

SEE HUP CONSOLIDATED BERHAD
(Company no. 391077-V)
(Incorporated in Malaysia)
(and its subsidiaries)

NOTES TO INTERIM FINANCIAL REPORT - 30 JUNE 2005

21 Status of corporate proposals announced

Utilisation of rights issue

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 by one of its subsidiaries, See Hup Pioneer Logistics Sdn. Bhd. ("SHPL").

SHPL had on 30 January 2001 entered into an agreement with Kedah State Development Corporation ("KSDC") for a sixty-year lease for a consideration sum of RM1,556,766. To date, SHPL has paid RM1,349,845 of the consideration sum and the balance of the outstanding consideration sum has been deferred subject to KSDC's agreement.

Proposed Employee Share Option Scheme

See Hup Consolidated Berhad ("See Hup") proposed to establish and implement an employee share option scheme ("ESOS") for the benefit of its eligible Directors and Employees of See Hup Group of Companies in accordance with the Listing Requirements of Bursa Securities Malaysia Berhad ("Bursa") on ESOS after its previous ESOS expired on 22 May 2005. See Hup had obtained the approval-in-principle from Bursa vide its letter dated 15 June 2005 for the listing of and quotation for such number of new ordinary shares to be issued pursuant to the exercise of options under the Proposed ESOS representing 15% of the issued and paid-up share capital of the Company at any point in time during the duration of the Proposed ESOS.

The Proposed ESOS is now subject to the approval being obtained from the shareholders of See Hup at an Extraordinary General Meeting to be convened.

22 Group borrowings and debts securities

	30-Jun-05 RM'000
Current	
- Unsecured	26,016
- Secured	-
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Non-current	
- Unsecured	3,233

The above borrowings are denominated in Ringgit Malaysia.

23 Off balance sheet financial instruments

The Group did not have financial instruments with off balance sheet risk as at 23 August 2005 (the latest practicable date which is not earlier than 7 days from the date of this quarterly report).