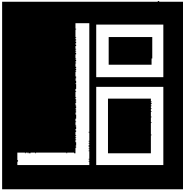


**XIII. VALUATION CERTIFICATE**  
(Prepared for inclusion in this Prospectus)



**جورونيلاي برسكوتو**  
**JURUNILAI BERSEKUTU**

Firm's Registration No.: VE (2) 0092  
**REGISTERED VALUERS, PLANT & MACHINERY APPRAISERS,  
PROJECT & PROPERTY MANAGERS, ESTATE AGENTS & AUCTIONEERS**  
Head Office: 18th Floor, Menara Tun Razak, Jalan Raja Laut, 50350 Kuala Lumpur.  
Tel: 03-2933337 (5 Lines) Fax: 03-2911759



Ejen Hartatanah / Penilai  
(V394 / E-1181)

15 January 2001

The Board of Director  
**INGRESS CORPORATION BERHAD**  
Lot 11, Jalan Jasmine 4  
Kawasan Perindustrian Bukit Beruntung  
TST 29, 48009 Rawang  
Selangor Darul Ehsan

Dear Sir,

**VALUATION OF PROPERTIES BELONGING TO INGRESS CORPORATION BERHAD  
(‘INGRESS’)**

This letter is prepared for inclusion in the Ingress' Prospectus to be dated 22 January 2001 in relation to the Public issue of 9,750,000 new ordinary shares of RM1.00 each and Offer for Sale of 2,262,000 ordinary shares of RM1.00 each at an issue/offer price of RM2.20 per share.

We were instructed by Ingress Engineering Sdn Bhd to value and determine the market value of the properties listed in Schedule 1. The term market value is defined as the estimated amount for which an asset should exchange on the date of valuation between a willing buyer and a willing seller in an arm's-length transaction after proper marketing wherein the parties had each acted knowledgeably, prudently and without compulsion.

Pursuant to the instructions, we had inspected the subject properties on 18 and 19 January 2000, details of which are set out in Schedule 1 below.

We confirm that we have valued the properties based on the valuation methods stated in Schedule 1, which have been carried out in accordance with the Guidelines on Asset Valuation for Submission to the Securities Commission (1995) issued by the Securities Commission, in compliance with the Valuation Standard issued by the Board of Valuers, Appraisers and Estate Agents, Malaysia and the necessary professional responsibility and due diligence.

The details of certified true copies titles were extracted from a title search conducted at the Pejabat Pendaftaran Hakmilik and Pejabat Tanah.

Kuala Lumpur : No. 76-2, Jalan 1/76D, Desa Pandan, 55100 Kuala Lumpur. Tel: 03-9818088 (4 Lines) Fax: 03-9816601  
Subang Jaya : 60A, 1st Floor, Jalan SS15/4D, 47500 Subang Jaya, Selangor. Tel: 03-7388966 (3 Lines) Fax: 03-7388740  
Alor Setar : No. 1553, Bangunan Farmasi Utara, Jalan Kota, 05000 Alor Setar. Tel: 04-7317499 (3 Lines) Fax: 04-7311493  
Butterworth : No. 27, 1st Floor, Tingkat Kikik Tujuh, Taman Inderawasih, 13600 Prai. Tel: 04-3988112 (3 Lines) Fax: 04-3901112  
Pulau Pinang : No. 253 D, 3rd Floor, Jalan Sultan Azlan Shah, 11900 Bayan Lepas. Tel: 04-6303100 (3 Lines) Fax: 04-6303102  
Seremban : No. 4, Tingkat 2, Kompleks Negeri, Jalan Dr. Krishnan, 70000 Seremban. Tel: 06-7622740 (4 Lines) Fax: 06-7611770  
Johor Bahru : Bilik 416, Tingkat 4, Wisma Daiman, 64, Jalan Sulam, 80150 Johor Bahru. Tel: 07-3317378 (4 Lines) Fax: 07-3317502

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XIII. VALUATION CERTIFICATE (Cont'd)

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**JURUNILAI BERSEKUTU**

Our opinions of the Market Value of the subject properties, based on our Valuation Reports, are attached as Schedule 1.

Thank you.

Your faithfully,  
For **JURUNILAI BERSEKUTU**



**HATTA ADAM**  
**BLE (Aberdeen), MIS (M), APEPS**  
**REGISTERED VALUER - V394**  
**ASSOCIATE PARTNER**  
Mydoc:Ing.sc/ita

## XIII. VALUATION CERTIFICATE (Cont'd)

## JURUNILAI BERSEKUTU

## SCHEDULE 1 : PROPERTIES HELD FOR OWNER OCCUPATION

Reference No & Properties Details	Title Nos Lot Nos	Land Area (Acres)	Tenure-All 99 years leasehold interest expiring on	Registered Proprietor	Description		Valuation		
					Existing Use	Special Terms	Market Value As At Date Of Valuation	Valuation Methods	Date Of Valuation
<p>JB/01/V-SEL/RMZ/99-0861</p> <p>A single storey factory building with an annex office space on the first floor of the west wing of the building with a canteen and mechanical / electrical room and guardhouse respectively</p> <p>Bearing Address Lot 11, Jalan Jasmine 4, Kawasan Perindustrian Bukit Beruntung, TST 29, 48000 Rawang, Selangor Darul Ehsan.</p>	<p>HS (D) 8183, HS (D) 8184, HS (D) 8186 &amp; HS (D) 8187</p> <p>PT Nos 7105, 7106, 7108 &amp; 7109 respectively.</p> <p>Mukim of Serendah</p> <p>District of Hulu Selangor</p> <p>Selangor Darul Ehsan</p>	<p>PT 7105 1.70 acres</p> <p>PT 7106 2 acres</p> <p>PT 7108 2.68 acres</p> <p>PT 7109 2 acres</p> <p>Factory : 40,586 sq ft</p> <p>Office : 6,845 sq ft</p> <p>Others : 10,066 sq ft</p> <p>Age : 1 year</p>	Freehold	Ingress Technologies Sdn Bhd	Industrial	Only for Purpose of Industrial / High Industrial	RM16,300,00/-	Comparison / Cost Method Investment Method	5 April 2000
<p>JB/01/V-SEL/RA/99-0860</p> <p>A single storey factory building together with an annex double storey office with a guardhouse</p> <p>Bearing Address No. 9, Jalan P/7, Kawasan Perusahaan Bangi, 43560 Bandar Baru Bangi, Selangor Darul Ehsan</p>	<p>HS (M) 9683</p> <p>PT 11469</p> <p>Mukim of Kajang</p> <p>District of Hulu Langat</p> <p>Selangor Darul Ehsan</p>	<p>1.0 acres</p> <p>Factory : 20,475 sq ft</p> <p>Office : 4,550 sq ft</p> <p>Others : 1,415 sq ft</p> <p>Age : 8 years</p>	Leasehold Interest for 99 years expiring on 29 September 2086 (It has unexpired term of about 86 years)	Ingress Engineering Sdn Bhd	Industrial	Only for Purpose of Industrial	RM5,000,000/-	Comparison / Cost Method Investment Method	5 April 2000
<p>JB/01/V-SEL/RA/99-0859</p> <p>A single storey factory building attached with an annex double storey office and a 2 ½ storey building incorporating a canteen and electrical room on the ground floor and a surau on the first floor and guardhouse.</p> <p>Being Address No. 2475-2476, Kawasan Perindustrian Nilai, P.O.Box 45, 71807 Nilai, Negeri Sembilan Darul Khusus.</p>	<p>HS (D) 75367, HS (D) 75368</p> <p>PT 2475 PT 2476</p> <p>Mukim of Setul</p> <p>District of Seremban</p> <p>Negeri Sembilan Darul Khusus.</p>	<p>PT 2475 4.45 acres</p> <p>PT 2476 2.50 acres</p> <p>Factory : 70,220 sq ft</p> <p>Office : 20,357 sq ft</p> <p>Others : 10,126 sq ft</p> <p>Age : 6 years</p>	Leasehold Interest for 99 years expiring on 3 July 2092 (It has unexpired term of about 92 years)	Ingress Engineering Sdn Bhd	Industrial	Only for purpose of Industrial	RM20,000,000/-	Comparison / Cost Method Investment Method	5 April 2000

## XIII. VALUATION CERTIFICATE (Cont'd)

## JURUNILAI BERSEKUTU

<p>JB/V-THD/HA/2000-0176</p> <p>A single storey factory building with an annex double storey office with a single storey mechanical / electrical block and a guardhouse.</p> <p>Being Address No. Ingress Autoventures Co. Ltd., Eastern Seaboard Industrial Estate (Rayong), 64/6 Moo 4, Pluak Daeng, Rayong 21140, Thailand.</p> <p>The estate is located on Km 92 of Highway 331. It lies about 117 kilometres due south-east of Bangkok city centre and about 48 kilometres due north-west of Rayong town centre.</p>	<p>Titles Deed No. 6763 Land No. 62 Survey Page No. 2706 Tambol Pluak Daeng, Amphur Pluak Daeng, Rayong Province Thailand</p>	<p>5.0547 acres</p> <p>Factory : 28,417 sq ft</p> <p>Office : 7,750 sq ft</p> <p>Others : 3,790 sq ft</p> <p>Age : 2 ½ years</p>	<p>Freehold</p>	<p>Ingress Autoventures Co. Ltd</p>	<p>Industrial</p>	<p>Only for purpose of Industrial</p>	<p>Bath 80,000,000/- (RM8,000,000/-)</p> <p>Note :- Exchange Rate = RM10/- Bath100/-</p>	<p>Comparison / Cost Method</p> <p>Investment Method</p>	<p>5 April 2000</p>
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**XIV. INDEPENDENT MARKET REPORT**  
(Prepared for inclusion in this Prospectus)

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15 January 2001

The Board of Directors  
INGRESS CORPORATION BERHAD  
Lot 11, Jalan Jasmine 4,  
Kawasan Perindustrian Bukit Beruntung,  
TST 29, 48009 Rawang,  
Selangor Darul Ehsan,  
MALAYSIA

Dear Sirs,

A MARKET REPORT ON AUTOMOTIVE INDUSTRY IN ASEAN

This letter is prepared for inclusion in the Ingress' Prospectus to be dated 22 January 2001 in relation to the Public issue of 9,750,000 new ordinary shares of RM1.00 each and Offer for Sale of 2,262,000 ordinary shares of RM1.00 each at an issue/offer price of RM2.20 per share.

We, Automotive Resources Asia (ARA), were instructed by Ingress Corporation Berhad to conduct research and prepare the report on the outlook of the Automotive Industry in ASEAN and to assess prospects of Ingress auto-parts business in the region.

Pursuant to the instructions, we had conducted the study during January to February 2000. The assessment was carried out using ARA's expertise in the market, in-house library of information, and by consulting key vehicle makers, parts manufacturers and auto industry associations.

We had acted with full capacity as the marketing and research consultant named to conduct the study of the ASEAN auto-parts industry. We confirm that we have given and have not withdrawn our consent to the inclusion of our name in the form and context in which it appears in the said Prospectus.

Yours faithfully,

A handwritten signature in black ink, appearing to read 'John Bonnell', written in a cursive style.

JOHN BONNELL  
Partner  
Automotive Resources Asia

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**Automotive Resources Asia Ltd.**  
Q. House Building, Suite 1106, 11<sup>th</sup> Fl.,  
66 Soi Asoke, Sukhumvit 21 Rd., Wattana  
Bangkok 10110 Thailand  
Tel: (662) 264-2050  
Fax: (662) 264-2051  
E-mail: info@auto-resources-asia.com

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#### **XIV. INDEPENDENT MARKET REPORT (Cont'd)**

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*This report was prepared by Automotive Resources Asia, Ltd for Ingress Corporation Berhad. The material in it reflects Automotive Resources Asia's best judgment in light of the information available to it at the time of preparation. Estimated and projections contained herein shall not be relied upon as a promise or representation as to the future.*

##### **1. TERMS OF REFERENCE**

ARA has been engaged by Ingress Corporation Berhad to undertake a market research on ASEAN automotive and assess the future prospects of Ingress auto-part business and prepare a report for inclusion in the Prospectus to be dated 22 January 2001.

The prospectus is in connection with the Public Issue of 9,750,000 new ordinary shares of RM 1.00 each and the Offer for Sale of 2,262,000 ordinary shares of RM 1.00 each at an issue/offer price of RM 2.20 per share and the listing and quotation of the entire issued and paid up share capital of Ingress Corporation Berhad ("Ingress") of RM64,000,000 comprising 64,000,000 ordinary shares of RM1.00 each on the Second Board of the Kuala Lumpur Stock Exchange.

##### **2. ABOUT AUTOMOTIVE RESOURCES ASIA, LTD.**

Automotive Resources Asia, Ltd. ("ARA") is a market research, strategies and communication company specialising in Asia's automotive industry. ARA has conducted numerous such assessments for automotive industry players globally and throughout Asia.

##### **3. AUTOMOTIVE RESOURCES ASIA'S METHODOLOGY**

The assessment was carried out between using ARA's in-house library of information and expertise consulting key automakers and parts manufacturer's, consulting auto industry associations and by reviewing a range of published material.

##### **4. INTRODUCTION**

This report is an independent assessment of the future prospect of Ingress' automotive components manufacturing business. It is the view of ARA that the company's success hinge upon three major factors:

- (1) Growth of ASEAN's automotive industry;
- (2) Ingress' competitive advantages and weaknesses; and
- (3) Outlook of its existing customers and its potential in finding new ones.

##### **4.1 MARKET OVERVIEW OF ASEAN AUTO INDUSTRY**

Four countries in ASEAN have significant auto manufacturing industries and vehicle markets; Indonesia, Malaysia, Philippines and Thailand.

Malaysia and Indonesia decided to develop "national" auto industries by nurturing locally-owned vehicle and parts manufacturers while Thailand and the Philippines pursued a strategy of attracting foreign companies.

The Asian economic crisis saw the termination of Indonesia's national car program while economic strength enabled Malaysia to maintain its strategy of developing a national auto industry with the challenge of integrating its national auto companies into the global auto industry. The world's automakers see Asia as the greatest source of growth in the global industry, and in the past three years, automakers have invested close to \$2 billion in ASEAN.

**XIV. INDEPENDENT MARKET REPORT (Cont'd)****4.1.1 ASEAN VEHICLE SALES VOLUME AND TREND**

It is forecast that in the five years to 2005 sales will rise at an average rate of 13% pa to 1.42 million units pa.

Thailand and Malaysia are expected to remain the region's two largest vehicle markets, with sales of 450,000 and 400,000 units pa respectively by 2005, Indonesia 350,000 units pa and Philippines grow 220,000 units pa.

Figure 4.1.1 ASEAN Vehicle Sales Forecast

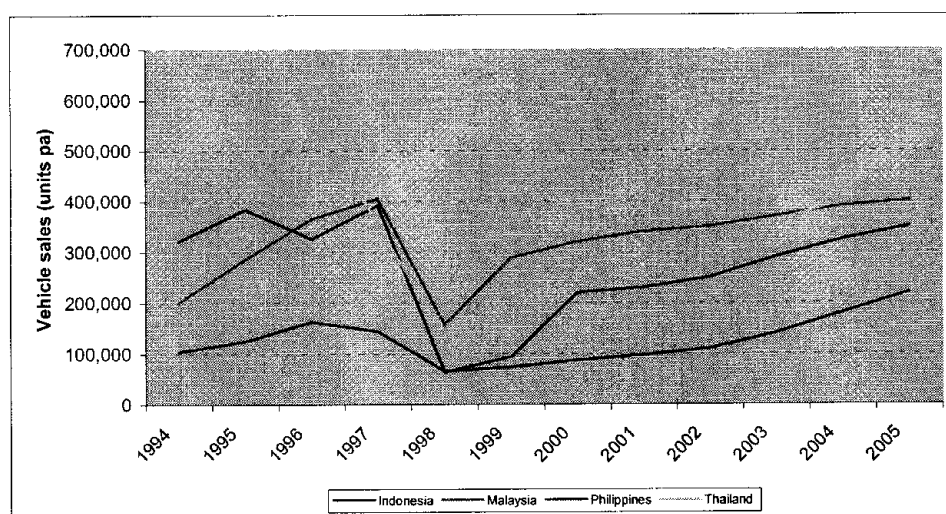


Table 4.1.1: ASEAN Vehicle Sales Forecast

	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005
Indonesia	322,000	384,000	326,000	392,000	64,000	94,000	220,000	230,000	250,000	290,000	325,000	350,000
Malaysia	201,000	286,000	365,000	405,000	157,000	289,000	320,000	340,000	350,000	370,000	390,000	400,000
Philippines	104,000	125,000	163,000	144,000	66,000	74,000	87,000	97,000	110,000	140,000	180,000	220,000
Thailand	486,000	572,000	589,000	355,000	134,000	218,000	260,000	300,000	330,000	360,000	400,000	450,000
Total	1,113,000	1,367,000	1,443,000	1,296,000	421,000	675,000	887,000	967,000	1,040,000	1,160,000	1,295,000	1,420,000

**4.1.2 JAPANESE COMPANIES RELOCATION**

One of the most significant recent developments in ASEAN's automotive industry is Thailand's emergence as a worldwide vehicle production base. Toyota, Nissan, Mitsubishi, Honda, Isuzu, GM and Ford/Mazda – have or are in the process of establishing high-volume export programs in Thailand. As a result, export are set to grow to 300,000 units pa by 2005, accounting for 16% of ASEAN's total vehicle production at that time.

Two key factors lead to this development. Firstly, in the mid-to-late 1990s all Japanese pick-up truck producers relocated at least part of their production capacity from Japan to Thailand.

Secondly, Thailand has been successful at attracting foreign investment especially with General Motor's USD750m assembly plant in 1996.

**XIV. INDEPENDENT MARKET REPORT (Cont'd)****4.1.3 AUTOMOTIVE COMPONENT MANUFACTURING**

As an automotive components' supplier to ASEAN's automakers, Ingress is more directly affected by vehicle production rates than sales rates. ASEAN has a very positive outlook. Vehicle production is forecast to double in the next few years, from 800,000 units in 1999 to 1.9 million by 2005 (Table 1.2). This represents an average growth rate of more than 15% pa.

Figure 4.1.3 ASEAN Vehicle Production Forecast

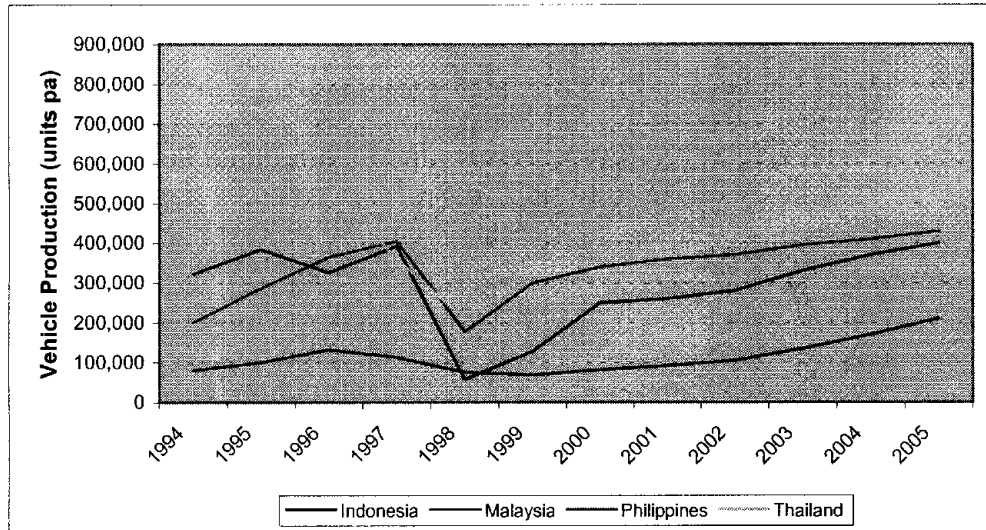


Table 4.1.3 ASEAN Vehicle Production Forecast

	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005
Indonesia	322,000	384,000	326,000	392,000	58,000	128,000	250,000	260,000	280,000	330,000	370,000	400,000
Malaysia	201,000	286,000	365,000	405,000	178,000	300,000	340,000	360,000	370,000	395,000	410,000	430,000
Philippines	80,000	100,000	133,000	113,000	75,000	69,000	82,000	92,000	105,000	135,000	170,000	210,000
Thailand	486,000	525,000	547,000	360,000	208,000	337,000	400,000	500,000	650,000	700,000	760,000	840,000
Total	1,089,000	1,295,000	1,371,000	1,270,000	519,000	834,000	1,072,000	1,212,000	1,405,000	1,560,000	1,710,000	1,880,000

**4.1.3.1 MALAYSIAN AUTO INDUSTRY****MALAYSIAN PRODUCTION FORECAST**

The Malaysian vehicle market reached 288,000 units in 1999 and is forecast to climb more gradually to 400,000 units in 2005.

Proton has exported 15,000 – 30,000 vehicles pa, and this rate is expected to rise to 40,000 units pa by 2005. Malaysia's exports would likely jump if automotive trade within ASEAN were liberalised, but countering this effect would be increased imports. It is forecast that production will reach 430,000 units pa by 2005, an average growth rate from 1999 of 6% pa.

**4.1.3.2 THAILAND AUTO INDUSTRY**

Ingress formed a joint venture, Ingress Autoventures, in Thailand in 1996 to supply the Thai auto industry. Its customers are Thailand's three most productive automakers – AAT, Mitsubishi and Isuzu.



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#### **XIV. INDEPENDENT MARKET REPORT (Cont'd)**

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##### **THAILAND PRODUCTION FORECAST**

Thailand is recovering relatively quickly from the crisis, and the domestic market is forecast to grow steadily to 450,000 units pa in 2005. Due to few imports, Thailand's vehicle production rate is roughly equal to the domestic market plus exports. The many export programs established recently and now being commenced are forecast to increase Thailand's vehicle exports to 300,000 units pa by 2005.

Thailand's vehicle production rate is anticipated to reach 840,000 units pa by 2005 (table 1.2), an average growth rate from 1999 of almost 17% pa.

##### **4.2 EFFECT TRADE LIBERALISATION ON INGRESS**

If ASEAN automotive trade is liberalised, how will Ingress be affected? The answer is complex, as it will simultaneously assist and disadvantage the company in different ways. The key points are :

- a) Market share of Proton and Perodua in Malaysia may fall slightly
- b) Exports by AAT, Mitsubishi and Isuzu from Thailand will rise moderately
- c) More models will reach economic volume
- d) No new customers will be made available
- e) No new competition will emerge
- f) Potential benefits from AICO

In summary, liberalisation of automotive trade may see Ingress' orders from its Malaysian customers decline slightly, but its customers in Thailand increase production. The region's vehicle production would be consolidated, boosting production volumes and making more projects economically viable for Ingress. Ingress would be exposed to no new customers or competitors in the rest of ASEAN.

##### **4.3 INGRESS AND ITS COMPETITION**

###### **4.3.1 TECHNOLOGY**

Ingress possesses technologies that are scarce in ASEAN. Steel roll-forming is applied in both its Co-extruded Moldings and Door Sash operations. Co-extrusion, flocking and stretch bending technologies are employed in the manufacture of Moldings; Sash operations require various welding technologies including seam and plasma welding, as well as a rotary-bending process. All these technologies Ingress acquires from Katayama. Large steel pressing and hemming technologies are employed in Ingress' door manufacturing company. These technologies are acquired from Kyoei Kogyo, Japan.

###### **4.3.1.1 TECHNOLOGY PARTNER**

Katayama is a part owner of Ingress and its main source of technology. Katayama is one of Japan's largest producers of roll-formed automotive components, including Co-extruded Moldings, Door Sash and Bellows. This global player has subsidiaries and joint ventures with production plants in North America, Korea, Taiwan, Malaysia and Thailand, and technical collaborations in Australia and France. Ingress and Katayama have a long-standing and stable relationship, and the two companies pursue the Southeast Asian market cooperatively.

The key benefits of Ingress' relationship with Katayama are :

- a) Up-to-date technology
- b) Access to global contracts
- c) Broad customer base

###### **4.3.1.2 STEEL ROLL FORMING**

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#### **XIV. INDEPENDENT MARKET REPORT (Cont'd)**

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##### **4.3.2 PRODUCTS**

Ingress uses steel roll-forming and large steel pressing technologies to produce the following parts :

- a) Co-extruded Moldings
- b) Door Sash
- c) Bellows
- d) Door-in-white assembly

##### **4.3.3 COMPETITORS**

Ingress' competition is profiled below. It covers competitors which exist today and the outlook for new competitors emerging – from both within ASEAN and from imports.

###### **4.3.3.1 COMPETITION FROM IMPORTS**

As trade is liberalised, will Ingress be threatened by competition from imports? The products Ingress manufacturers do not ship well. Packaging and freight add considerable cost. Automakers prefer their suppliers to be located nearby, not another country. Ingress is price competitive in its markets.

AFTA, the main driver of trade liberalisation in ASEAN, at present is only dismantling tariffs on intra-ASEAN trade, and is not lowering tariffs on goods from outside the region (which are typically higher than intra-ASEAN tariffs).

###### **4.3.3.2 COMPETITION ON ROLL-FORMED STEEL COMPONENTS**

The following companies produce roll-formed steel automotive parts in ASEAN :

- a) Automotive Industries Sdn. Bhd.  
AISB is a producer of Exhaust Systems in Malaysia, supplying Proton and Perodua.
- b) SAB, Thailand  
SAB produces a wide variety of steel auto parts in Thailand, including Door Sashes for Mitsubishi and Nissan. Ingress' roll-forming line comprises of 43 stages, whereas SAB's is only 18 stages. This allows Ingress to produce more complex Door Sash designs for use on a wide variety of vehicles; SAB is limited to simpler designs as used on pick-up trucks.
- c) TOACS, Thailand  
Beside Ingress, TOACS is the only other company in ASEAN producing steel/PVC Co-extruded Moldings.
- d) Calsonic, Japan  
Siam Calsonic produces Exhaust Systems in Thailand
- e) Hashimoto, Japan  
Hashimoto is one of Japan's leading producers of Door Sashes. It has not indicated it intends to establish its own operations in Southeast Asia.
- f) OM Corporation, Japan  
OM Corp supplies Door Sashes to several automakers in Japan and has given no indication it intends to expand overseas.

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#### **XIV. INDEPENDENT MARKET REPORT (Cont'd)**

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g) Nishikawa Rubber, Japan and Thailand

In Japan, Nishikawa produces both steel/rubber and steel/PVC Co-extruded Moldings, but in Thailand just steel/rubber Moldings. However, there is presently no indication it plans to expand its Thai operations to produce steel/PVC Moldings.

h) Shiroki, Japan

Shiroki is a Japanese components maker whose products include Door Sash and Co-extruded Moldings. It has an operation in Vietnam, Vina Shiroki, but has no operations or partners in Thailand or Malaysia and gave no indication they will be established.

#### **4.3.3.3 COMPETITION ON LARGE PRESSED-STEEL COMPONENTS**

There are four other companies in Malaysia which press large steel automotive parts (Ingress does not participate in the Thai market for these products).

##### **Proton**

Proton manufactures most of its large steel pressings in-house. It does not supply any other automakers.

##### **PHN Industries Sdn. Bhd. (PEPS)**

A joint venture, owned by Proton and a Japanese partner, which produces medium stampings parts exclusively for Proton. PHN does not have the ability to produce hemmed parts.

##### **Proton EP Samlip Sdn. Bhd. (PEPS)**

A joint venture, owned by Proton and a Korean partner, producing suspension and body parts exclusively for Proton. PEPS does not have the ability to produce hemmed parts.

##### **Perodua**

Like Proton, produces most of its pressings in-house. Perodua tends to outsource more parts than Proton, however.

#### **4.4 FUTURE PLANS (Potential product & customers etc)**

Ingress' future success is influenced by the success of its present customers and its prospects of finding new ones. Ingress' present customers include Perodua and Proton in Malaysia, and AAT, Isuzu and Mitsubishi in Thailand (supply to Isuzu will commence in 2002).

#### **PERODUA MALAYSIA**

Ingress has supplied Perodua since 1996. It presently supplies Co-extruded Moldings, Door Sash and Door-in-White for the Kancil. The two companies have close relationship: Ingress Technologies was established for the purpose of producing Door-in-White assemblies for Perodua, and is 30% owned by the automaker. It secured contracts to supply Fenders for the Kancil, and Door-in-White, Tailgate and Hood for the second car model.

##### **Proton**

Today Ingress supplies Co-extruded Moldings for the Perdana model, and Co-extruded Moldings and Door Sashes for the Wira. Ingress also supply Co-extruded Moldings and Door Sash for the Waja. Proton has also discussed out-sourcing various large pressings to Ingress.

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**XIV. INDEPENDENT MARKET REPORT (Cont'd)**

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**AAT, THAILAND**

AAT presently produces the Ford Ranger/Mazda Fighter pick-up truck. Ingress has supplied Door Sash for the Ranger/Fighter since its launch, as Katayama was already Mazda's supplier for the parts in Japan. Regarding Co-extruded Moldings, AAT says that Ingress is definitely a potential candidate for future contracts. AAT does not employ Bellows on either its petrol or diesel pick-ups. In the long term, Ingress is certain to remain a candidate to supply new programs which emerge from AAT.

**GENERAL MOTORS, THAILAND**

GM has awarded the Roof Ditch Molding contract to Ingress for the now-aborted Astra passenger car. In the US, Katayama supplies Bellows to GM.

**ISUZU, THAILAND**

Isuzu is emerging as a key customer for Ingress in Thailand. Ingress says that Katayama and itself have won a contract to supply Co-extruded Moldings for the 1190/GM355 world-wide. Ingress will supply the Thailand assembly plant. Further, Katayama is the world-wide development source for Bellows for the model, and Ingress is almost certain to supply the Thailand volume. These two contracts will cause Ingress to double its investment in Thailand. (In accordance with its policy, Isuzu would not confirm or deny the contracts).

**MITSUBISHI, THAILAND**

Ingress supplies Co-extruded Moldings for the L200 (TOACS also supplies Mitsubishi with Co-extruded Moldings). Mitsubishi sources the Door Sash for the L200 from SAB, the two companies have close relations and SAB is likely to supply Door Sashes for future models as well. Mitsubishi granted Ingress a mandate to supply Bellows for the L200.

**NISSAN, THAILAND**

Ingress has had no relations with Nissan in Thailand to date, although in Japan Katayama has been a supplier to the automaker. Nissan has already localised Co-extruded Moldings, on TOACS and Door Sash, on SAB. However Nissan says it is open to new suppliers, including Ingress, for future contracts for these parts. Nissan sources complete Exhaust Systems from Siam Calsonic, which imports Bellows from its parent company in Japan.

**TOYOTA THAILAND**

Toyota is expected to remain with its traditional suppliers in Thailand for the next few years at least, and the chance of Ingress supplying Toyota soon is small. At present Toyota sources Co-extruded Moldings from TOACS; Door Sash and Bellows are imported from Japan.

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**XV. DIRECTORS' REPORT**  
(Prepared for inclusion in this Prospectus)

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**INGRESS CORPORATION BERHAD** (490799-K)

(Formerly Known As Ingress Corporation Sdn. Bhd.)

PT 2475 - 2476, Kawasan Perindustrian Nilai, P.O. Box 45, 71807 Nilai, Negeri Sembilan, Malaysia.  
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**Registered office:**

Lot 11, Jalan Jasmine 4  
Kawasan Perindustrian Bukit  
Beruntung  
TST 29  
48009 Rawang  
Selangor Darul Ehsan

15 January 2001


The Shareholders  
Ingress Corporation Berhad

Dear Sir/Madam

On behalf of the Board of Directors of Ingress Corporation Berhad, I, report after due inquiry, that during the period from 31 July 2000 (being the date to which the last audited accounts of the Company and its subsidiaries have been made up) to 15 January 2001 (being a date not earlier than fourteen days before the issue of this Prospectus), that:-

- (a) the business of the Company and its subsidiaries have, in the opinion of the Directors, been satisfactorily maintained;
- (b) in the opinion of the Directors, no circumstances have arisen since the last audited accounts of the Company and its subsidiaries which have adversely affected the business and operations or the value of the assets of the Company or its subsidiaries;
- (c) the current assets of the Company and its subsidiaries appear in the books at values which are believed to be realisable in the ordinary course of business;
- (d) save as disclosed in Section XI(1.3) of this Prospectus, no contingent liabilities have arisen by reason of any guarantees and indemnities given by the Company or its subsidiaries; and
- (e) save as disclosed in the Accountants' Report and Proforma Consolidated Balance Sheets, there has been no change in the published reserves or any unusual factors affecting the profits of the Company and its subsidiaries since the last audited accounts of the Company and its subsidiaries.

Yours faithfully,  
For and on behalf of the Board of  
**INGRESS CORPORATION BERHAD**  
(Company No: 490799-K)

  
**DATO' HAJI NASIR BIN YUSOFF**  
Chairman