrying amounts in the statement of financial position approximates their fair value. The fair values of other long-term loans are determined by calculating the present value of expected future cash flows, with a discount rate that approximates the current market rate for loans with similar terms and conditions.

During the current year, there were no transfers within the fair value hierarchy.

### 32. Capital management

The primary objective of the Group's capital management is to ensure that it has appropriate capital structure in order to support its business and maximise shareholder value and it meets financial covenants attached to the loan agreements. The Group has complied with these covenants throughout the reporting periods.

As at 31 January 2022 and 2021, the Group's debt-to-equity ratios were summarised below.

	Consolidated		Separate	
	financial statement		financial statement	
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
Debt-to-equity ratio	2.02:1	1.25:1	0.43:1	0.36:1

### 33. Approval of financial statements

These financial statements were authorised for issue by the Company's Board of Directors on 30 March 2022.