



**SEE HUP CONSOLIDATED BERHAD**  
(Company No. 391077 - V)  
(Incorporated in Malaysia)  
AND ITS SUBSIDIARIES

**NOTES TO THE QUARTERLY REPORT FOR THE FINANCIAL QUARTER ENDED 30 SEPTEMBER 2001 (Cont'd)**

<b>6 Quoted securities (cont'd)</b>	<b>As at end of 30-Sep-01 RM'000</b>	<b>As at end of 31-Mar-01 RM'000</b>
Total investment at cost	<u>1,659</u>	<u>880</u>
Total investment at book value (after provision for diminution in value)	<u>1,659</u>	<u>880</u>
Total investment at market value	<u>1,238</u>	<u>592</u>

**7 Changes in the composition of the Group**

- 7.1 The Company had on 30 July 2001 disposed of 4,000 ordinary shares of RM1.00 each, representing 2% of the total issued and paid up share capital in Tanjung Marine Sdn Bhd ("TMSB") for a total consideration of RM14,269. As a result, TMSB became an associate of the Company.
- 7.2 A subsidiary of the Company, See Hup Pioneer Logistics Sdn Bhd ("SHPL") had entered into a joint venture with Tuan Haji Shamsul Arifiin B. Mohd Nor to operate a container haulage business through SH Haulage Sdn Bhd ("SHH") subject to the approval of the relevant authorities. SHH was incorporated on 14 June 2001 and SHPL had on 7 August 2001 acquired 2 ordinary shares of RM1.00 each, representing 100% of the total issued and paid-up share capital of SHH. On 9 August 2001, SHH increased its issued and paid up share capital to RM1,000,000 and SHPL has further acquired 699,998 ordinary shares of RM1.00 each at par value representing 70% of paid-up capital of SHH.

**8 Status of corporate proposals**

**8.1 Utilisation of right issue proceeds**

The Securities Commission had on 29 August 2000 approved the Company's application to utilise the balance of the proceeds totalling RM1.509 million arising from the listing of the Company, for the payment of the acquisition price for a piece of leasehold industrial land known as Lot 201 and 207, Kawasan Perindustrian Bukit Kayu Hitam, Changlun, Kedah which was acquired by one of its subsidiaries.

SHPL had on 30 January 2001 entered into an agreement with the Kedah State Development Corporation for a sixty year lease for a consideration sum of RM1,556,766. To date, SHPL has paid RM934,060 of the consideration sum and the balance of the outstanding consideration sum will be settled by January 2002.

**8.2 Related party transactions**

In line with the introduction of Part E, Chapter 10.09 of the Kuala Lumpur Stock Exchange New Listing Requirements on recurrent related party transactions of a revenue or trading nature, the Board had on 6 August 2001 proposed to seek the shareholders' mandate for the Company and its subsidiaries which are necessary for its day-to-day operation. The shareholders have approved the said mandate in Extraordinary General Meeting held on 27 September 2001.

**8.3 Proposed Bonus Issue**

The Board had on 6 August 2001 proposed a bonus issue of up to 16,500,000 new ordinary shares of RM1.00 each to be credited as fully paid to the existing shareholders of the Company on the basis of three ordinary shares for every five existing ordinary shares. During the Extraordinary General Meeting held on 27 September 2001, the shareholders have approved the proposed bonus issue. Upon completion of the proposed bonus issue, the issued and paid-up share capital of the Company would be increased to 40,017,600 ordinary shares of RM1.00 each and hence would comply with the requirement of the minimum paid-up capital.

**9 Issuance and repayment of debt and equity securities**

There were no issuances and repayment of debt and equity securities, share buy-backs, share cancellations, share held as treasury shares and resale of treasury shares for the financial period under review other than as mentioned in Note 8.3.