

1.0 CORPORATE INFORMATION**BOARD OF DIRECTORS**

Name	Address	Profession/ Occupation	Nationality
Sin Kheng Lee <i>(Executive Chairman and Group Managing Director)</i>	80, Persiaran Wangsa Baiduri 3 47500 Petaling Jaya Selangor Darul Ehsan	Managing Director	Malaysian
Dato' Moehamad Izat bin Achmad Habechi Emir <i>(Non-Executive Director)</i>	19, Jalan SS 19/4 Subang Jaya 47500 Petaling Jaya Selangor Darul Ehsan	Director	Malaysian
Sin Kheng Hong <i>(Executive Director)</i>	112, Persiaran Wangsa Baiduri 3 47500 Petaling Jaya Selangor Darul Ehsan	Director	Malaysian
Sin Ching San <i>(Executive Director)</i>	30, Persiaran Wangsa Baiduri 7 47500 Petaling Jaya Selangor Darul Ehsan	Director	Malaysian
Chou Lee Sin <i>(Executive Director)</i>	80, Persiaran Wangsa Baiduri 3 47500 Petaling Jaya Selangor Darul Ehsan	Director	Taiwanese
Lee Lam Keiong <i>(Non-Executive Director)</i>	14, Persiaran Wangsa Baiduri 6 47500 Petaling Jaya Selangor Darul Ehsan	Director	Malaysian
Lai Lan Man @ Lai Shuk Mee <i>(Independent Non-Executive Director)</i>	Apt A3A01, Prima 16 Condominiums Section 16 46350 Petaling Jaya Selangor Darul Ehsan	Lawyer	Malaysian
You Tong Lioung @ Yew Tong Leong <i>(Independent Non-Executive Director)</i>	83, Persiaran Wangsa Baiduri 3 47500 Petaling Jaya Selangor Darul Ehsan	Manager	Malaysian

AUDIT COMMITTEE

Name	Designation	Directorship
You Tong Lioung @ Yew Tong Leong	Chairman	Independent Non- Executive Director
Sin Kheng Lee	Member	Group Managing Director
Lai Lan Man @ Lai Shuk Mee	Member	Independent Non- Executive Director

1.0 CORPORATE INFORMATION (Cont'd)

COMPANY SECRETARY	:	Lam Voon Kean (MIA 4793) 9, Reservoir, 5th Avenue 11500 Penang
REGISTERED OFFICE	:	1st Floor (Room 102) Wisma Penang Garden 42, Jalan Sultan Ahmad Shah 10050 Penang Tel : (604) 229 4390 e-mail : SKB@skb-shutters.com.my website: www.skb-shutters.com
PRINCIPAL BANKERS	:	Standard Chartered Bank Malaysia Berhad (115793-P) No. 30-36, Jalan SS2/4 46700 Petaling Jaya Selangor Darul Ehsan Alliance Bank Malaysia Berhad (88103-W) 3, Jalan SS15/2A Subang Jaya 47500 Petaling Jaya Selangor Darul Ehsan
ISSUING HOUSE	:	Malaysian Issuing House Sdn Bhd (258345-X) 27th Floor, Menara Multi-Purpose Capital Square No. 8, Jalan Munshi Abdullah 50100 Kuala Lumpur
REGISTRAR	:	M&C Services Sdn Bhd (3775-X) 1st Floor (Room 102) Wisma Penang Garden 42, Jalan Sultan Ahmad Shah 10050 Penang
AUDITORS AND REPORTING ACCOUNTANTS	:	KPMG (Firm No. AF 0758) Public Accountants 1st Floor, Wisma Penang Garden 42, Jalan Sultan Ahmad Shah 10050 Penang
SOLICITORS FOR THE PUBLIC ISSUE	:	Sim Hazlina & Co Advocates & Solicitors Suite 8-12-6, Level 12 Menara Olympia No. 8, Jalan Raja Chulan 50200 Kuala Lumpur
ADVISER AND JOINT MANAGING UNDERWRITER	:	Perdana Merchant Bankers Berhad (169955-T) 11th Floor, Wisma Genting 28, Jalan Sultan Ismail 50250 Kuala Lumpur
JOINT MANAGING UNDERWRITER	:	Hwang-DBS Securities Berhad (14389-U) Level 8 Wisma Sri Pinang No. 60 Green Hall 10200 Penang

1.0 CORPORATE INFORMATION (Cont'd)

- INDEPENDENT MARKET RESEARCHER*** : AC Nielsen (Malaysia) Sdn Bhd (10909-V)
19/F, Menara MPPJ
Jalan Tengah
46200 Petaling Jaya
Selangor Darul Ehsan
- VALUER*** : CH Williams Talhar & Wong Sdn Bhd (18149-U)
Chartered Surveyors and International Property
Consultants
15th Floor, Menara MPPJ
New Town Centre
46200 Petaling Jaya
Selangor Darul Ehsan
- LISTING SOUGHT*** : Second Board of the Kuala Lumpur Stock
Exchange

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2.0 INFORMATION SUMMARY

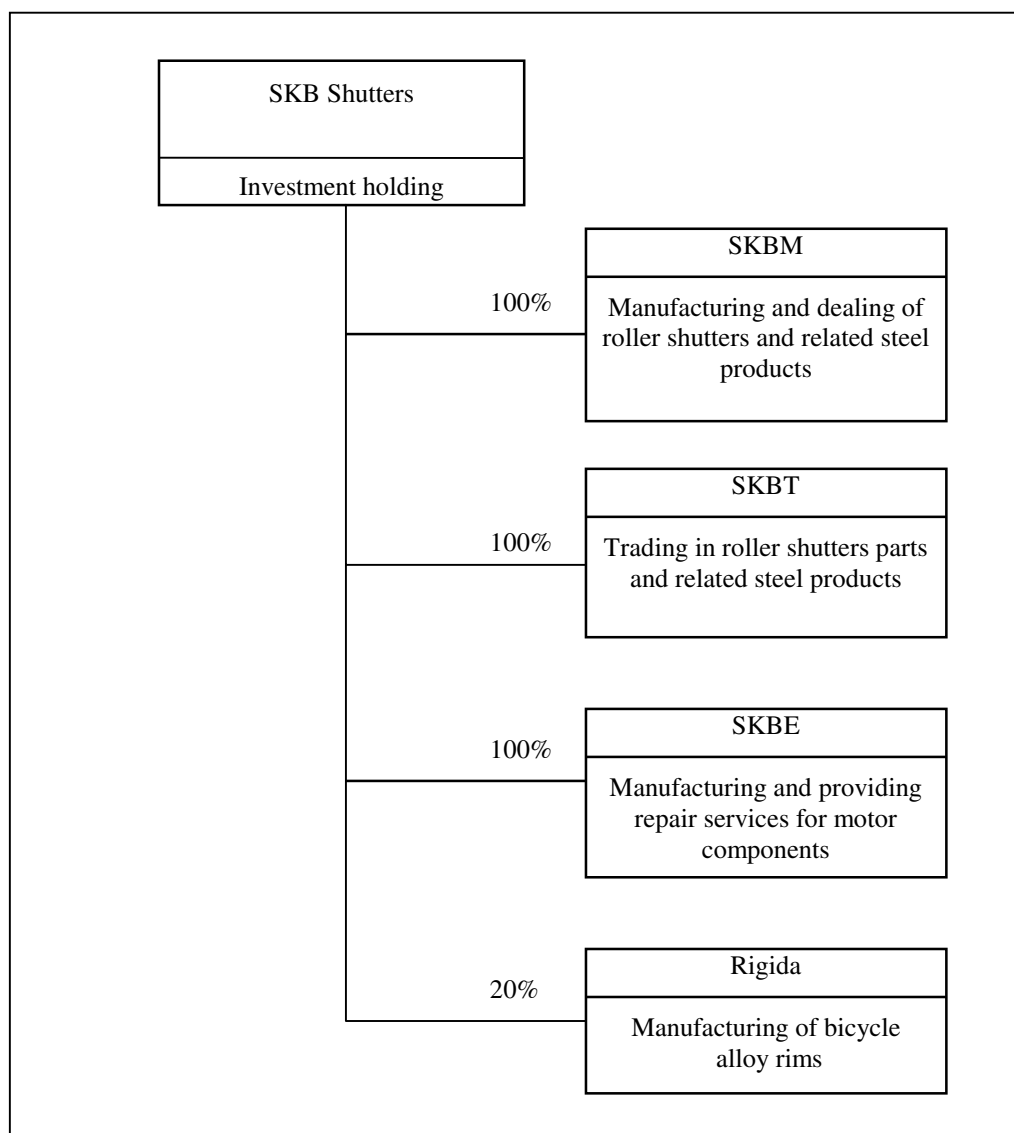
THE INFORMATION SUMMARY IS ONLY A SUMMARY OF THE SALIENT INFORMATION WITH REGARD TO THE SKB SHUTTERS GROUP AND ITS RESTRUCTURING SCHEME. INVESTORS SHALL READ AND UNDERSTAND THE ENTIRE PROSPECTUS PRIOR TO DECIDING WHETHER TO INVEST.

The following information is derived from and should be read in conjunction with the full text of this Prospectus.

2.1 History and Business

The Company was incorporated in Malaysia under the Companies Act, 1965 on 6 May 1997 as a private limited company under the name of SKB Shutters Corporation Sdn Bhd. It was converted to a public limited company on 16 June 1997 and has since assumed its present name.

SKB Shutters is principally an investment holding company with interest in three (3) subsidiary companies and an associated company, namely SKBM, SKBT, SKBE and Rigida. Further information on the SKB Shutters Group is disclosed under Section 5.0 of this Prospectus. The group structure and the principal activities of the individual companies are set out below:



2.0 INFORMATION SUMMARY (Cont'd)

2.2 Promoters/ Substantial Shareholders, Directors and Key Management Team

Promoters/ Substantial Shareholders

Name	Position in the SKB Shutters Group	<-----Direct----->		<-----Indirect----->	
		No. of ordinary shares	%	No. of ordinary shares	%
SKBG	Substantial shareholder	21,847,605	54.62	-	-
Sin Kheng Lee	Director and substantial shareholder	10,000 ⁴	0.03	21,857,605 ¹	54.64
Sin Kheng Hong	Director and substantial shareholder	10,000 ⁴	0.03	21,847,605 ²	54.62
Sin Ching San	Director and substantial shareholder	10,000 ⁴	0.03	21,847,605 ²	54.62
Chou Lee Sin	Director and substantial shareholder	10,000 ⁴	0.03	21,857,605 ³	54.64
Dato' Moehamad Izat bin Achmad Habechi Emir	Director and substantial shareholder	7,086,197 ⁴	17.72	-	-
Abbas bin Mehad	Substantial shareholder	1,642,065	4.11	-	-
Abdul Rahim bin Abdul Rahman	Substantial shareholder	1,313,653	3.28	-	-
Daud bin Daros	Substantial shareholder	985,239	2.46	-	-
Mohd Hafiz bin Hashim	Substantial shareholder	985,239	2.46	-	-

Directors

Name	Position in the SKB Shutters Group	<-----Direct----->		<-----Indirect----->	
		No. of ordinary shares	%	No. of ordinary shares	%
Sin Kheng Lee	Executive Chairman and Group Managing Director	10,000 ⁴	0.03	21,857,605 ¹	54.64
Dato' Moehamad Izat bin Achmad Habechi Emir	Non-Executive Director	7,086,197 ⁴	17.72	-	-
Sin Kheng Hong	Executive Director	10,000 ⁴	0.03	21,847,605 ²	54.62
Sin Ching San	Executive Director	10,000 ⁴	0.03	21,847,605 ²	54.62
Chou Lee Sin	Executive Director	10,000 ⁴	0.03	21,857,605 ³	54.64
Lee Lam Keiong	Non Executive Director	10,000 ⁴	0.03	-	-
Lai Lan Man @ Lai Shuk Mee	Independent Non-Executive Director	10,000 ⁴	0.03	-	-
You Tong Lioung @ Yew Tong Leong	Independent Non-Executive Director	10,000 ⁴	0.03	-	-

2.0 INFORMATION SUMMARY (Cont'd)**Key Management Team**

Name	Position in the SKB Shutters Group	<-----Direct----->		<-----Indirect----->	
		No. of ordinary shares	%	No. of ordinary shares	%
Sin Kheng Lee	Executive Chairman and Group Managing Director	10,000 ⁴	0.03	21,857,605 ¹	54.64
Sin Kheng Hong	Executive Director	10,000 ⁴	0.03	21,847,605 ²	54.62
Sin Ching San	Executive Director	10,000 ⁴	0.03	21,847,605 ²	54.62
Chou Lee Sin	Executive Director	10,000 ⁴	0.03	21,857,605 ³	54.64
Yong Cheang Yee	General Manager	10,000 ⁴	0.03	-	-
Ow Yoke Fook	Manager	10,000 ⁴	0.03	-	-
Chou Chun Sheng	Production Manager	10,000 ⁴	0.03	-	-
Ng Liew Chin	Group's Accountant	10,000 ⁴	0.03	-	-
Goh Kay Beng	Senior Project Sales Executive	10,000 ⁴	0.03	-	-
Chan Puai Kun	Senior Project Sales Executive	10,000 ⁴	0.03	-	-
Ng Swee Chin	Sales Executive (Parts Trading)	10,000 ⁴	0.03	-	-
Lim Bee Yeng	Sales Executive (Racking System)	10,000 ⁴	0.03	-	-

Notes:-

- (1) *By virtue of his shareholding in SKBG of more than 15% and by virtue of the shares held by his wife, Chou Lee Sin.*
- (2) *By virtue of his shareholding in SKBG of more than 15%.*
- (3) *By virtue of the interest, direct and deemed held by her husband, Sin Kheng Lee.*
- (4) *All eligible directors and key management team are entitled to 10,000 new ordinary shares of RM1.00 each in SKB Shutters under the share allocation to eligible Directors, employees and business associates of the SKB Shutters Group under the Restructuring Scheme.*

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2.0 INFORMATION SUMMARY (Cont'd)

2.3 Financial Highlights

The table below has been extracted from the Accountants' Report in Section 11.0 of this Prospectus and should be read in conjunction with the notes thereto. A summary of the proforma consolidated financial results of the SKB Shutters Group for the five (5) years ended 30 June 2000 and two (2) months ended 31 August 2000, prepared on the assumption that the current structure of the Group had been in existence throughout the period under review, is as follows:

	<----- Financial year ended 30 June ----->					Two (2) months ended 31
	1996 RM'000	1997 RM'000	1998 RM'000	1999 RM'000	2000 RM'000	August 2000 RM'000
Turnover	26,352	33,606	28,667	31,232	32,771	5,221
Profit before depreciation and interest	7,074	8,541	5,691	8,450	11,020	1,787
Depreciation	(697)	(1,169)	(1,555)	(1,885)	(1,989)	(370)
Interest expense	(234)	(885)	(771)	(441)	(335)	(112)
Operating profit	6,143	6,487	3,365	6,124	8,696	1,305
Share of profits of associated company	102	39	131	274	200	35
Profit before taxation	6,245	6,526	3,496	6,398	8,896	1,340
Taxation	(1,558)	(1,497)	(310)	(330)	(2,108)	(318)
Profit after taxation	4,687	5,029	3,186	6,068	6,788	1,022
Extraordinary item	-	-	-	-	-	-
Minority interest	-	-	-	-	-	-
Profit after taxation and minority interest	4,687	5,029	3,186	6,068	6,788	1,022
Number of ordinary shares assumed in issue after the Acquisitions but prior to the Rights Issue ('000)	17,958	17,958	17,958	17,958	17,958	17,958
Gross EPS (sen) ⁽¹⁾	34.78	36.34	19.47	35.63	49.54	44.77*
Net EPS (sen) ⁽²⁾	26.10	28.00	17.74	33.79	37.80	34.15*
Number of ordinary shares assumed in issue after the Acquisitions, Rights Issue and Public Issue ('000)	40,000	40,000	40,000	40,000	40,000	40,000
Gross EPS (sen) ⁽³⁾	15.61	16.32	8.74	16.00	22.24	20.10*
Net EPS (sen) ⁽⁴⁾	11.72	12.57	7.97	15.17	16.97	15.33*
Gross dividend (sen)	-	-	-	-	-	-

* Annualised

Note :

- (1) Based on the profit before taxation but after minority interest divided by the number of SKB Shutters Shares assumed in issue after the Acquisitions but prior to the Rights Issue.
- (2) Based on the profit after taxation and minority interest divided by the number of SKB Shutters Shares assumed in issue after the Acquisitions but prior to the Rights Issue.

2.0 INFORMATION SUMMARY (Cont'd)

- (3) *Based on the profit before taxation but after minority interest divided by the number of SKB Shutters Shares assumed in issue after the Acquisitions, Rights Issue and Public Issue.*
- (4) *Based on the profit after taxation and minority interest divided by the number of SKB Shutters Shares assumed in issue after the Acquisitions, Rights Issue and Public Issue.*
- (5) *For the purpose of proforma consolidation, the financial results of the subsidiaries and associated company with different year ends have been extracted from the audited accounts of the respective companies for the relevant years on a time apportionment basis in order to be coterminous with SKB Shutters's financial year end.*
- (6) *There were no extraordinary items for all the years under review.*

Commentary on the financial highlights

- (1) In 1998, due to the softening of the local economy, the Group's turnover dropped by 14.7% to RM28.7 million from RM33.6 million in the previous year. The decrease was primarily due to deferment of several major construction projects, which the Group had secured previously and also fewer new projects secured for the year. In line with the lower turnover for the year, the Group's profit before taxation was reduced to RM3.5 million from RM6.5 million in 1997 or a decrease of 46.4%. The higher decrease in profits was due to the additional provision for doubtful debts and doubtful debts written off totalling approximately RM1.4 million.
- (2) For the year 1999, the Group registered a 8.9% increase in turnover and a 83.0% increase in profit before taxation. The improvement in turnover and the higher increase in profit before tax was due to new projects secured and completion of several major projects.
- (3) For the year 2000, the Group registered a 4.9% increase in turnover and a 39.0% increase in profit before taxation. The improvement was due to higher rate of export for the Group's products.

2.4 Summary of the Proforma Balance Sheet as at 31 August 2000

The table below was extracted from the Accountants' Letter in Section 10.11 of this Prospectus and should be read in conjunction with the notes thereto. A summary of the proforma consolidated balance sheets of the SKB Shutters Group for the financial year ended 31 August 2000, prepared on the assumption that the current structure of the Group had been in existence throughout the period under review, is as follows:

Company Audited as at 31 August 2000 RM'000	(I) After Proposed Acquisitions RM'000	(II) After (I) & Proposed Rights Issue RM'000	(III) After (I), (II) & Proposed Public Issue and Listing Expenses RM'000
PROPERTY, PLANT AND EQUIPMENT	-	28,604	28,604
GOODWILL ON CONSOLIDATION	-	48	48
INVESTMENT IN AN ASSOCIATED COMPANY	-	348	348
OTHER INVESTMENT	-	27	27
CURRENT ASSETS			
Inventories	-	8,616	8,616
Trade and other receivables	-	21,530	21,530
Cash and cash equivalents	*	387	18,340
	*	30,533	40,461
		40,461	48,486

2.0 INFORMATION SUMMARY (Cont'd)

	(I)	(II)	(III)
Company Audited as at 31 August 2000 RM'000	After Proposed Acquisitions RM'000	After (I) & Proposed Rights Issue RM'000	After (I), (II) & Proposed Public Issue and Listing Expenses RM'000
CURRENT LIABILITIES			
Trade and other payables	559	13,495	13,495
Bank borrowings	-	5,964	-
Provision for taxation	-	1,093	1,093
	559	20,552	14,588
NET CURRENT (LIABILITIES)/ASSETS			
DEFFERED EXPENDITURE	(559)	9,981	25,873
	548	548	548
	(11)	39,556	55,448
Financed by:			
SHARE CAPITAL	*	17,958	33,850
SHARE PREMIUM	-	105	105
RETAINED PROFITS/ (ACCUMULATED LOSS)	(11)	15,130	15,130
	(11)	33,193	49,085
HIRE PURCHASE OBLIGATIONS	-	1,729	1,729
DEFERRED TAXATION	-	1,634	1,634
OTHER LIABILITIES	-	3,000	3,000
	(11)	39,556	55,448
NTA per ordinary share (RM)	(279,500)	1.82	1.43
		1.43	1.41

* This denote cash in hand and share capital of RM2 each respectively.

Please refer to Section 10.11 of this Prospectus for the detailed proforma consolidated balance sheet as at 31 August 2000.

2.5 Summary of Material Risk Factors

Investment in listed shares and to be listed shares on the KLSE involves a number of general risk such as market (general sentiment of the local bourse), industry (the Group is operating in) and political and economical considerations (changes in interest rates, foreign exchange rates, method of taxation and currency exchange controls) risks.

In addition to the general risk associated with any investment in the stock market, there are certain additional risks inherent in investing in the Public Issue Shares. An investment in the Public Issue Shares is likely to involve risk specific to investments in entities engaged in the manufacturing, retailing and dealing of roller shutters, roller shutters parts and steel products industries such as liquidity (solveny of the Group), credit (ability to borrow), operational (efficiency of operations), legal (in compliance and changes to laws and regulations that governs the Group's businesses) and regulatory (bound by license or conditions set by the authorities) risks.

2.0 INFORMATION SUMMARY (Cont'd)

Applicants should carefully consider the risks factors that may affect SKB Shutters and the industry in which it operates, as well as other information set forth in this Prospectus. Some of the risk factors that should be considered includes, but is not limited to the following:

- (i) There is no prior market for SKB Shutters Shares to indicate the price at which the SKB Shutters Shares will trade on the Second Board of the KLSE upon or subsequent to its listing or that an active market for SKB Shutters Shares will develop and continue upon or subsequent to its listing.
- (ii) Business risk inherent in the roller shutters industry, which includes human resource and supply shortage, increase in salary cost and changes in general economic, business and credit conditions.
- (iii) The ownership and control rest with Mr Sin Kheng Lee, Madam Chou Lee Sin, Mr Sin Kheng Hong and Mr Sin Ching San. Therefore it is likely that they are able to effectively control the outcome of certain matters requiring the votes of the Company's shareholders.
- (iv) Competitions from other companies that are involved in the roller shutters business.
- (v) The dependence on key personnel, which could affect the Company's continuing ability to compete in the industry.

Please refer to Section 4.0 of this Prospectus for further information on the abovementioned risk factors.

2.6 Highlights of the Consolidated Profit Forecast

2.6.1 Profit Forecast

Financial Year Ending 30 June	Forecast 2001 RM'000
Consolidated profit before taxation	11,525
Less : Taxation	(2,396)
Consolidated profit after taxation	<u>9,129</u>
Less: Minority interest	-
Consolidated profit after taxation and minority interest	<u><u>9,129</u></u>
Number of enlarged shares in issue ('000)	40,000
Gross EPS (sen)	28.81
Net EPS (sen)	22.82
Gross PE Multiple based on the issue price of RM1.50 per ordinary share (times)	5.21
Net PE Multiple based on the issue price of RM1.50 per ordinary share (times)	6.57

Further notes and assumptions on the Profit Forecast are set out in Section 10.7 of this Prospectus.

2.0 INFORMATION SUMMARY (Cont'd)

2.6.2 Dividend Forecast

The Company will be declaring a first and final dividend of 7 sen per share less tax at 28% amounting to RM2,016,000 for the financial year ending 30 June 2001. Barring unforeseen circumstances, the Company will be in a position to at least maintain the same quantum of dividends to be declared and paid for the financial year ending 30 June 2002.

Details of dividend forecast are set out in Section 10.10 of this Prospectus.

2.7 Principal Statistics Relating To The Issue**2.7.1 Share Capital**

Authorised: 50,000,000 ordinary shares of RM1.00 each	<u>RM50,000,000</u>
Issued and fully paid-up: 33,850,000 ordinary shares of RM1.00 each	RM33,850,000
To be issued pursuant to the Issue: 6,150,000 new ordinary shares of RM1.00 each	RM6,150,000
	<u>RM40,000,000</u>

2.7.2 Issue Shares Price Per Ordinary Share RM1.50

2.8 Proforma Group NTA as at 31 August 2000

	Note	NTA RM'000	NTA per ordinary share RM
Audited as at 31 August 2000		(559)	(279,500)
Proforma Group NTA after Acquisitions	(1)	32,597	1.82
Proforma Group NTA after Acquisitions and Rights Issue	(2)	48,489	1.43
Proforma Group NTA after Acquisitions, Rights Issue and Public Issue	(3)	56,514	1.41

Note:

- (1) *Based on the issued and paid-up share capital of 17,958,000 ordinary shares of RM1.00 each after the Acquisitions.*
- (2) *Based on the issued and paid-up share capital of 33,850,000 ordinary shares of RM1.00 each after the Acquisitions and Rights Issue.*
- (3) *Based on the enlarged issued and paid-up share capital of 40,000,000 ordinary shares of RM1.00 each after the Acquisitions, Rights Issue and Public Issue and after deducting estimated listing expenses of RM1.2 million.*

2.0 INFORMATION SUMMARY (Cont'd)

2.9 Utilisation of Rights Issue and Public Issue Proceeds

The Rights and Public Issues are expected to raise a total gross proceeds of approximately RM25.117 million.

A summary of the proposed utilisation of proceeds is as follows:

Utilisation	Total RM'000
(i) Purchase of machinery	860
(ii) Purchase of land and construction of a factory in Kulai	4,270
(iii) Purchase of land in Banting, Selangor	6,210
(iv) Repayment of amount owing to related companies	6,487
(v) Redemption of SKBM's 500% cumulative redeemable preference shares	3,000
(vi) Working capital	3,090
(vii) Listing expenses	1,200
	25,117

Further information on the utilisation of Rights Issue and Public Issue proceeds is disclosed in Section 3.8 of this Prospectus.

2.10 Material Litigations, Commitments and Contingent Liabilities

2.10.1 Material Litigation

- a) Shah Alam High Court Civil Action MT2-CS22-75-98: Otefal SUD SPA as the Plaintiff v. SKB Shutters Manufacturing Sdn Bhd as the Defendant.
- b) Kuala Lumpur Sessions Court Summons No. 4-52-8894-99: SKB Shutters Manufacturing Sdn Bhd as Plaintiff v. Jepsum Aluminium Sdn Bhd as the Defendant.
- c) Kuala Lumpur High Court Writ No. D4-22-2336-99: SKB Shutters Manufacturing Sdn Bhd as the Plaintiff v. Jepsum Aluminium Sdn Bhd as the Defendant.
- d) Kuala Lumpur High Court Civil Action D1-22-711-99: SKB Shutters Manufacturing Sdn Bhd, the Plaintiff v. Pembinaan Mukim Sdn Bhd, the Defendant.
- e) Kuala Lumpur Sessions Court Civil Action 7-52-3627-99: SKB Shutters Manufacturing Sdn Bhd as Plaintiff v. OCB Builders Sdn Bhd as Defendant.
- f) Kuala Lumpur High Court Companies Winding Up No. D3-28-772-98: SKB Shutters Manufacturing Sdn Bhd as Plaintiff v. Kong Hing Rolling Shutters Sdn Bhd as Defendant.

Further information on the Group's material litigations is disclosed in Section 15.5 of this Prospectus.

2.0 INFORMATION SUMMARY (Cont'd)

2.10.2 Material Commitments

As at 10 February 2001	RM'000
Approved and contracted for	9,030
Approved but not contracted for	-
Total	<u>9,030</u>

2.10.3 Contingent Liabilities

As at 10 February 2001, the Group has contingent liabilities in respect of performance bonds and guarantees under contracting and other agreements entered into in the normal course of business as well as counterclaim amounting to RM1,246,865.25.

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This Prospectus is dated **22 February 2001**. A copy of this Prospectus has been registered by the SC and lodged with the Registrar of Companies, Malaysia who take no responsibility for its contents.

Application will be made to the KLSE for admission to the Official List of the Second Board of the KLSE and for permission to deal in and for quotation for the entire issued and fully paid-up SKB Shutters Shares, including the Issue Shares, which are the subject of this Prospectus. The SKB Shutters Shares will be admitted to the Second Board of the KLSE and official quotation will commence after the receipt of confirmation from MCD that all CDS Accounts of the successful applicants have been duly credited and notices of allotment have been despatched to all successful applicants.

Acceptance of application for the Issue Shares will be conditional upon permission being granted by the KLSE to deal in and for quotation for all the issued and fully paid-up share capital of SKB Shutters including the Issue Shares. Accordingly, monies paid in respect of any application accepted from the Issue will be returned if the said permission is not granted.

3.1 Opening and Closing Date of the Application

The Application Lists will open at **10.00 a.m.** on **8 March 2001** and will remain open until **8.00 p.m.** on the same day or for such further period or periods as the Directors of SKB Shutters in their absolute discretion may decide. Late applications will not be accepted.

3.2 Critical Dates in Respect of the Public Issue

Opening Date	22 February 2001
Closing Date	8 March 2001
Tentative Balloting Date	13 March 2001
Tentative Allotment Date	21 March 2001
Tentative Listing Date	28 March 2001

3.3 Purposes of the Issue

The purposes of the Issue are as follows:

- (i) To obtain the listing of and quotation for the entire issued and paid-up share capital of SKB Shutters on the Second Board of the KLSE;
- (ii) To provide an opportunity for the Malaysian public and eligible Directors, employees and business associates of the SKB Shutters Group to participate in the equity and continuing growth of the Group;
- (iii) To enable SKB Shutters to gain access to the capital market for funds to finance the Group's future expansion and growth; and
- (iv) To provide additional funds to meet the Group's capital expenditure and working capital requirements.

3.0 PARTICULARS OF THE ISSUE (Cont'd)

3.4 Number and Class of Securities to be issued

<i>Authorised share capital:</i>	
50,000,000 ordinary shares of RM1.00 each	<u>RM50,000,000</u>
<i>Issued and fully paid-up:</i>	
33,850,000 ordinary shares of RM1.00 each	RM33,850,000
<i>Public Issue pursuant to this Prospectus:</i>	
6,150,000 new ordinary shares of RM1.00 each	RM6,150,000
Enlarged issued and fully paid-up capital	<u>RM40,000,000</u>

The Issue price of RM1.50 per ordinary share is payable in full on application.

There is only one class of shares in the Company, namely ordinary shares of RM1.00 each, all of which rank pari passu with one another. The Issue Shares will rank pari passu in all respects with the existing issued and paid-up SKB Shutters Shares, including voting rights and rights to all dividends and distributions that may be declared subsequent to the date of this Prospectus.

Subject to any special rights attaching to any shares which may be issued by the Company in the future, the holders of SKB Shutters Shares shall, in proportion to the amount paid-up on the shares held by them, be entitled to share in the whole of the profits paid out by the Company as dividends and other distributions and in respect of the whole of any surplus in the event of the liquidation of the Company.

Each ordinary shareholder shall be entitled to vote at any general meeting of the Company in person or by proxy or by attorney or by other duly authorised representative, and, on a show of hands, every person present who is a shareholder or representative or proxy or attorney of a shareholder shall have one vote, and, on a poll, every shareholder present in person or by proxy or by attorney or other duly authorised representative shall have one vote for each ordinary share held.

3.5 Details of the Public Issue

The Issue is subject to the terms and conditions of this Prospectus and the relevant application forms and shall be allocated in the following manner:

(i) Eligible Directors, Employees and Business Associates

1,411,000 Issue Shares have been reserved for eligible Directors, employees and business associates of the SKB Shutters Group; and

(ii) Malaysian Investing Public

4,739,000 Issue Shares will be made available for application by Malaysian citizens, companies, co-operatives, societies and institutions, of which at least 30% is to be set aside strictly for Bumiputra individuals, companies, co-operatives, societies and institutions.

Perdana Bankers and Hwang-DBS Securities Berhad (the Joint Managing Underwriters) have agreed to underwrite in total the 6,150,000 Issue Shares to be issued to the Malaysian public and any Issue Shares not taken up by the eligible Directors, employees and business associates of the SKB Shutters Group. Underwriting commission is payable by the Company at the rate of 1.75% of the issue price of RM1.50 per ordinary share.

3.0 PARTICULARS OF THE ISSUE *(Cont'd)*

3.6 Basis of Arriving at the Issue Price

The issue price of RM1.50 per Issue Share was determined and agreed upon by the Company and Perdana Bankers as the adviser based on various factors after taking into account the following:

- (i) The forecast net PE Multiple of approximately 6.57 times*;

* *Based on the forecast consolidated net EPS of SKB Shutters of 22.82 sen for the year ending 30 June 2001 and the Issue price of RM1.50 per share.*

- (ii) The issue price of RM1.50 represents a premium of RM0.09 or 6.38% from the proforma consolidated NTA per share of SKB Shutters as at 31 August 2000 of RM1.41; and
- (iii) The prospects of the SKB Shutters Group as outlined in Section 5.8 of this Prospectus.

3.7 Minimum Subscription

SKB Shutters is required to have, upon listing, a minimum number of 750 shareholders holding not less than 1,000 shares each in order to satisfy the objectives of the public offering. Employees of the Company, its subsidiary companies and parent company are not excluded from the minimum number of public shareholders. However, the Company should ensure that at least 500 shareholders are public shareholders (excluding directors, substantial shareholders and persons connected or associates of directors and substantial shareholders) who are not employees.

3.8 Proceeds of the Issue

The Rights and Public Issues are expected to raise a total gross proceeds of approximately RM25.117 million. Save for the construction of a factory in Kulai, the remaining gross proceeds will be utilised within 6 months from the date of listing.

A summary of the utilisation of proceeds is as follows:

Utilisation	Total RM'000
(i) Purchase of machinery	860
(ii) Purchase of land and construction of a factory in Kulai	4,270
(iii) Purchase of land in Banting, Selangor	6,210
(iv) Repayment of amount owing to related companies	6,487
(v) Redemption of SKBM's 500% cumulative redeemable preference shares	3,000
(vi) Working capital	3,090
(vii) Listing expenses	1,200
	25,117

3.0 PARTICULARS OF THE ISSUE (Cont'd)

Brief details on the utilisation of proceeds are as follows:

(i) Purchase of machinery

The core activities of the SKB Shutters Group are the manufacturing of roller shutters and other related products. In order to enhance the efficiency of the Group's manufacturing activities, the Group will utilise part of the proceeds to purchase the following machinery:

Item	Description	RM'000
1.	2 units of forklift	160
2.	Mould in respect of manufacturing and punching die-set for roller shutters and racking production	700
Total		860

(ii) Purchase of land and construction of factory in Kulai

The Group plans to allocate approximately RM4.270 million to expand its manufacturing operations in Kulai, Johor by purchasing land and setting up factory (1 storey factory with 4 storey office).

An analysis of the payment of RM4.270 million is as follows:

	RM'000
Cost of land in Kulai, Johor	670
Estimated construction cost of factory in Kulai, Johor	3,600
Total	4,270

The proposed factory in Kulai, Johor will be built for the purpose of manufacturing light duty roller shutters. Construction of the said factory is expected to be completed by end 2001. The built-up area for the proposed factory building is as follows:

Description	Area (square feet)
1 storey factory	27,282
4 storey office	22,271
Total	49,553

The breakdown of the cost of construction is as follows:

Description	Cost RM'000
<u>Estimated construction cost</u>	
(i) Preliminaries, insurance, surveying and site overhead	88.0
(ii) Piled foundation including pile caps and stumps	126.5
(iii) Factory ground beams and slabs	277.2
(iv) Office reinforced concrete works including columns, beams, slabs and staircase	797.5
(v) Structural steelworks	484.8

3.0 PARTICULARS OF THE ISSUE (Cont'd)

Description	Cost RM'000
<u>Estimated construction cost</u>	
(vi) Roofing, cladding, gutters and downpipes	269.5
(vii) Doors and windows	104.5
(viii) Brickwalls	71.5
(ix) Floor, wall and ceiling finishes	115.5
(x) Sanitary and plumbing	49.5
(xi) Glass curtain walling	225.5
(xii) Electrical installation	385.0
(xiii) Fire fighting works without sprinklers system but with pressurised hydrants	313.5
(xiv) External works including entrance slab bridge, gate, fence, road, drain, sewer, water, guard house, etc	291.5
Total	3,600.0

Summarised information on the land in Kulai, Johor is as follows:

Lot No	:	PTD 47158
Location	:	Within Indahpura, Kulai, Johor
Category of land use	:	Industrial
Date of Valuation	:	26 April 2000
Method of Valuation	:	Comparison Method
Open Market Value	:	RM1.380 million
Tenure	:	Freehold
Description of existing use/ age of building/ built-up area	:	Vacant industrial land / land (6,100 square metres)

(iii) Purchase of land in Banting, Selangor

An amount of RM6.210 million will be set aside for the purchase of land in Banting, Selangor to cater for the Group's future plan to build a new factory with a built up area of 4.5 acres in anticipation of further expansion of its manufacturing activities. The factory will be the SKB Shutters Group's new headquarters and will be used to produce roller shutters and related steel products. The land cost for the land in Banting is approximately RM6.910 million of which approximately RM0.690 million has been paid as deposit from the Group's internally generated funds. Construction of this factory will commence in 2 years time.

3.0 PARTICULARS OF THE ISSUE (Cont'd)

Summarised information on the land in Banting, Selangor is as follows:

Lot No	:	LI-1-053 and LI-1-054
Location	:	Mukim of Tanjung Duabelas, Daerah Kuala Langat, Selangor
Category of land use	:	Industrial
Date of sale and purchase agreement	:	9 February 1998
Purchase price	:	RM6.910 million
Tenure	:	Freehold
Description of existing use/ age of building/ built-up area	:	Vacant industrial land / land (9.3312 acres)

(iv) Repayment of amount owing to related companies

This comprises repayment of amounts owing by the following subsidiaries of the Group to SKBG (the ultimate holding company of SKB Shutters) and Sin Kean Boon (K.L.) Sdn Bhd ("SKBKL") (a 100% subsidiary company of SKBG):

Audited as at 30 June 1999		RM'000
Subsidiary of SKB Group		
SKBM owed	- SKBG	2,941
	- SKBKL	2,996
SKBE owed	- SKBG	68
SKBT owed	- SKBKL	482
Total		<u>6,487</u>

The above amounts were advanced by SKBG and SKBKL as working capital for SKBM, SKBT and SKBE to support their day-to-day operations. The amounts due to SKBG and SKBKL are unsecured, interest-free and have no fixed terms of repayment.

(v) Redemption of SKBM's 500% cumulative redeemable preference share

SKBM had in the past issued 30,000 cumulative redeemable preference shares of RM1.00 each to SKBG for a total value of RM3,000,000 which has been utilised by SKBM for its working capital requirements.

The cumulative redeemable preference shares are non-profit participating, redeemable at RM100 each at the option of SKBM and have no fixed terms of redemption. The said preference shares carry a fixed 500% cumulative preferential dividend and are entitled in priority to ordinary shares as regards to any capital repayment.

(vi) Working Capital Requirements

Approximately RM3.090 million will be set aside for working capital requirements of the SKB Shutters Group.

3.0 PARTICULARS OF THE ISSUE (Cont'd)

(vii) Listing Expenses

The Company shall bear all expenses such as brokerage and underwriting commission, registration fee relating to the Public Issue together with all other expenses and fees incidental to the listing of and quotation for the entire issued and paid-up capital of SKB Shutters on the Second Board of the KLSE estimated at RM1.2 million.

There will be no material impact from the utilisation of proceeds on the turnover, cashflow and profit before taxation of the Company for the financial year ending 30 June 2001.

3.9 Underwriting and Brokerage Commission

Perdana Bankers and Hwang-DBS Securities Berhad (the Joint Managing Underwriters) have agreed to underwrite in total the 6,150,000 Issue Shares to be issued to the Malaysian public and any Issue Shares not taken up by the eligible Directors, employees and business associates of the SKB Shutters Group. Underwriting commission is payable by the Company at the rate of 1.75% of the issue price of RM1.50 per ordinary share.

Brokerage is payable by the Company in respect of the Issue Shares at the rate of 1.0% of the issue price of RM1.50 per ordinary share in respect of successful applications bearing the stamps of Perdana Bankers, member companies of the KLSE, members of the Association of Banks in Malaysia, members of the Association of Merchant Banks in Malaysia or MIH.

3.10 Details on the Provisions of the Underwriting Agreement

The Underwriters shall have the right to terminate the Underwriting Agreement by notice in writing in the event that the Company is not granted permission by the KLSE for listing of and quotation for all the issued SKB Shutters Shares and upon such termination the liabilities hereto of the Company and the Underwriters shall become null and void and none of the parties shall have a claim against each other save that each party shall return any moneys paid to the other or others under this Agreement within seventy two (72) hours of the receipt of such notice.

The Underwriters may at any time before the Closing Date by notice in writing to the Company terminate its obligations under the Underwriting Agreement if in its reasonable opinion there shall have been such a change in the national or international monetary, financial, political or economic conditions or exchange control or currency exchange rates or any relevant authorities' directives or interpretation or application thereof by a Court or other competent authority or an occurrence as a result of an act or acts of God as would in its reasonable opinion prejudice materially the success of the offering of the Underwritten Shares and their distribution or sale (whether in the primary market or in respect of dealings in the secondary market) and thereafter the Underwriter concerned and, the Company shall be released and discharged from their respective obligations hereunder.

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4.0 RISK FACTORS

In evaluating an investment in the Issue Shares, prospective applicants should carefully consider the following in addition to the other information contained in this Prospectus.

4.1 No Prior Market for the Issue

Prior to this Issue, there has been no market for SKB Shutters Shares. Consequently there can be no assurance that an active market for SKB Shutters' shares will develop upon its listing on the Second Board of the KLSE or if developed, that such market will be sustained. The issue price of RM1.50 per ordinary share was entirely determined and agreed upon by SKB Shutters and Perdana Bankers. The issue price of RM1.50 per Issue Share has been determined after taking into consideration a number of factors including, but not limited to, the Group's financial and operating history and condition, its prospects and the prospects for the industry in which the Group operates, the strength of the management of the Group, the market prices for shares of companies engaged in related businesses similar to that of the Group and the prevailing market conditions. However, shareholders should also note that SKB Shutters Shares, upon listing on the KLSE, will be subject to the vagaries of the market forces and other uncertainties, which may affect the market prices of SKB Shutters Shares being traded. As such, the market prices for SKB Shutters Shares after this Issue may bear no relationship to the Issue price.

4.2 Business Risks

The SKB Shutters Group is principally involved in the manufacturing and dealing of roller shutters and related steel products. To a certain extent, the demand for the Group's shutter products are broadly related to the overall growth of the manufacturing, retail, construction and property development industries. As such, the Group is subject to the inherent risks existing in these respective sectors. These risks include changes in general economic conditions such as, but not limited to, government regulations, inflation, taxation, interest rates and exchange rates of foreign currencies; and changes in business conditions such as, but not limited to, deterioration in market conditions, constraints in labour supply, shortage of raw material, rising costs of labour and raw materials and machinery breakdown.

Although the Group seeks to limit these risks by widening its domestic and export markets, diversifying into new products, improving and emphasising on research and development activities, constant cost control and strengthening its marketing and distribution network, no assurance can be given that any change of those factors will not have a material adverse effect on the Group's business.

4.3 Availability of Raw Materials

Steel sheet and coil, powder coating, motor, aluminium extrusion, high carbon wire, stainless steel, phosphated galvanised steel, aluminium, colour pre-painted steel and zinalume steel are raw materials used in the manufacture of roller shutters. Products manufactured from zinalume steel resist corrosion due to the rustproof aluminium-zinc alloy coating.

The price of steel, which is the main component of the raw materials, has not varied by more than 5% and with adequate supply from suppliers, as such SKB Shutters is not subjected to great price fluctuations. The pegging of the Malaysian Ringgit against the US dollar at 3.8 has also helped to stabilise the price of steel.

(Source : AC Nielsen Market Report dated 15 May 2000)

Currently, 95% of the raw materials are sourced locally while the remaining 5% are sourced overseas namely from Taiwan, Japan, Singapore and China. Generally, the Group has easy access to the raw materials as most of them are readily available locally and/ or overseas.

4.0 RISK FACTORS (Cont'd)

Many of these suppliers have maintained their business relationships with the Group since incorporation and the Group is not over dependent on any particular suppliers. However, no assurance can be given that such arrangements can continue to deliver uninterrupted supply of the materials required.

4.4 Competition

In the local roller shutters industry, the competition faced by the Group is minimal because its competitors are mostly small producers. None of the competitors are operating at the scale of the Group and most of them lack the Group's resources in terms of research and development and financial strengths. The Group is currently the single dominant player of roller shutter doors and windows in Malaysia. According to survey results, the Group commands a significant market share of the roller shutter industry and is the leading industry player in the whole of Malaysia.

(Source : AC Nielsen Market Report dated 15 May 2000)

Based on the financial year ended 30 June 2000, the Group exports approximately 25% of their products. The main competition faced in the export market comes from Japan. The roller shutters manufactured in Japan are competitive in quality but not in terms of price. The Directors believe that the Group is in a strong position to compete based on its commitment to quality, its established long standing relationship with major customers and continuous research and development in meeting the changing market demand. The Group plans to increase its export to 40% of its sales in the coming years to tap the strong world-wide demand for roller shutters.

The Group's competitive advantage lies in its strong business network, a fully integrated organisation with a diversified range of products, technology know-how, strong brand name, customised products and value added services which it has diligently developed since its incorporation.

(Source : AC Nielsen Market Report dated 15 May 2000)

No assurance can, however, be given that the Group will be able to maintain its existing Malaysian and overseas market share in the future.

4.5 Ownership and Control of the Group

Upon completion of the Public Issue, Mr Sin Kheng Lee, Madam Chou Lee Sin (spouse of Mr Sin Kheng Lee), Mr Sin Kheng Hong and Mr Sin Ching San through their substantial shareholdings in SKBG will effectively hold 21,847,605 shares, which represents approximately 54.62% equity interest in SKB Shutters. Consequently, it is likely that Mr Sin Kheng Lee, Madam Chou Lee Sin, Mr Sin Kheng Hong and Mr Sin Ching San will be able to effectively control the outcome of certain matters requiring the votes of the Company's shareholders unless they are required to abstain from voting by law and/or by the relevant authorities.

4.6 Forecasts

This Prospectus contains the Group's forecast results for year ending 30 June 2001 based on assumptions that are subject to uncertainties and contingencies. In view of the subjective judgements and inherent uncertainties of forecasts, and because events and circumstances may not occur as expected, there can be no assurance that the forecasted results contained herein will be realised. Actual results may be materially different from those shown. Investors will be deemed to have read and understood the descriptions of the assumptions and uncertainties underlying the forecasts contained herein.

4.0 RISK FACTORS (Cont'd)

4.7 Foreign Exchange Risks

The SKB Shutters Group is subject to foreign exchange fluctuations through the import of raw materials and export of finished goods.

The SKB Shutters Group's exposure to foreign exchange risks is minimal since it only purchase about 5% of the raw materials from local agents, which import from overseas suppliers. Hence, the recent financial crisis, which has resulted in the depreciation of Ringgit Malaysia against other major currencies, had no major adverse impact on the profitability of the Group during the financial year ended 30 June 1999. However, there can be no assurance that future foreign exchange fluctuations will not have an adverse impact on the SKB Shutters Group.

For the financial year ended 30 June 2000, approximately 25% of the Group's products are exported to countries such as Singapore, Hong Kong, Sri Lanka, United Kingdom, Philippines, Taiwan, Dubai, Bahrain, Qatar and Vietnam. Almost all of the sales are transacted in US Dollars. Provided that the RM continues to be pegged to the US Dollars and the Group's sales continue to be largely denominated in US Dollars, the Group's exposure to foreign currency risk would be minimal.

4.8 Dependence on Key Personnel

The Directors believe that the Group's continued success will depend to a large extent upon the abilities and continued efforts of its existing Board of Directors, senior management, major shareholders and its team of professionals. The loss of any of these members could adversely affect the Group's ability to maintain its competitive edge. It has been the Group's policy to train its personnel so as to groom the younger members of the management to gradually take over from the senior members to ensure smooth transition in the management team and as part of its employee career advancement programme. The Group's future success will also depend upon its ability to attract new and retain existing skilled personnel. Conscious of the importance of skilled personnel, the Board endeavours to inculcate a conducive working environment among its staffs and at the same time giving attention to staff welfare.

4.9 Political, Economic and Regulatory Considerations

Adverse developments in the political, economic and regulatory conditions in Malaysia and other countries where the SKB Shutters Group is currently undertaking projects, source its supplies or market its products could materially and adversely affect the financial prospects of the Group. Political and economic uncertainties include but not limited to, risks of war, expropriation, nationalisation, re-negotiation or nullification of existing contracts, changes in interest rates and methods of taxation and currency exchange controls.

4.10 Regulatory Framework

The regulatory bodies which governs the Group consists of, amongst others, the Industrial Coordination Act, 1975, Construction Industry Development Board of Malaysia and the Uniform Building Bylaws, 1984.

The SKB Shutters Group is presently in compliance with all the regulations set out by the relevant authorities. However, no assurance can be given that any future changes to present regulations or introduction of new regulations by relevant authorities will not have a material impact on the Group's businesses.

4.0 RISK FACTORS (Cont'd)

4.11 Risk of Dependency on Major Suppliers and Customers

95% of the raw materials used by the Group for the production of shutters are sourced locally, while the remaining 5% are sourced from overseas countries such as Taiwan, Japan, Singapore and China. Many of these suppliers have maintained their business relationships with the Group since its incorporation and the Group is not over dependent on any particular suppliers. A summary of the Group's major suppliers is set out in Section 5.10 of this Prospectus.

The Group has a diversified customer base and as such is not dependent on any particular customers. A summary of the Group's major customers is set out in Section 5.9 of this Prospectus.

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5.0 INFORMATION ON THE SKB SHUTTERS GROUP

5.1 Incorporation and Principal Activities

SKB Shutters was incorporated in Malaysia under the Companies Act, 1965 on 6 May 1997 as a private limited company under the name of SKB Shutters Corporation Sdn Bhd. It was converted to a public limited company on 16 June 1997 and has since assumed its present name.

SKB Shutters is principally an investment holding company.

5.2 Share Capital

Authorised:

50,000,000 ordinary shares of RM1.00 each RM50,000,000

Issued and fully paid-up:

33,850,000 ordinary shares of RM1.00 each RM33,850,000

To be issued pursuant to the Issue Shares:

6,150,000 new ordinary shares of RM1.00 each RM6,150,000

RM40,000,000

Details of the changes in the issued and paid-up share capital of the Company since its incorporation are as follows:

Date of allotment	No. of ordinary shares	Par value RM	Consideration	Total issued & paid-up capital RM
06.05.1997	2	1.00	Subscribers' shares	2
06.02.2001	17,422,940	1.00	Issued pursuant to the Acquisition of SKBM at RM1.43 per share	17,422,942
06.02.2001	243,330	1.00	Issued pursuant to the Acquisition of Rigida at RM1.43 per share	17,666,272
06.02.2001	291,801	1.00	Issued pursuant to the Acquisition of SKBT at RM1.43 per share	17,958,073
19.02.2001	15,891,927	1.00	Rights Issue of approximately 100 shares for every 113 shares held at RM1.00 per share	33,850,000

5.3 Restructuring Scheme

In conjunction with and as an integral part of the listing of and quotation for the entire issued and paid-up share capital of SKB Shutters on the Second Board of the KLSE, SKB Shutters undertook a restructuring exercise involving the following:

(a) **Revaluation of landed properties**

The properties of SKBM have been revalued based on independent valuation report dated 26 April 2000 carried out by a firm of professional valuers and surveyors, CH Williams Talhar and Wong Sdn Bhd, where the properties were valued using the Comparison Method of Valuation and Investment Method of Valuation.

5.0 INFORMATION ON THE SKB SHUTTERS GROUP (Cont'd)

The open market value of the properties of SKBM amounted to RM18,557,000. The resulting net revaluation surplus of RM251,661 will be incorporated into the accounts of SKBM for the financial year ending 30 June 2001.

The valuation of the properties held by SKBM was reviewed and approved by the SC on 7 November 2000.

(b) Acquisitions

SKB Shutters had on 23 May 2000 entered into four (4) Conditional Sale and Purchase Agreements to acquire the entire issued and paid-up ordinary share capital of SKBM, the entire issued and paid-up share capitals of SKBT and SKBE and 20.00% of Rigida's issued and paid-up share capital for a total purchase consideration of RM25,680,044. The purchase consideration was arrived at based on the adjusted audited NTAs of SKBM, SKBT and SKBE as at 30 June 1999 and audited NTA of Rigida as at 31 December 1999 amounting to RM24,914,804, RM417,276, RM(68,503) and RM1,739,809 respectively as follows:

	<-----Audited as at 30 June 1999----->			Audited as at 31 December 1999
	SKBM RM	SKBE RM	SKBT RM	Rigida RM
Share capital	2,000,000	2	2	550,000
Capital reserve	4,151,492	-	-	-
Retained earnings	18,511,651	(68,503)	417,274	1,189,809
Shareholders' funds	24,663,143	(68,503)	417,276	1,739,809
less: Intangibles	-	-	-	-
NTA	24,663,143	(68,503)	417,276	1,739,809
Add: Revaluation surplus	251,661	-	-	-
Adjusted NTA	24,914,804	(68,503)	417,276	1,739,809
% acquired	100	100	100	20
Purchase consideration (RM)	24,914,804	2	417,276	347,962

The Acquisitions were completed on 6 February 2001 and the total purchase consideration of RM25,680,044 was satisfied by the issue of 17,958,071 new SKB Shutters Shares at RM1.43 each per share to the following vendors of SKBM, SKBT, Rigida and cash payment of RM2.00 to the vendors of SKBE as follows:

Vendors of SKBM	No. of SKBM ordinary shares acquired	% of share capital	Purchase consideration RM	No. of new SKB Shutters Shares issued
SKBG	1,400,000	70.00	17,440,363	12,196,058
Dato' Moehamad Izat bin Achmad Habechi Emir	300,000	15.00	3,737,221	2,613,441
Abbas bin Mehad	100,000	5.00	1,245,740	871,147
Abdul Rahim bin Abdul Rahman	80,000	4.00	996,592	696,918
Daud bin Daros	60,000	3.00	747,444	522,688
Mohd Hafiz bin Hashim	60,000	3.00	747,444	522,688
	2,000,000	100.00	24,914,804	17,422,940
Vendor of SKBT	No. of SKBT shares acquired	% of share capital	Purchase consideration RM	No. of new SKB Shutters Shares issued
SKBG	2	100.00	417,276	291,801

5.0 INFORMATION ON THE SKB SHUTTERS GROUP (Cont'd)

Vendor of Rigida	No. of Rigida shares acquired	% of share capital	Purchase consideration RM	No. of new SKB Shutters Shares issued
SKBG	110,000	20.00	347,962	243,330

Vendors of SKBE	No. of SKBE shares acquired	% of share capital	Purchase consideration RM	Cash payment RM
Sin Kheng Lee	1	50.00	1	1
Chou Lee Sin	1	50.00	1	1
	2	100.00	2	2

(c) Rights Issue

Following completion of the Acquisitions, SKB Shutters undertook a Rights Issue of 15,891,927 new SKB Shutters Shares at par. The Rights Issue was carried out on the basis of approximately 100 new SKB Shutters Shares for every 113 existing SKB Shutters Shares held after the Acquisitions. Information on the utilisation of the proceeds from the Rights Issue is set out in Section 3.8 of this Prospectus.

Mr. Diong Chin Teck, Madam Lam Voon Kean and SKBG have renounced their entitlement amounting to an aggregate of 2,150,002 new SKB Shutters Shares pursuant to the Rights Issue to Dato' Moehamad Izat bin Achmad Habechi Emir.

Upon completion of the Rights Issue, the issued and paid-up ordinary share capital of SKB Shutters increased from RM17,958,073 to RM33,850,000 comprising 33,850,000 ordinary shares of RM1.00 each.

The Rights Issue was completed on 19 February 2001.

(d) Public Issue

In conjunction with the flotation of SKB Shutters, the Company will implement a Public Issue of 6,150,000 new SKB Shutters Shares at an Issue price of RM1.50 per ordinary share. The Public Issue is the subject of this Prospectus. Information on the utilisation of proceeds from the Public Issue is set out in Section 3.8 of this Prospectus.

Upon completion of the Public Issue, the issued and paid-up share capital of SKB Shutters will increase from RM33,850,000 to RM40,000,000 representing 40,000,000 ordinary shares of RM1.00 each.

(e) Listing and Quotation

The listing of and quotation for the entire issued and paid-up share capital of SKB Shutters comprising 40,000,000 ordinary shares of RM1.00 each on the Second Board of the KLSE.

5.4 Approvals Obtained from the Authorities

The restructuring scheme was approved by the FIC, MITI and SC on 11 July 2000, 24 August 2000 and 7 November 2000 respectively.

5.0 INFORMATION ON THE SKB SHUTTERS GROUP (Cont'd)

5.5 Business Overview

5.5.1 Group Principal Activity

The principal activities of the subsidiary and associated companies of the SKB Shutters Group are as follows:

Name of company	Date and place of incorporation	Issued & paid-up capital RM	Equity interest %	Principal activities
SKBM	17.03.77 Malaysia	2,030,000*	100.00	Manufacturing and dealing of roller shutters and related steel products
SKBT	22.04.92 Malaysia	2	100.00	Trading in roller shutters parts and related steel products
SKBE	27.09.95 Malaysia	2	100.00	Manufacturing and providing repair services for motor components
Rigida	01.09.92 Malaysia	550,000	20.00	Manufacturing of bicycle alloy rims

* Includes the preference shares of 30,000 which will be subsequently redeemed from the Company's utilisation of proceeds.

5.5.2 Principal Products

The Group, through SKBM and SKBE, manufactures and exports a comprehensive range of shutters doors, motorised components and racking system.

The shutters, being the core products of the Group, range from light to heavy-duty shutters and from the conventional to the more specialised shutters such as the fire shutters, explosion proof shutters and anti-typhoon shutters. By definition, shutters are structures of slats (thin narrow pieces of metal or plastics arranged in overlapping series) placed on rollers and affixed inside or outside a door or window for protection against sun, wind, burglar, etc.

On a broad perspective, all shutters fall under one of the two categories as follows:

- Heavy duty shutters - thickness range of 0.5mm and above.
- Light duty shutters - thickness range of 0.5mm and below.

The shutters can further be broken down into the following sub-categories:

- Fire resistant shutters;
- Anti-typhoon shutters;
- Transparent shutters;
- Energy saving insulated shutters;
- Residential window shutters;
- Explosion proof shutters; and
- Other non-fire resistant shutters.

5.0 INFORMATION ON THE SKB SHUTTERS GROUP (Cont'd)

Apart from shutters, SKBM also supplies and manufactures doors such as the blast resistant steel doors, high speed vinyl doors, overhead doors, hanger doors and flood mitigation gates.

As a complement to the Group's core business, SKBE manufactures motor components to be used in its production process. Some of these products include motor roller shutters, high-speed motors, special closing sequence motors and delay control system.

Other activities undertaken by the Group include the manufacture of bicycle alloy rims which is undertaken by Rigida, an 80% owned subsidiary of Van Schothorst BV, one of the world's leading manufacturers of bicycle rims based in Holland.

A summary of the various types of products manufactured by the Group is as follows:

	Products	Types/ Design	Usage/ benefits
1.	Heavy Duty Shutters	<ul style="list-style-type: none"> • See thru shutters • Stainless steel see thru shutters • Colorbond steel and aluminium shutters • Insulated steel shutters • Stainless steel shutters • Stainless steel roller grilles • High speed shutters 	<p>Provide greater security due to the thickness of the shutter.</p> <p>High resistant to strong winds.</p> <p>Mainly used in godowns, warehouses, industrial buildings and banks.</p>
2.	Light Duty Shutters	<ul style="list-style-type: none"> • Colorbond steel shutters • Aluminium shutters • Mini shutters • Aluminium roller grilles 	<p>For residential and non-residential use (e.g. car parks, shophouses and small factories) as the designs is lightweight and customers are given wider colour choices.</p>
3.	Fire Shutters	<ul style="list-style-type: none"> • Vertical fire shutters • Lateral sliding fire shutters • Horizontal escalator fire shutters • Vertical window fire shutters 	<p>Fire shutters are used to prevent fire from spreading.</p> <p>Shutters allow for larger openings compared to swing doors. Hence, fire shutters provide substantially larger escape exits in high-density areas such as malls, shopping complexes etc.</p>
4.	Specialised Shutters	<ul style="list-style-type: none"> • Vision 7 (transparent plastic shutters) • Eflex high speed spiral and roll up doors • Sanwa light-duty Colorbond roller shutters • High speed shutters 	<p>Vision 7 window shutters are made from unbreakable plastic (poly carbonate material).</p> <p>A revolutionary design of high speed door that eliminates surface marking and loud noise.</p> <p>A light-duty shutter that resists tropical staining.</p> <p>High-speed shutters are used in fire stations, garages and car park entrance</p>

5.0 INFORMATION ON THE SKB SHUTTERS GROUP (Cont'd)

	Products	Types/ Design	Usage/ benefits
5.	Window Shutters	<ul style="list-style-type: none"> ▪ Explosion proof roller shutter • Anti-typhoon steel shutters • Residential window shutters 	<p>Explosion proof roller shutters are used in ammunition storage buildings, petro-chemical and gas processing plants, bunkers and paint factories.</p> <p>Anti-typhoon steel shutters are able to prevent damage cause by strong winds (i.e. 120 km per hour).</p> <p>Residential window shutters provide easy escape in times of fire due to its design (i.e. they are opened inwards).</p>
6.	Doors	<ul style="list-style-type: none"> • Steel doors • Blast resistant steel doors • High speed vinyl doors • Overhead doors 	<p>Durable, rigid and do not shrink after long years of use.</p> <p>Installation of doors is easy because of the slot-in-design.</p> <p>Cheaper compared to timber fireproof doors.</p> <p>Used in offices, factories, residential condominiums and apartments.</p>
7.	Motors	<ul style="list-style-type: none"> • Motor roller shutters • High speed motors • Special closing sequence motors • Delay control system 	<p>For shutters, automatic shutters and doors.</p> <p>Easy opening, with automatic cut-off if there are obstruction or overheating of the motors.</p> <p>Limit switch to set upper/ lower limits.</p> <p>Used for large doors.</p>
8.	Bicycle Rims	<ul style="list-style-type: none"> • Single wall • Double wall 	<p>High quality, lightweight and rust-proof.</p>
9.	Miscellaneous	<ul style="list-style-type: none"> • Smoke Curtains 	<p>Smoke Curtains are used to prevent smoke from spreading between floors and thereby enabling inhabitants of buildings on fire to escape easily.</p>

5.0 INFORMATION ON THE SKB SHUTTERS GROUP (Cont'd)

5.5.3 Production Process

The production process of the Group begins with the preparation of drawing specification and job sheet. Once these are laid out, the manufacturing process begins. The manufacturing process is broadly categorised into five main areas:

- (i) Slat department;
- (ii) Cover department;
- (iii) Guide and bottom bar department;
- (iv) Box department; and
- (v) Production department.

Set out below is a brief description of the production process for roller shutters.

Slat Department

At the slat department, the operators select the required metal steel coil in accordance to the specification (colour, thickness, type and label) set on the job sheet. A roll-forming machine is then used to fabricate shutter slats. In fabricating the see thru-shutters, holes are punched onto the metal steel coil.

In the production of shutter slats, the length and quantity required are first programmed into the roll-forming machine. After the metal coil is run through the machine, it is checked for defects and the result is documented. The inspection includes checking the size (length and width) and thickness in accordance with the "In Process Inspection and Testing Procedure". An identification sticker with 'pass' or 'quarantine' status is then pasted on the respective finished item before the product is released.

Cover Department

At the cover department, workers select the appropriate size and thickness of flat steel sheets. The flat sheets are then cut into standard sizes using a cutting shearing machine. Thereafter, inspection will be carried out to ensure that the dimension and thickness of the sheet is consistent with the job sheet before further processing.

The flat sheets are then inserted into the computerised LED Auto Back Gauge Bending machine that bends the sheets into two 90 degree angles, a requirement for the fabrication of the casing cover. The entire process is monitored closely for defects and machine failure and results are again documented.

Guide and Bottom Bar Department

At the guide and bottom bar department, the flat sheet as well as the metal coil goes through a similar process as above, namely cutting by the shearing machine and bending by an auto back gauge bending machine.

After the bending and shearing, the roll forming machine moves the flat steel sheet into guides and the metal coil into the bottom bar. Factory workers carry out inspection before the bar is attached with two angle bars. It is then checked by the production leader, documented and certified with stickers.

5.0 INFORMATION ON THE SKB SHUTTERS GROUP (Cont'd)

Box Department

Three types of boxes are made at the box department, namely motor, chain and spring boxes. Two standard side plates (steel sheets) according to specifications are required to make the box. Hollow sectional (rectangle pipes) and side plates are welded together with a flat bar, cut and welded on to the hollow sections to make a box frame.

Drive shafts are welded onto both ends of the barrel pipe which is then fixed on to the center of the box frame and the correct quantity of pulleys are set to produce the finished motor box. The product is then sent for protective coating after which it is checked and result is documented.

Production Department

At the production department, the final product is checked to ensure that all parts are in order before being despatched to the delivery yard for installation.

5.5.4 Patents, Trademarks, Licences, Registration and Agreements**Trademarks and patents**

The Group possesses trademark for the following products, registered under Class 6 of the Malaysian Trademark Act 1976.

- SKB logo;
- Pathwinder and Pathfinder (Trade Mark registration no 93/07903 and 93/07904); and
- Vision 7 (Trade Mark registration no 97/8531).

Licences***SIRIM licence***

SIRIM licence for the use of its certification mark, 'SIRIM Berhad' for the Group's fire-rated roller shutters (2 and 4 hours rated) was obtained on 12 January 1997. This licence is valid until 11 January 2001 and is renewable on a yearly basis.

Certification of Jabatan Bomba dan Penyelamat

SKBM's roller shutters were certified by the Jabatan Bomba dan Penyelamat on 28 May 1997 to be safe for installation for use as intended and is valid until 11 January 2001, which is renewable yearly.

Manufacturing licence

SKBM has been issued a manufacturing licence by the Malaysian Industrial Development Authority on 28 June 1996 to produce steel and aluminium roller shutters. On 3 September 1999, another manufacturing licence was issued to SKBM for the production of steel storage racks.

5.0 INFORMATION ON THE SKB SHUTTERS GROUP (Cont'd)

Registration***Construction Industry Development Board (CIDB)***

SKBM, being one of players in the shutters manufacturing industry which is classified as part of the building materials industry that falls within the construction industry, is registered with the CIDB with an approved grade G6, enabling SKBM to carry out building construction, specialising in steel works, valued up to a maximum of RM10 million from the period 12 October 1996 to 12 October 2000.

PAM Registered Contractor

In 2000, SKBM was registered with the Pertubuhan Akitek Malaysia and is capable of carrying out works valued at RM500,000 and above under the classification of Class 1.

Agreements***Technical Assistance Agreement***

SKBM has signed a Technical Assistance Agreement with Sanwa Shutter Corporation, Japan (Sanwa) in 1996. This has enabled SKBM to strengthen its technology and technical knowledge by exposing it to Sanwa's technical expertise in the manufacture, sale, installation and maintenance of SKBM's products. Ideas on new technology and products are also exchanged between the parties.

Smoke Curtain Distributor Agreement

A Smoke Curtain Distributor Agreement was entered into between SKBM and Coopers Blind Ltd. (Coopers) on 5 November 1999 to promote and market Cooper's electrically operated automatic smoke curtains in Taiwan.

Exclusive Distributor Agreement

An exclusive distributor agreement was entered into between SKBM and Efaflex Transport-und Lager-Technik GmbH (Efaflex) on 22 July 1997 to distribute, install and service doors manufactured by Efaflex in Malaysia and Brunei.

Distributor Agreement

A distributor agreement was entered into between SKBM and Vega Limited t/a Garog on 5 September 1996 to distribute shutters and security, fire and exit doors.

5.5.5 Market Share/ Ranking

According to AC Nielsen's survey results, the Group commands a significant market share of the roller shutter industry and is the leading industry player in the whole of Malaysia. This is supported by the market study report conducted by AC Nielsen. According to the market study, SKB Shutters Group's roller shutter products are widely accepted locally and overseas due to its competitive pricing, professional service (available to meet the clients' requirements and needs) and high quality products. The Group has a fine reputation due to its experienced research and development team, which produces quality, efficient mechanism of roller shutter design and innovative security features. Moreover, with its good track record in the understanding and dealing with clients, a solid relationship had been formed/will be formed over the years.

5.0 INFORMATION ON THE SKB SHUTTERS GROUP (Cont'd)

Based on the above, in respect of roller shutter doors and windows, research shows that the Group is currently the single dominant player in Malaysia.

(Source : AC Nielsen Market Report dated 15 May 2000)

5.5.6 Principal Markets

Approximately 75% of the Group's products are sold in Malaysia, while the balance 25% are exported to Singapore, Hong Kong, Sri Lanka, United Kingdom, Philippines, Taiwan, Dubai, Bahrain, Qatar and Vietnam based on the Group's sales quantity for the financial year ended 30 June 2000.

5.5.7 Availability of raw materials

Steel sheet and coils, powder coating, motors, aluminium extrusion, high carbon wire, stainless steel, phosphate galvanised steel, aluminium, colour pre-painted steel and zincalume steel comprise most of the raw materials used in the manufacturing of the Group's products.

Approximately 95% of the Group's major raw material requirements are sourced locally in an attempt to reduce cost (freight and insurance) and to support the government's call to buy local products. Only 5% of the Group's raw materials are imported from overseas, namely Taiwan, Japan, Singapore and China. The Group has not faced any difficulties in sourcing its main raw materials as they are relatively easy to source and readily available. In total, there are 20 local suppliers and 3 foreign suppliers providing the Group with raw materials, which allows the Group to have a diversified source of supplies whilst not being over-dependent on any one supplier.

5.5.8 Quality

The shutters manufactured by the SKB Shutters Group are of good quality as the shutters are rated and certified by SIRIM Malaysia, BOMBA, Malaysia, the Singapore Fire Department, the Fire Services Department Fire Bureau of Hong Kong and Warrington Fire Research, United Kingdom. As testimony to its commitment to manufacture quality product, the Group is currently in the midst of attaining the ISO9002 certification. Further, the materials used in the manufacture of both shutters and doors are obtained from BHP Australia and Sumitomo. The high grade of raw materials purchased are phosphate galvanised steel, colour pre-painted steel, high quality aluminium and stainless steel.

In its efforts to maintain the high standards of production, the Group has placed great emphasis on training and education to constantly improve employees' knowledge of the products and systems and to capitalise upon the practical experience gained by technical personnel. Employees and new recruits are trained both internally and externally in workshops held on a regular basis and through attending courses conducted by professional consultants. New recruits undergo orientation programmes to familiarise them with the technical operation of the machineries in the factory. In conjunction with the Group's objective to attain the ISO9002 certificate, employees are given technical and engineering training from experts of Sanwa Shutters Corporation (Sanwa) in the manufacture and maintenance of its products, especially in the "Training led consultancy programme" to develop and implement a quality management system.

5.0 INFORMATION ON THE SKB SHUTTERS GROUP (Cont'd)

The agreement between SKBM and Sanwa of Japan in 1996 has further strengthened the technical knowledge of the SKB Shutters Group. Technical assistance may come in the forms of specifications, drawings, operating manuals etc., for the manufacture and installation of the Group's products. Sanwa also provides technical services and training in the installation, maintenance and manufacture of the Group's products. Other than technical assistance, Sanwa also supplies raw materials to the SKB Shutters Group at competitive prices.

5.5.9 Research and Development

Recognising the importance of product improvement and customer satisfaction, the SKB Shutters Group places great importance on its Research and Development ("R&D") activities. The R&D team is headed by Mr Sin Kheng Lee, and two other experienced engineers, namely Mr Sin Ching San, and Mr Yong Cheang Yee, all of whom have substantial years of experience in the shutters industry. The team is further supported by professionals and experienced personnel from various backgrounds.

The Group's core business is 'front-end' whereby innovation and creativity is required in order for the Group to remain competitive in the local and global market. Continuous product improvement is therefore essential to ensure the high quality of the Group's products. In general, the Group's R&D is set up to achieve the following objectives:

- To develop new products with patented design;
- To produce a minimum of two (2) new products per year;
- To ensure that all its products comply with the security and safety features set internally as well as externally (i.e. by Jabatan Bomba dan Penyelamat Malaysia and SIRIM Berhad);
- To improve efficiency and reliability;
- To produce more precise and better quality product to meet or exceed the standards required by international markets; and
- To reduce the use of skilled workers and move towards automated manufacturing process.

The R&D in SKB Shutters Group is carried out in two main areas i.e. product and process R&D and market research.

Product and Process Development

The Group's R&D team has over the years successfully produced various types and design of shutters and other products to cater for the ever-changing need and taste of its customers. The success of SKB Shutters Group's R&D team is evidenced by the awards set out in Section 5.5.11 below.

5.0 INFORMATION ON THE SKB SHUTTERS GROUP (Cont'd)

Apart from innovative products, the team has also produced numerous improvement ideas to increase the marketability of its products and to satisfy customers' need. One example of such is the utilisation of the Computer Assisted Design (CAD) system in the drawing, testing and designing of a product. Not only does CAD enable the Group to tailor its design to the very specification of its customer, it also enable its customer to see the final outcome of the design/ proposal via hard copy of the sample drawings. Many customers, especially those involving large or overseas projects, find this concept desirable. The Group, being the first in the market to use such system, therefore has an added advantage over its competitors.

The recent R&D activities undertaken by the Group include:

- Fire testing at SIRIM, Taiwan, China and conducting test according to the Japanese Industrial Standard (JIS) and Australian standards;
- Researching automatic and computerised calculation of the spring system;
- Exploring the possibility of an exchange technology programme with foreign manufacturers; and
- Research and Development in:
 - ⇒ Sliding design, transparent roller shutters and see through capability;
 - ⇒ Safety design motor control system;
 - ⇒ Blast resistant steel door for petrochemical industry and military bunkers;
 - ⇒ Pallet racking mobile systems;
 - ⇒ Insulated/ sectional overhead door;
 - ⇒ Double-wall transparent roller shutters;
 - ⇒ Automatic-open fire shutters, high speed and automatic folding shutters;
 - ⇒ Manual operated sliding shutters and vibration resistant design shutters;
 - ⇒ Smoke proof, water-tight and bullet-proof design shutters;
 - ⇒ Redesigning of the silencer-equipped guide rails;
 - ⇒ Double shaft shutters for very compact headroom; and
 - ⇒ Safety sensor equipped edge system for all motorised shutters.

Market Research

In order to understand and meet the demand of its customers, SKB Shutters Group's sales team carries out the following market research activities:

- Obtaining continuous feedback from its customers especially quantity surveyors and architects as to the current aesthetic requirements especially for shop and commercial complex frontage whilst keeping abreast with government regulations; and
- Carrying out brainstorming sessions among the R&D team members to get new ideas and monitoring design trends of other countries in order to anticipate customer needs.

5.0 INFORMATION ON THE SKB SHUTTERS GROUP (Cont'd)

5.5.10 Employees

As at 10 February 2001, the SKB Shutters Group had a total workforce of 123 employees.

The breakdown of the employees is as follows:

Category of employee	<-----MALAYSIANS----->				Total	Foreign	TOTAL
	Bumi	Chinese	Indian	Others			
Management and professional staff	2	15	-	-	17	2	19
Technical and supervisory	3	6	4	-	13	-	13
Clerical and related occupations	4	1	2	1	8	-	8
Factory workers							
- Skilled	8	8	2	-	18	15	33
- Unskilled	6	-	6	-	12	38	50
TOTAL	23	30	14	1	68	55	123

None of the employees belongs to any union. The relationship between the management and employees is good and the majority of the staffs have been with the Group for over three (3) years.

In view of its size, the SKB Shutters Group has access to foreign companies that can provide the Group with technology and technical expertise. Smaller companies without this privilege generally have a tendency to adopt cost cutting measures in order to survive and generally, tends to put less emphasise on training and after sales service.

The Group places great emphasise on training and education to constantly improve employee knowledge of products and systems and to capitalise upon the practical experience gained by their Technical personnel. New recruits undergo orientation programmes to familiarise them with the technical operation of the machineries in the factory.

The Group also encourages its employees to participate in workshops, which are held regularly, and to attend courses conducted by professional consultants. They also receive technical and engineering training from experts of Sanwa Shutters Corporation in the manufacture and maintenance of its products, especially in their "Training-led-consultancy programme" to develop and implement a quality management system leading to *ISO 9002*. The training and workshops are all done in-house.

5.5.11 Key achievements/ Awards

- MITI Industrial Excellence Award for Innovative Products granted in 1996 for Pathfinder Fire Shutters;
- MITI Industrial Excellence Award granted in 1998 for Vision-7 Transparent Roller Shutters;
- Selangor State industrial Excellence Product Awards granted in 1999 for company brand name and products;
- Selangor State Product Innovative Awards granted in 2000 for Keyless Safety Window Shutters;

5.0 INFORMATION ON THE SKB SHUTTERS GROUP (Cont'd)

- Silver medallist in the International Invention & Design Award I TEX 2000 for SKB Slimline keyless emergency exit residential window shutter; and
- Winner in the SMIDEC Enterprise 50 Award 2000 conducted by Andersen Consulting for 43rd ranking for company performance.

5.5.12 Distribution Network

The Group's products are distributed all over Malaysia through the Group's distribution network via SKBT and its approximately forty dealers. The Group's success, as evidenced by the increasing turnover over the years, is mostly attributed to the following:

- **Strategic location of its factory and warehouse in Shah Alam:** Easy access available from the north and south of Peninsular Malaysia via the established road and highway linkages;
- **Dedicated Sales Team:** The sales team of the Group is headed by Mr Sin Kheng Lee (Director) and Mr Yong Cheang Yee (General Manager). They are supported by a capable sales team comprising 10 experienced personnel. They have established a close rapport with the end users of the products e.g. the architects, quantity surveyors and developers. The good relationship between SKBT and its end-users is partly due to the value added advice and consultancy services which the Group provides;
- **Marketing:** In terms of marketing, the Group has an established reputation in the local and overseas markets due to the successful completion of projects by the Group over the years. The history and reputation of the Group has enabled it to widen its market base; and
- **Diverse range of distributors:** In addition to the sales team who cover the different areas from Johor to Melaka, the Group has appointed local and overseas distributors in the following areas:

Distributors	Areas covered	Years of relationship
CP Metal Engineering	North of Malaysia	1
Pacific Engineering Works Sdn Bhd	East Coast of Malaysia	7
Elite Aluminium Trading Sdn Bhd	Johor, Malaysia	7
Coopers Blind Ltd	United Kingdom	1
Ferco Shutters Pte Ltd	Singapore	7

5.0 INFORMATION ON THE SKB SHUTTERS GROUP (Cont'd)

Distributors	Areas covered	Years of relationship
Chailease Resources Trading Company Ltd	Taiwan	2
Sanwa Shutter (HK) Limited	Hong Kong	7
Sri Wijaya Industries Co.	Sri Lanka	2
Maher Abdul Group for International Commerce ("M.A.G.I.C.")	Bahrain	2
Al Misnad Trading	Qatar	1
Al-Khaleej Metal Coat L.L.C.	Dubai	1
Al Bakheet Trading Co.	Dubai	2
Saudi Anfal Factory For Automatic Doors	Riyadh	1
Sanwa Shutter Corporation	Japan	3

5.5.13 Location of Production Facilities and/or Principal Place of Business

The location of principal assets, production facilities and place of business of the SKB Shutters Group is as follows:

SKB Shutters Corporation Berhad
Lot 2-22, Lion Industrial Park Phase 2
Jalan SU6A, Section 22
40300 Shah Alam
Selangor Darul Ehsan

5.5.14 Production Capacity

There is a great flexibility in SKB Shutters' production as it is able to schedule its production to meet any requirement or capacity. This change in production schedule can be done with minimum time and effort as the production facilities are automated.

5.6 Information on Subsidiary and Associated Companies

The information on the subsidiary companies of SKB Shutters is as follows:

Name	Date & place of incorporation	Issued & paid-up capital RM	Equity interest %	Principal Activities
SKBM	17.03.1977 Malaysia	2,030,000*	100.00	Manufacturing and dealing of roller shutters and related steel products
SKBT	22.04.1992 Malaysia	2	100.00	Trading in roller shutters parts and related steel products
SKBE	27.09.1995 Malaysia	2	100.00	Manufacturing and providing repair services for motor components

5.0 INFORMATION ON THE SKB SHUTTERS GROUP (Cont'd)

* Includes the preference shares of 30,000 which will be subsequently redeemed from the Company's utilisation of proceeds.

The information on the associated company of SKB Shutters is as follows:

Name	Date & place of incorporation	Issued & paid-up capital RM	Equity interest %	Principal Activities
Rigida	01.09.1992 Malaysia	550,000	20.00	Manufacturing of bicycle alloy rims

5.6.1 SKBM

History & Business

SKBM was incorporated in Malaysia under the Companies Act, 1965, as a private limited company on 17 March 1977 under the name of Winhupp Foundry Sdn Berhad. The company assumed its present name, SKB Shutters Manufacturing Sdn Bhd, on 10 July 1992. Its principal activity is manufacturing and dealing of roller shutters and related steel products.

As at 10 February 2001, SKBM has a total of 123 employees.

Changes in Share Capital

The authorised share capital of SKBM is RM5,000,000 comprising 4,970,000 ordinary shares of RM1.00 each and 30,000 cumulative redeemable preference shares of RM1.00 each. SKBM's current issued and paid-up share capital is RM2,000,000 ordinary share capital and RM30,000 cumulative redeemable preference share capital. The changes in the issued and paid-up share capital of SKBM since its incorporation are set out below:

Date of allotment	No. of shares allotted	Par value RM	Consideration	Total issued and paid-up capital RM
<i>Ordinary Shares</i>				
17.03.77	2	1.00	Subscribers' share	2
27.02.79	50,000	1.00	Share swap for the acquisition of Wing Hup Company, Foundary	50,002
31.12.92	1,949,998	1.00	Cash	2,000,000
<i>Preference Shares *</i>				
30.04.97	30,000	1.00	RM3,000,000 cash (shares issued at a premium of RM99 per share)	30,000

* The preference shares are subject to redemption via the proceeds from the rights and public issues. Upon the listing of the Company on the KLSE, no other securities will be in issue save for ordinary shares.

5.0 INFORMATION ON THE SKB SHUTTERS GROUP (Cont'd)***Substantial shareholders***

The substantial shareholders (with a shareholding of 2% and above) of SKBM as at 10 February 2001 are as follows:

Ordinary shares

Name	<-----No. of shares----->		<---% holding--->		Country of incorporation/ Nationality
	Direct	Indirect	Direct	Indirect	
SKB Shutters	2,000,000	-	100.00	-	Malaysia
SKBG	-	2,000,000 ¹	-	100.00	Malaysia
Sin Kheng Lee	-	2,000,000 ²	-	100.00	Malaysian
Sin Kheng Hong	-	2,000,000 ²	-	100.00	Malaysian
Sin Ching San	-	2,000,000 ²	-	100.00	Malaysian
Chou Lee Sin	-	2,000,000 ³	-	100.00	Taiwanese

1. *By virtue of its shareholding of more than 15% in SKB Shutters.*
2. *By virtue of his shareholding of more than 15% in SKBG which in turn holds more than 15% in SKB Shutters.*
3. *By virtue of the interest, direct and deemed held by her husband, Sin Kheng Lee in SKBG of more than 15% which in turn holds more than 15% in SKB Shutters.*

Preference shares

Name	<-----No. of shares----->		<---% holding--->		Nationality
	Direct	Indirect	Direct	Indirect	
SKBG	30,000	-	100.00	-	Malaysia

The cumulative redeemable preference shares carry a fixed cumulative preferential dividend of 500% per annum in priority to ordinary shares and may be redeemed in whole or in part at RM100 each. These shares are not convertible and do not confer any voting power to the holders.

Subsidiary and Associated Companies

As at the date of this Prospectus, SKBM does not have any subsidiary or associated company.

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5.0 INFORMATION ON THE SKB SHUTTERS GROUP (Cont'd)***Profit and Dividend Record***

The profit and dividend record of SKBM based on its audited accounts for the six (6) months ended 30 June 1996, three (3) financial years ended 30 June 1999 and two (2) months ended 31 August 2000 is set out below:

	Six (6) months ended 1996	< -----Financial year ended 30 June----- >				Two (2) months ended 2000
	RM'000	1997 RM'000	1998 RM'000	1999 RM'000	2000 RM'000	RM'000
Turnover	14,573	32,701	28,279	30,783	32,025	5,152
Profit before taxation	3,246	6,523	3,374	6,109	8,572	1,291
Taxation	(872)	(1,457)	(326)	(293)	(2,018)	(303)
Profit after taxation	2,374	5,066	3,048	5,816	6,554	988
Number of shares in issue ('000)						
- Ordinary	2,000	2,000	2,000	2,000	2,000	2,000
- Preference	-	30	30	30	30	30
Gross EPS (RM)	3.25*	3.26	1.63	3.00	4.23	3.87*
Net EPS (RM)	2.37*	2.53	1.47	2.85	3.22	2.96*
Gross dividend rate (%)						
- Ordinary	-	-	-	-	-	-
- Preference	-	-	500	500	500	-

* Annualised

Notes:

- (1) The computation for gross and net EPS was based on ordinary shares in issue for the respective years.
- (2) There were no extraordinary items in all the financial years under review.

Commentary on the profit and dividend track record

- (1) In 1996, SKBM experienced a drop in turnover of 34.1% to RM14.6 million which was due to the change in the financial year end from 31 December to 30 June. The financial years' results were based on six months operations. On an annualised basis, the company performed better with a turnover of RM29.1 million (31.8% increase) and a profit before taxation of RM6.5 million (21.4% increase). The better performance was primarily due to the continued growth of the retailing and construction sectors, which in turn contributed to the securing of new projects by the company.
- (2) In 1998, SKBM had experienced a slight dip in turnover of 13.5% to RM28.3 million due to the weaker market condition in the region and deferment of construction projects. The profit before taxation decreased by approximately 48% to RM3.4 million.

5.0 INFORMATION ON THE SKB SHUTTERS GROUP (Cont'd)

5.6.2 SKBT*History and Business*

SKBT was incorporated in Malaysia on 22 April 1992 under the Companies Act, 1965 under the name of Metric Fame Sdn Bhd as a private limited company with an initial paid-up share capital of RM2.00 comprising 2 ordinary shares of RM1.00 each. Subsequently on 10 July 1992, it changed its name to SKB Trading Sdn Bhd and assumed its present name. Its principal activity is trading in roller shutters parts and related steel products.

The operations of SKBT is supported by the employees of SKBM.

Changes in Share Capital

The authorised share capital of SKBT is RM25,000 comprising 25,000 ordinary shares of RM1.00 each of which 2 ordinary shares are fully issued and paid-up.

The changes in the issued and paid-up share capital of SKBT since its incorporation are set out below:

Date of allotment	No. of ordinary shares allotted	Par value RM	Consideration	Total issued and paid-up capital RM
22.04.92	2	1.00	Subscribers' share	2

Substantial shareholders

The substantial shareholders (with a shareholding of 2% and above) of SKBT as at 10 February 2001 are as follows:

Name	<-----No. of shares----->		<-----% holding----->		Country of incorporation Nationality
	Direct	Indirect	Direct	Indirect	
SKB Shutters	2	-	100.00	-	Malaysia
SKBG	-	2 ¹	-	100.00	Malaysia
Sin Kheng Lee	-	2 ²	-	100.00	Malaysian
Sin Kheng Hong	-	2 ²	-	100.00	Malaysian
Sin Ching San	-	2 ²	-	100.00	Malaysian
Chou Lee Sin	-	2 ³	-	100.00	Taiwanese

1. *By virtue of its shareholding of more than 15% in SKB Shutters.*
2. *By virtue of his shareholding of more than 15% in SKBG which in turn holds more than 15% in SKB Shutters.*
3. *By virtue of the interest, direct and deemed held by her husband, Sin Kheng Lee in SKBG of more than 15% which in turn holds more than 15% in SKB Shutters.*

Subsidiary and Associated Companies

As at the date of this Prospectus, SKBT does not have any subsidiary or associated company.

5.0 INFORMATION ON THE SKB SHUTTERS GROUP (Cont'd)***Profit and Dividend Record***

The profit and dividend record of SKBT for the six (6) month period ended 30 June 1996, three (3) financial years ended 30 June 1999 and two (2) months ended 31 August 2000 is set out below:

	Six (6) months ended 1996	< -----Financial year ended 30 June----- >				Two (2) months ended 2000
	RM'000	1997 RM'000	1998 RM'000	1999 RM'000	2000 RM'000	RM'000
Turnover	1,186	2,802	1,213	1,004	1,652	482
Profit before taxation	78	15	5	11	111	17
Taxation	(23)	(30)	52	(1)	(34)	(5)
Profit/(Loss) after taxation	55	(15)	57	10	77	12
Number of ordinary shares in issue	2	2	2	2	2	2
Gross EPS (RM'000)	78.00*	7.50	2.50	5.50	55.50	51.00*
Net EPS/(LPS) (RM'000)	55.00*	(7.50)	28.50	5.00	38.50	36.00*
Gross dividend rate (%)	-	-	-	-	-	-

* Annualised

Notes:

(1) There were no extraordinary items in all the financial years under review.

Commentary on the profit and dividend track record

- (1) The results for 1996 were only for six months due to the change in the financial year end from 31 December to 30 June. On an annualised basis, the company performed better with a turnover of RM2.4 million (17.1% increase) but at a lower profit before taxation of RM156,000 (46.2% decrease). The lower profits for the year was due to the higher operating cost.
- (2) Turnover increased in 1997 by 18.1% due mainly to improvement in the local economy. However, profit before taxation for the year had declined further by 81% to RM15,000 due to the greater increase in operating cost relatively to the increase in turnover.
- (3) In 1998, in line with the overall weaker economic condition in the region, SKBT's turnover had decreased substantially by 56.7% whilst its profit before taxation decreased by 67% to RM5,000.
- (4) For the year 1999, the company did not perform well due to the spill-over effect from the last financial year. As a result, the company's turnover decreased further by 17.2%. But the company's profit before taxation had improved by 120% due to better control of the company's operating cost during the year.

5.0 INFORMATION ON THE SKB SHUTTERS GROUP (Cont'd)

5.6.3 SKBE*History and Business*

SKBE was incorporated in Malaysia on 27 September 1995 under the Companies Act, 1965 as a private limited company with an initial paid-up share capital of RM2.00 comprising 2 ordinary shares of RM1.00 each. Its principal activity is the manufacturing and providing repair services for motor components.

The operations of SKBE is supported by the employees of SKBM.

Changes in Share Capital

The authorised share capital of SKBE is RM100,000 comprising 100,000 ordinary shares of RM1.00 each of which 2 ordinary shares are fully issued and paid-up.

The changes in the issued and paid-up share capital of SKBE since its incorporation are set out below:

Date of allotment	No. of ordinary shares allotted	Par value RM	Consideration	Total issued and paid-up capital RM
27.09.95	2	1.00	Subscribers' shares	2

Substantial shareholders

The substantial shareholders (with a shareholding of 2% and above) of SKBE as at 10 February 2001 are as follows:

Name	<-----No. of shares----->		<-----% holding---->		Country of incorporation/ Nationality
	Direct	Indirect	Direct	Indirect	
SKB Shutters	2	-	100.00	-	Malaysia
SKBG	-	2 ¹	-	100.00	Malaysia
Sin Kheng Lee	-	2 ²	-	100.00	Malaysian
Sin Kheng Hong	-	2 ²	-	100.00	Malaysian
Sin Ching San	-	2 ²	-	100.00	Malaysian
Chou Lee Sin	-	2 ³	-	100.00	Taiwanese

1. By virtue of its shareholding of more than 15% in SKB Shutters.

2. By virtue of his shareholding of more than 15% in SKBG which in turn holds more than 15% in SKB Shutters.

3. By virtue of the interest, direct and deemed held by her husband, Sin Kheng Lee in SKBG of more than 15% which in turn holds more than 15% in SKB Shutters.

Subsidiary and Associated Companies

As at the date of this Prospectus, SKBE does not have any subsidiary or associated company.

5.0 INFORMATION ON THE SKB SHUTTERS GROUP (Cont'd)***Profit and Dividend Record***

The profit and dividend record of SKBE based on its audited accounts for the nine (9) month period ended 30 June 1996, three (3) financial years ended 30 June 1999 and two (2) months ended 31 August 2000 is set out below:

	Six (6) months ended 1996	< -----Financial year ended 30 June----- >				Two (2) months ended 2000
	RM'000	1997 RM'000	1998 RM'000	1999 RM'000	2000 RM'000	RM'000
Turnover	-	35	76	24	44	12
Profit/ (Loss) before taxation	-	(51)	(13)	(4)	13	8
Taxation	-	-	-	-	-	-
Profit/ (Loss) after taxation	-	(51)	(13)	(4)	13	8
Number of ordinary shares in issue	2	2	2	2	2	2
Gross EPS/ (LPS) (RM'000)	-	(25.50)	(6.50)	(2.00)	6.50	24.00*
Net EPS/ (LPS) (RM'000)	-	(25.50)	(6.50)	(2.00)	6.50	24.00*
Gross dividend rate (%)	-	-	-	-	-	-

* Annualised

Notes:

(1) There were no extraordinary items in all the financial years under review.

Commentary on the profit and dividend track record

(1) SKBE commenced operations on 1 July 1996. Since then, SKBE has only been doing services and repair of motors on a small scale basis.

5.6.4 Rigida***History and Business***

Rigida was incorporated in Malaysia on 1 September 1992 under the Companies Act, 1965 as a private limited company under the name of Delgrade Sdn Bhd with an initial paid-up share capital of RM2.00 comprising 2 ordinary shares of RM1.00 each. The company subsequently changed its name to Rigida (Malaysia) Sdn Bhd on 6 April 1993 and assumed its present name. Its principal activity is the manufacturing of bicycle alloy rims.

As at 10 February 2001, Rigida has a total of 40 employees.

Changes in Share Capital

The authorised share capital of Rigida is RM875,000 comprising 875,000 ordinary shares of RM1.00 each of which 550,000 ordinary shares are fully issued and paid-up.

5.0 INFORMATION ON THE SKB SHUTTERS GROUP (Cont'd)

The changes in the issued and paid-up share capital of Rigida since its incorporation are set out below:

Date of allotment	No. of ordinary shares allotted	Par value RM	Consideration	Total issued and paid-up capital RM
01.09.92	2	1.00	Subscribers' share	2
01.03.93	99,998	1.00	Cash	100,000
09.07.93	150,000	1.00	Cash	250,000
09.08.93	100,000	1.00	Cash	350,000
31.12.93	200,000	1.00	Cash	550,000

Substantial shareholders

The substantial shareholders (with a shareholding of 2% and above) of Rigida as at 10 February 2001 are as follows:

Name	< -----No. of shares----- >		< -----% holding----- >		Country of incorporation/ Nationality
	Direct	Indirect	Direct	Indirect	
SKB Shutters	110,000	-	20.00	-	Malaysia
Van Schothorst BV	412,500	-	75.00	-	Holland
Ter Hong Ching	27,500	-	5.00	-	Malaysian
SKBG	-	110,000 ¹	-	20.00	Malaysia
Sin Kheng Lee	-	110,000 ²	-	20.00	Malaysian
Sin Kheng Hong	-	110,000 ²	-	20.00	Malaysian
Sin Ching San	-	110,000 ²	-	20.00	Malaysian
Chou Lee Sin	-	110,000 ³	-	20.00	Taiwanese

1. *By virtue of its shareholding of more than 15% in SKB Shutters.*
2. *By virtue of his shareholding of more than 15% in SKBG which in turn holds more than 15% in SKB Shutters.*
3. *By virtue of the interest, direct and deemed held by her husband, Sin Kheng Lee in SKBG of more than 15% which in turn holds more than 15% in SKB Shutters.*

Subsidiary and Associated Companies

As at the date of this Prospectus, Rigida does not have any subsidiary or associated company.

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5.0 INFORMATION ON THE SKB SHUTTERS GROUP (Cont'd)

Profit and Dividend Record

The profit and dividend record of Rigida based on its audited accounts for the past five (5) financial years ended 31 December 1999 is set out below:

	< -----Financial year ended 31 December----- >				
	1995 RM'000	1996 RM'000	1997 RM'000	1998 RM'000	1999 RM'000
Turnover	8,413	8,737	4,901	10,026	11,181
Profit/(Loss) before taxation	554	465	(73)	1,371	1,372
Taxation	(188)	(140)	33	(385)	18
Profit/(Loss) after taxation	366	326	(40)	985	1,390
Number of shares in issue ('000)	550	550	550	550	550
Gross EPS/(LPS) (RM)	1.01	0.85	(0.13)	2.49	2.49
Net EPS/(LPS) (RM)	0.67	0.59	(0.07)	1.79	2.53
Gross dividend rate (%)	70.00	78.00	35.00	118.18	200.00

Notes:

- (1) *There were no extraordinary items in all the financial years under review.*

Commentary on the profit and dividend track record

- (1) During the financial year 1997, the company saw a drop in its turnover by 43.9% due to the loss of a major client which had contributed approximately 50% of the company's turnover previously. The company experienced a loss before taxation of RM73,000 which was attributable to the substantial decrease in turnover but fixed cost remained relatively constant.
- (2) In 1998, Rigida performed substantially better and its turnover increased by 104.6% primarily due to aggressive marketing undertaken by the company which had successfully expanded its customer base and also product base. With the higher turnover, Rigida's profit before taxation increased to a high of RM1.4 million.

5.7 Industry Overview

(Sections 5.7.2 to 5.7.10 were extracted from AC Nielsen Market Report dated 15 May 2000)

5.7.1 Overview of the Malaysian Economy

The economic outlook for 2001 continues to be favourable. Growth is expected to be sustained by the stronger performance of the private sector which will provide the primary stimulus for growth. The Government will, however, continue to support the private sector in ensuring that growth in economic activities is sustained. In addition to the fiscal stimulus, the Government will continue to support economic growth through measures that promote expansion in domestic demand, development of new sources of growth, strengthen the nation's competitiveness and resilience whilst improving further the quality of life.

5.0 INFORMATION ON THE SKB SHUTTERS GROUP (Cont'd)

The international economic environment is expected to continue to be conducive with world growth remaining strong at 4.2% (2000 : 4.7%). The slower growth anticipated for US (3.2%), is expected to be mitigated by continued growth of Malaysia's other major trading partners of Japan (1.8%) and the European Union (3.4%). Regional growth is expected to moderate but remain strong at 6% (2000 : 6.5%). Growth in world trade is expected to continue to be robust at 7.8%. Given the favourable external outlook, real GDP growth for Malaysia is forecast at 7% in 2001.

Despite the strong indications that sustainable growth is achievable, some downside risks exist. These include the possibility of a larger than anticipated slowing down of US economy, which in turn could affect the electronics sector, a slower than expected strengthening of private consumption and lower private investment, both domestic and foreign.

(Source : Economic Report 2000/2001)

5.7.2 The Manufacturing Sector in Malaysia

The manufacturing sector in Malaysia continues to be the leading contributing sector to national productivity growth. Its growth surged strongly by 13.5% in 1999, and is expected to grow by 17% in 2000 and by sustaining at 12% in 2001. Value-added in the manufacturing sector is envisaged to record a growth of 17%, while output of the export-oriented industries is estimated to expand by 22.4% in year 2000, buoyed by continued strong global demand in electronic products and sustained economic growth in the US and Asia.

Construction activity is expected to turnaround and grow by 3.1% in year 2000 and a further 5.5% in year 2001. This sector had registered negative growths in both real and nominal prices since the first quarter of 1998. The good showing by the construction sector is vital as it has a strong linkage to the manufacturing sector, which will pave the way for stronger, export performance which in turn will provide a spillover effect into other sectors.

Currently average commercial BLR (base lending rate) is 6.75% and is a historic low. There is also ample liquidity in the banking system to finance increased economic banking activity, and the government has adopted a comprehensive pre-emptive approach to strengthen resilience of the local banking sector aimed at preventing the emergence of a systematic crisis as well as maintaining public confidence. Loans for the purchase of broad property and to the manufacturing sector increased by 4% and 4.1% year-on-year respectively for the 1st 8 months of 2000.

Retrenchments peaked in the third quarter of 1998, and since then, the number of workers retrenched has declined significantly. At the same time, the number of job vacancies has risen sharply and the government has forecasted the unemployment rate for 2000 at 2.9%, slightly lower than 3% in 1999.

5.7.3 Growth of the Shutter Industry

The changing trends in the quality of life have given rise to a new outlook for the residential and commercial sectors. The shift is moving away from the traditional measures of safety in building design, where basic window and door treatments are made out of wood, glass or iron grilles imbedded permanently into the concrete walls.

The rising value of properties and the move towards high-tech capital intensive machinery, office systems and equipment has increased concerns for safety and quality protection from fire, thefts and vandalism. As the population moves towards more modern, elegant and quality safety features, the significance of the roller shutter industry is becoming increasingly popular in the construction industry.

5.0 INFORMATION ON THE SKB SHUTTERS GROUP (Cont'd)

Other factors influencing the demand for shutters are:

- Consumer preference for high quality and aesthetically pleasing frontages; and
- The guidelines of building are changing towards frontages, which must not only be secure and fire-proof but will enhance the general appearance of the neighbourhood as well.

5.7.4 Industry life cycle

Roller shutters, a necessity to any buildings is constantly in demand and therefore moves in tandem with the nation's economy. Positive growth of the nation's economy stimulates an increase in per capita income and private consumption, increases the demand for industrial and commercial development which in turn increases the demand for roller shutters. With the real GDP projected at 7 % in the year 2001 and private consumption forecast to sustain at 12.3%, the industry is at a sunrise.

5.7.5 Market trends and Demand

Roller shutters are products used in the manufacturing and property sectors of the economy. Its demand is fuelled by economic growth and the strong economic performance of the country has given rise to the development of the various sectors.

High technology and automation in the manufacturing sector and the use of expensive high-tech office and factory equipment has resulted in increased concern about security in the workplace. This has resulted positively for SKB Shutters, due to the increased demand for their roller shutters, which are not only fire-rated but will also protect their premises against vandalism and theft.

SKB Shutters products are sold locally as well as overseas. In Malaysia, the Group has established a diversified customer base in the property development market with a majority of their customers in the commercial and industrial sectors. This is due to the specific design of their products but they also have a wide range of window shutters to meet the demands of the residential sector. One of the sources of the Group's business is in its trading activities, catering to smaller roller manufacturers, who purchase the Group's products for further assembly on their own.

For the financial year ended 30 June 2000, approximately 75% of their products are sold locally and the rest of the 25% are for overseas markets. Total sales of SKB shutters from June 1998 to June 1999 came to a total of RM30.8 million and of this amount, local sales was approximately RM26.3 million. For the same period, exports to overseas markets namely Singapore, Hong Kong, Sri Lanka, United Kingdom, Philippines, Taiwan, Dubai, Bahrain, Qatar and Vietnam amounted to approximately RM4.53 million

5.7.6 Raw Materials

Steel sheet and coil, powder coating, motor, aluminium extrusion, high carbon wire, stainless steel, phosphated galvanised steel, aluminium, colour pre-painted steel and zincalume steel are raw materials used in the manufacture of roller shutters. Products manufactured from zincalume steel resist corrosion due to the rustproof aluminium-zinc alloy coating.

The price of steel, which is the main component of the raw materials, has not varied by more than 5% and with adequate supply from suppliers, SKB Shutters Group is not subjected to great price fluctuations. The pegging of the Malaysian Ringgit against the US dollar at 3.8 has also helped to stabilize the price of steel.

5.0 INFORMATION ON THE SKB SHUTTERS GROUP (Cont'd)

Approximately 95% of SKB Shutter's raw material requirements are sourced locally to reduce costs (freight and insurance) which also makes it easier for SKB Shutters to monitor their availability and a faster access to the raw materials. Their biggest supplier is Sumiputeh Steel Centre Sdn Bhd amounting to RM2 million.

About 5% of SKB Shutters Group's raw materials are imported from overseas, namely, Taiwan, Japan, Singapore and China. The bulk of their import is from Japan to the value of RM1.2 million.

5.7.7 Industry players and competition

Based on research findings done by AC Nielsen, SKB Shutters is currently the single dominant player of roller shutter doors and windows in Malaysia. According to survey results, SKB Shutters commands a significant market share of the roller shutter industry and is the leading industry player in the whole of Malaysia.

The cutting edge that SKB Shutters has over all its competitors is its value-added services, which include installation, business information on the web, after sales service and knowledgeable sales consultants. Their website has proven to be an important tool to reach into the global market of roller shutters and many transactions have been concluded through their website.

According to survey, the SKB Shutters Group is the predominant player within an industry of mostly small producers. Other key players are:

- ***Sin Kean Boon Metal Industry*** – was incorporated in 1974 and had registered a total turnover of RM20 million in 1998. Based in Penang, it is a manufacturer and wholesaler of roller shutters, slotted angles & steel products primarily for the steel industry.
- ***KL Rolling Shutters Metal Industries Sdn Bhd*** – is in the manufacture, installation and fabrication of metal shutters solely for home consumption. Its total turnover of RM6.4 million in 1997.
- ***Shun Hup Roller Shutters Sdn Bhd*** – manufactures of roller shutters basically for home consumption. It was established in 1990 with a turnover of RM5.3 million in 1997.

5.7.8 Relevant laws and regulations governing the industry
Industrial Co-ordination Act, 1975

Under this Act, manufacturing companies with shareholders' funds in excess of RM2.5 million or with at least 75 full time employees must apply for a manufacturing licence by the Ministry of International Trade and Industry.

Construction Industry Development Board of Malaysia (CIDB)

The Lembaga Pembangunan Industri Pembinaan Malaysia Act of 1994 promotes the expansion of the construction industry and all participants must register under the CIDB. SKBM, is registered with an approved grade of 'G6' which gives SKBM the right to carry out building construction, specialising in steel works up to a maximum of RM10 million.

5.0 INFORMATION ON THE SKB SHUTTERS GROUP (Cont'd)

Uniform Building Bylaws 1984

Under this law, all building materials must be approved by Jabatan Perkhidmatan Bomba Malaysia before the issuance of a building licence. Manufacturers are required to submit samples of their products, test run results from approved laboratory (e.g. SIRIM, CSIRO Australia, and Warrington Fire Research) and other technical reports. Licences must be renewed each year.

Regulation on the construction of commercial buildings

It is a requirement for windows on the first floor of any commercial building to be fitted with see-through materials. SKB Shutters' see-thru shutters and transparent shutters meet this requirement as they permit 60% to 90% visibility.

Approving Boards

The Ministry of Housing issues all rules and regulations regarding construction and housing. However, enforcement of rules are undertaken by local municipals of each state, such as deciding on the design of roller shutters to be used on commercial building.

5.7.9 Threat of substitute products

One continuous threat faced by the shutter industry is the availability of substitute products. Traditionally, windows and doors are made with materials such as wood, iron, aluminium, glass and lately, PVC. These are all cheaper alternatives but there is a great difference between the roller shutters made by SKB Shutters and the alternatives.

Wood for example, will warp and crack. Wood that bleeds can also cause paint discoloration and wood swelling - characteristics, which will never happen with shutters. Glass will crack and break which is easy entry for burglars and intruders.

SKB Shutters products and its substitutes are summarised below:

SKB Shutters' products	Substitute products
Light duty shutters	Windows, glass doors
Heavy duty - fire and non-fire rated shutters	Wooden and glass doors
Anti-typhoon shutters	Grilles, wooden/glass windows and doors
See-thru shutters	Wooden and glass doors
Pathwinder lat. sliding shutters	Wooden and glass doors
Stainless steel grilles	Steel and wrought-iron grilles
Mini window fire shutters	Permanent window grilles and glass windows
Aluminium shutters	Wooden and glass doors
Explosion proof shutters	Wooden, aluminium, steel and glass doors
Security shutters	Wooden, aluminium, steel and glass doors
Transparent shutters	Glass windows and doors
Roller grilles	Wooden and glass doors

5.0 INFORMATION ON THE SKB SHUTTERS GROUP (Cont'd)

5.7.10 Summary of prospect and outlook of the industry

The economic outlook for Year 2001 continues to be favourable. Growth of 7% for this year will be sustained by the stronger performance of the private sector, which will take the lead role in ensuring this sustainability. The Government will, however, continue to support the private sector in ensuring the 7% growth achievable.

The Government will continue to adopt an expansionary fiscal policy through measures that promote expansion in domestic demand, development of new sources of growth, strengthen the nation's competitiveness and resilience. Thus, the outlook for the sustained expansion of the manufacturing sector remains encouraging, and this augurs well for SKB Shutters.

The continuous promotion of exports, besides expanding domestic demand, will further stimulate growth of the manufacturing industry and a robust manufacturing sector will impute a robust industrial sector. This will result in a higher sustained consumption demand and the proliferation of new areas of demand for roller shutters.

SKB Shutters will certainly benefit in the long term from the Government's efforts to encourage more exports and the use of local branded products. On its own, SKB Shutters' shutters have been exhibited in international fairs such as in Dubai to gain exposure. In addition, SKBM is registered with MATRADE, which has helped in the promotion of SKB Shutters' products in overseas markets.

5.8 Prospect and Future Plans**5.8.1 Business Development and future plans of the SKB Shutters Group**

The management of the Group possesses over 20 years of experience in the roller shutters industry. Together with continuous efforts to further expand and improve the quality of shutters products as mentioned under Sections 5.5.9 and 5.5.12, the Group has its philosophy aligned with the nation's plan for industrialisation by the year 2020. The Group aims to enhance its diversification and growth within the shutters industry so as to position itself as one of the nation's premier shutters manufacturers.

The vision of the Managing Director of the SKB Shutters Group, Mr Danny K.L. Sin, is to become the premier shutters manufacturer company in Malaysia and in the Asian region. The Group's future plan is consistent with its vision as the SKB Shutters Group is committed to providing the best quality shutters in Malaysia and the region. To achieve this vision, the Group plans to expand its existing markets and distribution network, widen its products diversity and expand its operation.

In a move to expand their horizons, the SKB Shutters Group has launched a website on the Internet, using it as a means of selling their products on a global scale. The Internet has 140 million users worldwide and by 2005, it may reach a billion people around the world. Electronic commerce totalled about US\$200 billion in 1998 and could reach US\$1.3 trillion in the United States alone by 2003.

(Source: AC Nielsen Market Report dated 15 May 2000)

5.0 INFORMATION ON THE SKB SHUTTERS GROUP (Cont'd)

The advantage of having a website on the World Wide Web, is that it allows the SKB Shutter Group to have access into the global market at low cost as there is no marketing involved. The website allows potential customers to access the products offered by the Group quickly and should the potential customers require more information on the products offered, they can do so through e-mail to the Company. The function of e-mail is an efficient and effective mode of communication, as request is almost immediately sent to the Company and feedback response time is quick. Some of the pertinent points potential buyers would request are the cost of roller shutters, what designs can the Group offer to meet their requirements, installation, stocks and its delivery period. Whilst replying to the request, the Company is also able to provide detail brochures to be sent to the potential customers at no cost (this is a method of marketing which is less costly than traditional method of marketing). Through the internet, SKB Shutters will not only introduce its products overseas but also widens its current market share overseas and venture into more lucrative business overseas. The Group's website goes by the name of <http://www.skb-shutters.com>.

Generally, the principal usage of shutters is to act as a barrier against break-ins, vandalism, severe weather changes and protect the premises from the glare of sunlight. However, there are designs which gives additional features to potential customers such as the Keyless Window Shutters design. As the name given, we know that not only will this shutter provide the necessary protection expected but in addition no key is required to operate the shutter. It is catered for house buyers and those existing house owners who require protection from the outside but convenience from the inside should fire breakout or other circumstances which requires the residents to leave their home immediately.

In addition, the Group plans to increase its penetration of the overseas market capitalising on its R&D and product innovation, initially targeting China, Taiwan, the Philippines, the Middle East and Europe. The SKB Shutters Group has actually appointed several overseas agents to promote and distribute its products. Furthermore, the recent earthquake in Taiwan, which had destroyed almost 4,000 buildings in September 1999, provides an opportunity for the Group to market its products in Taiwan when the rebuilding occurs.

Some of the plans, which the Group currently has, are as follows:

- To develop new concepts of insulated panel doors with an overseas partner. Negotiations are on-going to select the appropriate partner. Production is scheduled to start in mid year 2001;
- To export components to third world countries and offer technical joint venture production. Negotiations are on-going to select joint venture partners for India, Sri Lanka, Middle-east countries and the Philippines;
- To establish a large maintenance market on a contractual basis which will provide a one-stop shop for the Group's products and services. The large maintenance market will provide a good revenue stream for the Group as the market is relatively untapped;
- To manufacture automatic 'smoke curtains' for the more lucrative high-end market. This is a strategic alliance with Coopers Blind Ltd which gives SKB Shutters Group the right to manufacture, promote and market their products in Taiwan;
- To appoint distributors in various states in Malaysia and agents in the USA;

5.0 INFORMATION ON THE SKB SHUTTERS GROUP (Cont'd)

- To advertise their products in major local trade magazines and publications such as “Malaysian Quality Producers”, “Malbex”, “Malaysia Buying Guide”, “Malaysia Source Book For Architects & Designers”, “Architecture Malaysia” and foreign publications such as “Taiwan Building Magazine”, “Saudi Commerce & Economic Review” and “Taiwan Economic Daily Newspaper”;
- To build a factory and new headquarters in Banting, Selangor for further expansion of the Group’s manufacturing activities;
- To build a factory in Kulai, Johor for future capacity expansion and to service the southern region of Malaysia and Singapore; and
- To produce industrial and commercial racking systems for the local and overseas markets. Discussions are on-going with some foreign partners to develop and produce racking systems for export.

5.8.2 Prospect of the Group in the light of industry conditions and competition

Competition among roller shutter manufacturers will get stiffer but with SKB Shutters’ vast experience and knowledge in the shutters industry, they have successfully diversified their activities in related sectors of the shutter industry.

SKB Shutters’ business, which is both consumer and industrial based is set to grow in line with the increase in population, consumer spending, property and industrial development. The gradual increase in per capita income will drive the purchasing of more homes and establishment of new business which will translate into growth in the project sector and which in turn will booster the sales of roller shutters.

SKB Shutters is expected to continue to retain its niche in the Malaysian market and should have the ability to sustain its growth as the market leader in Malaysia. It also has the potential to become a lead player of the roller shutter industry in the Asian region. This is due to their vast experience, technical knowledge, facilities, equipment and also due to the constant introduction of new technologies and designs in their manufacturing process and commitment to R&D.

(Source: AC Nielsen Market Report dated 15 May 2000)

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5.0 INFORMATION ON THE SKB SHUTTERS GROUP (Cont'd)**5.9 Major Customers**

The SKB Shutters Group has a diversified customer base. The following are the Group's major clients and the total sales to them for the past financial year ended 30 June 2000:

SKBM

	Customer name	Products	Length of relationship (Years)	% of total sales
1.	Danau Reka Sdn Bhd	Roller shutters	3	4
2.	Continental Industrial Corporation Sdn Bhd	Roller shutters	2	3
3.	IJM Corporation Bhd	Roller shutters	4	4
4.	Pilecon Engineering Bhd	Roller shutters	2	2
5.	Reiki Bina Sdn Bhd	Roller shutters	-	2
6.	Wong Brothers Building Construction	Roller shutters	-	1
7.	PRK Builders Sdn Bhd	Roller shutters	-	1
8.	Seng Seng Construction Sdn Bhd	Roller shutters	-	1
9.	Ranhill Corporation Berhad	Roller shutters	-	1
10.	Lankhorst Pancabumi Contractor	Roller shutters	-	1

SKBT

	Customer name	Products	Length of relationship (Years)	% of total sales
1.	Zaiko Kanri (M) Sdn Bhd	Racking	3	38
2.	CP Metal Sdn Bhd	Spring, flush bolt and pedal	8	8
3.	V Aluminium and Roller Shutter Enterprise	Spring, flush bolt and pedal	8	3
4.	Langkap City (GSM Trading) Sdn Bhd	Spring, flush bolt and pedal	5	1
5.	San Her Engineering Works	Spring, flush bolt and pedal	8	1
6.	Lian Hoe Glass and Aluminium Construction	Spring, flush bolt and pedal	2	1
7.	Lap Yue Trading	Racking	1	1
8.	S.A.W. Engineering Roller Shutter	Spring, flush bolt and pedal	5	1

5.0 INFORMATION ON THE SKB SHUTTERS GROUP (Cont'd)

	Customer name	Products	Length of relationship (Years)	% of total sales
9.	Forley and Sons (Johor) Sdn Bhd	Spring, flush bolt and pedal	8	1
10.	Nutech Machine Design and Engineering	Racking	1	1

Rigida

	Customer name	Products	Length of relationship (Years)	% of total sales
1.	Giant Mfg. Co. Ltd	Alloy rims	7	18
2.	Kozaid Trading Co. Ltd	Alloy rims	6	17
3.	Merida Industry Co., Ltd	Alloy rims	2	12
4.	Willing Ind. Co. Ltd	Alloy rims	3	10
5.	Motocicio Sociedad Anonima	Alloy rims	3	9
6.	San Ground Co. Ltd	Alloy rims	2	8
7.	Taiwan Hodaka Industrial Co., Ltd	Alloy rims	3	6
8.	Berjaya Lerun Industries Bhd	Alloy rims	7	6
9.	Fritz Jou Mfg. Co. Ltd	Alloy rims	3	3
10.	Asia Bike Industrial (Private) Ltd	Alloy rims	2	3

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5.0 INFORMATION ON THE SKB SHUTTERS GROUP (Cont'd)

5.10 Major Suppliers

Most of the Group's suppliers are local-based since the majority of raw materials such as steel sheets, steel coils, steel doors, steel plates, powder coatings, high carbon wire, aluminium extrusions, black and round pipes are available locally. Occasionally, when there is a requirement for imported equipment from overseas manufacturers, orders are made through local suppliers who will then source from their foreign affiliates or external suppliers. However, some of these equipment and machines could also be fabricated locally. Generally, replacement parts for equipment and machines are also available locally.

Listed below are the Group's major suppliers and total purchases from them for the financial year ended 30 June 2000:

SKBM

	Suppliers name	Products	Length of relationship (Years)	% of total purchases
1.	Sumiputeh Steel Centre Sdn Bhd	Steel coil and steel sheet	8	23
2.	Sin Kean Boon - Sanwa (JV) Sdn Bhd	Steel door	8	16
3.	SKB Aluminium Industries Sdn Bhd	Aluminium extrusion	8	6
4.	Hunter Douglas Mfg (M) Sdn Bhd	Powder coating	7	5
5.	Southern Wire Industries (M) Sdn Bhd	High carbon wire	5	4
6.	Hiep Hong Hardware Sdn Bhd	Steel sheet and black pipe	8	3
7.	Alcom Extrusion Sdn Bhd	Aluminium extrusion	2	3
8.	Bircher Asia Pacific Sdn Bhd	Electrical components	4	2
9.	Maruichi (M) Steel Tube Bhd	Black pipe and round pipe	8	2
10.	Jotun Powder Coating (M) Sdn Bhd	Powder coating	2	2

5.0 INFORMATION ON THE SKB SHUTTERS GROUP (Cont'd)**SKBT**

	Suppliers name	Products	Length of relationship (Years)	% of total purchases
1.	SKB Shutters Manufacturing Sdn Bhd	Spring and racking	-	76
2.	Hiep Hong Hardware Sdn Bhd	Hollow section	2	17
3.	Sumiputeh Steel Centre Sdn Bhd	Hot rolled and zincalume	2	10
4.	Advance Bolts & Nuts Sdn Bhd	Bolts and nuts	2	1

Rigida

	Suppliers name	Products	Length of relationship (Years)	% of total purchases
1.	SKB Aluminium Industries Sdn Bhd	Extrusion	7	93
2.	Lee Dynasty Corporation	Rim pins and eyeletts	7	3
3.	Van Schothorst BV	Eyeletts	7	3
4.	Polyplus Packages Sdn Bhd	Carton board	7	2
5.	Ocean Label (KL) Sdn Bhd	Stickers	4	1

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6.0 INFORMATION ON THE SHAREHOLDERS/ DIRECTORS/ KEY MANAGEMENT OF THE SKB SHUTTERS GROUP (cont'd)

6.1 Directors, Substantial shareholders and Promoters

The particulars of the Directors, substantial shareholders and Promoters of SKB Shutters as at 10 February 2001 are as follows:

Name	<-----No. of shares held----->				Nationality/ place of incorporation
	Direct	%	Indirect	%	
SKBG	12,731,189	70.89	-	-	Malaysia
Sin Kheng Lee	-	-	12,731,189*	70.89	Malaysian
Sin Kheng Hong	-	-	12,731,189*	70.89	Malaysian
Sin Ching San	-	-	12,731,189*	70.89	Malaysian
Chou Lee Sin	-	-	12,731,189^	70.89	Taiwanese
Dato' Moehammad Izat bin Achmad Habechi Emir	2,613,441	14.55	-	-	Malaysian
Abbas bin Mehad	871,147	4.85	-	-	Malaysian
Abdul Rahim bin Abdul Rahman	696,918	3.88	-	-	Malaysian
Daud bin Daros	522,688	2.91	-	-	Malaysian
Mohd Hafiz bin Hashim	522,688	2.91	-	-	Malaysian
Lee Lam Keiong	-	-	-	-	Malaysian
Lai Lan Man @ Lai Shuk Mee	-	-	-	-	Malaysian
You Tong Lioung @ Yew Tong Leong	-	-	-	-	Malaysian

* Deemed interest by virtue of his shareholding in SKBG of more than 15%.

^ Deemed interest by virtue of the interest, deemed held by her husband, Sin Kheng Lee.

6.2 SKBG

History and business

SKBG was incorporated in Malaysia on 1 November 1990 under the Companies Act, 1965 under the name of Glory Optical Products Sdn Bhd as a private limited company. Subsequently on 12 May 1993, it assumed its present name. The principal activity of SKBG is investment holding.

Substantial shareholders

The substantial shareholders (with a shareholding of 2% and above) of SKBG as at 10 February 2001 are as follows:

Name	<---No. of shares--->		<---% holding--->		Country of incorporation/ Nationality
	Direct	Indirect	Direct	Indirect	
Sin Kheng Lee	554,999**	112,500*	37.00	7.50	Malaysian
Sin Kheng Hong	416,251^	-	27.75	-	Malaysian
Sin Ching San	416,250 ^^	-	27.75	-	Malaysian
Lembah Segar Sdn Bhd	112,500	-	7.50	-	Malaysia
Chou Lee Sin	-	667,499 #	-	44.50	Taiwanese

* Deemed interested by virtue of his shareholding in Lembah Segar Sdn Bhd of more than 15%.

^ He holds 1 share in the company and he is also the beneficial owner, whereby 416,250 shares are held in the name of Sin Kheng Lee as bare trustee

6.0 INFORMATION ON THE SHAREHOLDERS/ DIRECTORS/ KEY MANAGEMENT OF THE SKB SHUTTERS GROUP (cont'd)

- ^^ Beneficial owner, whereby 416,250 shares are held in the name of Sin Kheng Lee as bare trustee
- # Deemed interest by virtue of her spouse, Sin Kheng Lee's shareholding in SKBG of more than 15% and by virtue of she holding 1% and Sin Kheng Lee holding 99% interest in Lembah Segar Sdn Bhd which in turn holds 7.5% interest in SKBG
- ** Number of shares held directly by himself. He also holds as bare trustee for Sin Kheng Hong and Sin Ching San for 416,250 shares each respectively.

Board of Directors

The particulars of the Directors of SKBG as at 10 February 2001 are as follows:

Name	<---No. of shares--->		<---% holding--->		Country of incorporation/ Nationality
	Direct	Indirect	Direct	Indirect	
Sin Kheng Lee	554,999**	112,500*	37.00	7.50	Malaysian
Sin Kheng Hong	416,251^	-	27.75	-	Malaysian
Sin Ching San	416,250^^	-	27.75	-	Malaysian

- * Deemed interested by virtue of his shareholding in Lembah Segar Sdn Bhd of more than 15%
- ** Number of shares held directly by himself. He also holds as bare trustee for Sin Kheng Hong and Sin Ching San for 416,250 shares each respectively
- ^ He holds 1 share in the company and he is also the beneficial owner, whereby 416,250 shares are held in the name of Sin Kheng Lee as bare trustee
- ^^ Beneficial owner, whereby 416,250 shares are held in the name of Sin Kheng Lee as bare trustee

6.3 Promoters' and Directors' directorships and large shareholdings in all other public listed companies in Malaysia for the past two (2) years

Save for Dato' Moehamad Izat bin Achmad Habechi Emir, none of the promoters/directors of SKB Shutters has any directorships or large shareholdings in other public listed companies in Malaysia for the past two years.

Dato' Moehamad Izat bin Achmad Habechi Emir

Name of Company	Country of incorporation	Principal Activities	% Shareholding		Date of Appointment as Director
			Direct Interest	Indirect Interest	
Faber Group Berhad	Malaysia	Investment holding and providing management services to its subsidiaries	-	-	02.05.91
Aokam Perdana Berhad	Malaysia	Investment and provision of management services	-	-	09.12.96 Resign 01.09.98
Perstima Berhad	Malaysia	Manufacturing and sales of tin plates	-	-	23.01.96

6.0 INFORMATION ON THE SHAREHOLDERS/ DIRECTORS/ KEY MANAGEMENT OF THE SKB SHUTTERS GROUP (cont'd)

6.4 Knowledge and experience of promoters

Please refer to profiles of Mr Sin Kheng Lee, Dato' Moehamad Izat bin Achmad Habechi Emir, Ms Chou Lee Sin, Mr Sin Kheng Hong and Mr Sin Ching San in Section 6.6 of this Prospectus.

6.5 Changes in Shareholdings for Substantial Shareholders /Promoters of SKB Shutters for the past three (3) years

SKB Shutters was incorporated on 6 May 1997. The changes in the substantial shareholders /promoters of SKB Shutters for the past three (3) years are as follows:

Shareholders	As at 30.06.99		As at 30.06.2000		As at 10.02.2001	
	<---Shareholdings---> No. of shares	%	<---Shareholdings---> No. of shares	%	<---Shareholdings---> No. of shares	%
Ng Hai Yeen	1	50.00	1	50.00	-	-
Kuan Yet Wah	1	50.00	-	-	-	-
Lim Meei Ying	-	-	1	50.00	-	-
Diong Chin Teck	-	-	-	-	1	-
Lam Voon Kean	-	-	-	-	1	-
SKBG	-	-	-	-	12,731,189	70.89
Dato' Moehamad Izat bin Achmad Habechi Emir	-	-	-	-	2,613,441	14.55
Sin Kheng Lee	-	-	-	-	12,731,189*	70.89
Sin Kheng Hong	-	-	-	-	12,731,189*	70.89
Sin Ching San	-	-	-	-	12,731,189*	70.89
Chou Lee Sin	-	-	-	-	12,731,189^	70.89

* Deemed interest by virtue of his shareholding in SKBG of more than 15%.

^ Deemed interest by virtue of the interest, deemed held by her husband, Sin Kheng Lee.

6.6 Brief profile of the Board of Directors of SKB Shutters

Sin Kheng Lee, aged 43, was appointed to the Board of SKB Shutters on 10 February 2001 as the Executive Chairman and Managing Director of SKB Shutters. He obtained a Diploma in Mechanical Engineering in 1979 from the Taipei Institute of Technology in Taiwan. Upon graduation, he worked for Sin Kean Boon Metal Industries Sdn Bhd for 13 years until his resignation in May 1992. During his tenure in the company, he was the Director in charge of the Kuala Lumpur branch from the year 1982 up to May 1992. He subsequently pursued his career in the manufacture of roller shutters where he was appointed as the Managing Director of SKBM on 25 June 1992.

He is currently responsible for the development of products and businesses of SKBM, which include managing and controlling of various manufacturing, administrative and operating functions of the company. With his vast experience of 22 years in the roller shutters business, he has successfully brought about the rapid expansion, modernisation and diversification of the company's manufacturing activities and hence provided the necessary guidance and contribution towards the management activities of the Group. He also sits on the Board of several other private companies.

6.0 INFORMATION ON THE SHAREHOLDERS/ DIRECTORS/ KEY MANAGEMENT OF THE SKB SHUTTERS GROUP (cont'd)

Dato' Moehamad Izat bin Achmad Habechi Emir, aged 62, was appointed to the Board of SKB Shutters on 10 February 2001 as a non-Executive Director of SKB Shutters. He was appointed as a Director of SKBM on 3 March 1997. He is also a Director of Torsco Berhad, Autoways Holdings Berhad and the Chairman of IMPSA (M) Sdn Bhd. He was the Managing Director of Aokam Perdana Berhad from 1997 to 1998 and the Executive Chairman of Perusahaan Sadur Timah Malaysia (PERSTIMA) Bhd from 1996 to 1999.

He was awarded the Dato' Paduka Mahkota Perak (DPMP) and Ahli Mangku Negara (AMN) for his past achievements. He was the Chairman of the National Consumer Affairs Council of Malaysia in 1996, Member of the UMNO Consumer Bureau Malaysia in 1994 and member of the Subang Jaya Municipal Council in 1995. Dato' Moehamad was the Deputy Chairman of the Malay Chamber of Commerce, Malaysia, City of Kuala Lumpur from 1974 to 1984 and was subsequently the Chairman of the Malay Chamber of Commerce, Malaysia, City of Kuala Lumpur from 1984 to 1997.

Sin Kheng Hong, aged 41, was appointed to the Board of SKB Shutters on 10 February 2001 as an Executive Director of SKB Shutters. He has accumulated more than 25 years of experience in the manufacturing business and has over the years been involved in the roller shutters and metal based industry. He started his career in Sin Kean Boon Metal Industries Sdn Bhd in 1976 before being promoted to the position of Director in charge of production control and purchasing. During his tenure in Sin Kean Boon Metal Industries Sdn Bhd, he was based in Penang from 1976 until May 1992 prior to joining SKBM. He was appointed on the Board of SKBM on 25 June 1992. His responsibilities in the Group include managing the production control and purchasing activities. He also sits on the Board of several other private companies.

Sin Ching San, aged 32, was appointed to the Board of SKB Shutters on 10 February 2001 as an Executive Director of SKB Shutters. He has over 13 years of experience and exposure in the roller shutters and metal-based industry. He was appointed to the Board of SKBM on 25 June 1992. He is also the Director of several other companies namely, SKBT and SKB Glory. He heads the research and development department of the Group, whereby his responsibilities include the improvement of productivity and quality of roller shutters through innovation and development of new ideas.

Chou Lee Sin, aged 42, was appointed to the Board of SKB Shutters on 10 February 2001 as an Executive Director of SKB Shutters. She obtained a Diploma in Synthetic Commerce from Taipei, Taiwan. She started her career in Malaysia in 1982 whereby she was attached to Sin Kean Boon Metal Industries Sdn Bhd. She was stationed in the Kuala Lumpur branch office and was responsible for the overall administration and financial matters. She has accumulated over 19 years of experience in the roller shutters and metal based industry. On May 1992, she joined SKBM as the General Manager and was responsible for the overall administration and financial matters. She was subsequently appointed as a Director of SKBM on 26 June 1997. She is currently holding the position of General Manager in SKBT and is responsible for its finance and administration. She is also a Director of SKBE.

Lee Lam Keiong, aged 47, was appointed to the Board of SKB Shutters on 10 February 2001 as a non-Executive Director of SKB Shutters. In 1974, he joined Lithgow Nelson & Co., a professional accountancy firm in London as a trainee accountant and left in 1981 as an Audit Manager. He started his own business and formed a company, Nuline Products Sdn Bhd in 1982 and is the Managing Director of the company. The company markets and distributes baby food products from Milupa, Germany. He has successfully built up a brand of fast moving consumer goods from a zero base to a household brand in Malaysia.

6.0 INFORMATION ON THE SHAREHOLDERS/ DIRECTORS/ KEY MANAGEMENT OF THE SKB SHUTTERS GROUP (cont'd)

Lai Lan Man @ Lai Shuk Mee, aged 45, was appointed to the Board of SKB Shutters on 10 February 2001 as an Independent non-Executive Director of SKB Shutters. She obtained her first degree in Arts majoring in Economics from the University of Malaya in 1978. From 1978 to 1981, she worked as a personnel executive in Selangor Pewter Co. Sdn Bhd after which she joined Tan Chong Motor Assemblies Sdn Bhd where she worked for six and a half years. She later completed her Bachelor of Laws Degree in 1987 through the University of London External Programme and was called to the English Bar in July 1988 and then to the Malaysian Bar in 1989.

She later completed her chambering with Messrs Siva, Thurai & Mariany in May 1989 where she worked for a year and subsequently joined Messrs Chooi & Company as a legal assistant for another year. In May 1990, she set-up a legal practice with a partner under the name of Messrs Cheah, Lai and Associates until the partnership was dissolved on 30 September 1994. Subsequently, she set-up another legal practice on 1 October 1994 under the name of Lai, Yoong & Associates. The firm later changed its name to Messrs Lai, Yoong & Rita on 1 June 1996.

You Tong Lioung @ Yew Tong Leong, aged 64, was appointed to the Board of SKB Shutters on 10 February 2001 as an Independent non-Executive Director of SKB Shutters. He graduated in 1960 from the Nanyang University in Singapore with a Bachelor of Commerce degree in Banking. Upon his graduation, he joined United Malayan Banking Corporation Bhd (presently known as RHB Bank Berhad), Kuala Lumpur as an officer in the Bills Department. He was responsible for handling import and export transactions. He was subsequently transferred to Kuala Kangsar branch and later to Sungai Siput branch as an assistant manager. He was promoted to Bank Manager in 1963 and has since worked in many parts of the country until 1985 when he resigned to join Malaysian French Bank Bhd (now known as Alliance Bank Malaysia Berhad). He worked as a Branch Manager for Alliance Bank Malaysia Berhad for 11 years until his retirement in 1996.

He later joined Cayman Development (Kedah) Sdn Bhd as the Operations Manager in January 1997. He has been the Credit Control Manager of Kurnia Insurans (M) Berhad since July 1998.

He was on the board of several other private limited companies but has since resigned from the directorship of all the companies.

6.7 Declaration by the Directors

No Director, senior executive officer or person nominated to become a Director or senior executive officer is or was involved in the following events:

- i) A petition under any bankruptcy laws filed (and not struck out) against such person or any partnership in which he was a partner or any corporation of which he was an executive officer;
- ii) Such person was convicted in a criminal proceeding or is a named subject of a pending criminal proceeding; or
- iii) Such person was the subject of any order, judgement or ruling of any court of competent jurisdiction permanently or temporarily enjoining him from acting as an investment adviser, dealer in securities, director or employee of a financial institution and engaging in any type of business practice or activity.

6.0 INFORMATION ON THE SHAREHOLDERS/ DIRECTORS/ KEY MANAGEMENT OF THE SKB SHUTTERS GROUP (cont'd)

6.8 Aggregate remuneration and benefits of directors

For the financial year ended 30 June 2000, the remuneration and fees paid to the Directors for services to the subsidiary companies was RM0.612 million. For the financial year ending 30 June 2001, the amount of remuneration and fees proposed to be paid to the Directors for services to the Company and its subsidiary companies is estimated to be RM0.800 million.

6.9 Audit Committee

Name	Designation	Directorship
You Tong Lioung @ Yew Tong Leong	Chairman	Independent Non-Executive Director
Sin Kheng Lee	Member	Group Managing Director
Lai Lan Man @ Lai Shuk Mee	Member	Independent Non-Executive Director

6.10 Brief profile of the Senior Management of the SKB Shutters Group

Yong Cheang Yee, aged 43, was appointed General Manager of SKBM on 1 March 1997. He obtained his Bachelor Degree in Mechanical Engineering from the University of Auckland on 7 May 1981 and later graduated from Massey University, New Zealand with a Masters in Business Administration on 6 May 1983. He joined Texas Instrument Malaysia Sdn Bhd as a Process Engineer in 1983 and later joined RFG Trading Company Sdn Bhd as a Project and Sales Engineer in 1984. He was involved in the sales and project implementation of building services products. In 1988, he joined GM Corporation Sdn Bhd as Assistant Factory Manager. He then moved to UCM Industrial Corporation Bhd as a Production Manager between 1990 and 1993 where he was involved in the implementation of the new Phase I and Phase II factories. Between the years 1993 to 1997, he worked for Rigida as the General Manager.

Ow Yoke Fook, aged 55, joined SKBM as Manager in the powder coating department in 1998. He was involved in the initial set-up of the department, the implementation and co-ordination of various functions such as production, R & D and sales within the powder coating department. He was also actively involved in the successful application of powder coating to hot-dip galvanized steel products, which is a breakthrough development in the coating industry. Consequently, SKBM was awarded the first Approved Specialist Applicators of Corro-Coat PE Series "C" for the application to Galvanized Steel Products.

Prior to SKBM, he spent four years at Jotun Powder Coatings (M) Sdn Bhd as a Sales Executive, responsible for sales activities in the states of Kedah, Penang and Perak before moving on to the position of Sales Manager in another powder coating contract services company. Mr. Ow has more than 15 years of experience in the application of protective coatings and anti-corrosive coatings for the building industry.

Chou Chun Sheng, aged 37, joined SKBM as Production Manager in 1998. He obtained a Bachelor in Commerce from Feng Chia University, Taiwan in 1986. Upon graduation, he joined Jan Lun Co. Ltd. as a sales executive. In 1988, he joined Taiwan Glass Co., Ltd as an Assistant Sales Manager handling export sales to the Far East. From 1991 to 1994, he was a Supervisor in the Machine Maintenance Department of Sine Shie Chuang Cool Forming Machine Co., Ltd. In 1994, he joined Jiuong Electric Motor Co., Ltd as an Assistant Manager in the R & D Department, specialising in areas such as process technology, productivity, quality and safety improvement, reject ratio reduction and studies on zero defect planning. He left Jiuong Electric Motor Co., Ltd. for SKBM in 1998.

6.0 INFORMATION ON THE SHAREHOLDERS/ DIRECTORS/ KEY MANAGEMENT OF THE SKB SHUTTERS GROUP (cont'd)

Ng Liew Chin, aged 31, is the Accountant of SKBM since 5 August 1996. She graduated from Tunku Abdul Rahman College in June 1991 with a Diploma in Commerce & Financial Accounting. She is a registered Accountant with the Malaysian Institute of Accountants and also an associate member of the ACCA since 25 August 1995 and 23 February 1995 respectively. She received her training in auditing and taxation with various professional firms such as Ernst & Young. Her experience in accounting, finance and management functions are gained primarily in the trading and manufacturing industry.

Goh Kay Beng, aged 34, is the Senior Project Sales Executive of SKBM. He joined SKBM on 16 May 1995 as Sales Executive. He was promoted to his current position on 19 May 1997. He started his career at CPC/AJI Sdn Bhd as a Key Account Sales Representative in the Consumer Product Department in 1988. In 1990, he moved to Samabagia Enterprises Sdn Bhd, a licensed manufacturer of fire-rated doors as a Marketing Sales Executive. He spent five years there before joining SKBM in 1995.

Chan Puai Kun, aged 39, is a Senior Project Sales Executive of SKBM. He joined SKBM on 10 April 1995 as a Marketing Executive. He was promoted to his current position on 1 April 1997. Prior to SKBM, he has worked at Usahaniaga Teknik Sdn Bhd for about 6 years as a Sales Executive handling sales of building materials, galvanizing of lamp posts and other items. He was a site supervisor with a construction company for two years after completing his diploma in civil engineering from the Institute Technology Jaya in 1984.

Ng Swee Chin, aged 34, is the Sales Executive (Parts Trading) of SKBM. She joined SKBM on 6 March 1992 as its Purchasing Executive. She was promoted to her current position on 1 June 1996 and is overall in charge of sales of roller shutters components and parts. She has had about five years of experience at SKI Industries, a spray painting and powder coating company, before joining SKBM.

Lim Bee Yeng, aged 47, is a Sales Executive (Racking System) of SKBM. She joined SKBM on March 2000. Prior to her position in SKBM, she has worked and gained experience at Artrack Storage Systems Sdn Bhd and Sin Kean Boon Metal Industries Sdn. Bhd. as a Marketing Executive of which she has accumulated more than four years of experience in the racking sales industry.

None of the above senior management of the SKB Shutters Group holds any shares directly or indirectly in the Company other than Chou Chun Sheng, the brother of Chou Lee Sin, who is deemed to hold indirectly 21,857,605 SKB Shutters Shares and Madam Ng Swee Chin, the spouse of Mr Sin Ching San, who is deemed to hold indirectly 21,847,605 SKB Shutters Shares.

6.11 Family Relationships

Madam Chou Lee Sin is the spouse of Mr Sin Kheng Lee while Mr Sin Kheng Hong and Mr Sin Ching San are brothers to Mr Sin Kheng Lee. Mr Lee Lam Keiong is the brother-in-law of the Sin brothers. Madam Ng Swee Chin is the spouse of Mr Sin Ching San. Mr Chou Chun Sheng is the brother of Madam Chou Lee Sin.

Save as disclosed above, there is no other family relationship between the Directors and Senior Management of the SKB Shutters Group.

6.12 Employees

As at 10 February 2001, the SKB Shutters Group has a total of 123 employees under its employment and the relationship between the management and employees is good. The employees of the SKB Shutters Group do not belong to any union.

6.0 INFORMATION ON THE SHAREHOLDERS/ DIRECTORS/ KEY MANAGEMENT OF THE SKB SHUTTERS GROUP (cont'd)

6.13 Management Agreement and Service Contracts

There are no existing management agreement and service contracts entered into between the SKB Shutters Group and any of the Directors and key Management of the SKB Shutters Group.

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7.0 APPROVALS AND CONDITIONS

7.1 Approvals Required

The Restructuring Scheme are conditional upon the following approvals being obtained:

- (i) The SC, the approval of which was obtained on 7 November 2000;
- (ii) The MITI, the approval of which was obtained on 24 August 2000; and
- (iii) The FIC, the approval of which was obtained on 11 July 2000.

7.2 Conditions to the Approvals and Compliance thereof

	Conditions Imposed	Status of Compliance	
FIC	(i) SKB Shutters is to maintain at least 30% Bumiputera equity interest upon listing; and	To be complied	
	(ii) SKB Shutters is to obtain the approval of the MITI.	Met	
MITI	(i) At least 30% equity interest in SKB Shutters is to be allocated to Bumiputera investors during listing.	To be complied	
	(ii) SKB Shutters is to obtain the approval of the FIC.	Met	
	(iii) SKB Shutters is to obtain the approval of the SC.	Met	
	(iv) The existing 30% Bumiputera equity interest in SKB Shutters recognised by the MITI is subject to a moratorium. Any sale or transfer of shares is not allowed without the prior written approval from the MITI.	To be complied	
	(v) The equity conditions imposed on SKBM and Rigida are amended as follows: 70% of the shares in the company are to be held by Malaysian and these includes a minimum of 30% of the shares to be placed under reserved. The company is to negotiate with MITI prior to the distribution of the reserved issue.	To be complied	
SC	(i) The total proceeds arising from the Rights Issue and Public Issue shall be utilised in the following manner:	To be complied	
			RM'000
	(a) Purchase of machinery		860
	(b) Purchase of land and construction of factory in Kulai, Johor		4,270
	(c) Purchase of land in Banting, Selangor		6,210
	(d) Repayment of amount owing to related companies		6,487
	(e) Redemption of SKBM's 500% cumulative redeemable preference share		3,000
	(f) Working capital		3,090
	(g) Listing expenses		1,200
			<u>25,117</u>

7.0 APPROVALS AND CONDITIONS (Cont'd)

	Conditions Imposed	Status of Compliance
(ii)	<p>The utilisation of proceeds are subject to the following conditions:</p> <p>(a) SKB Shutters is required to obtain the approval of the SC for any variation to the original utilisation of proceeds, if such new utilisation is for the non-core business activities of the Group.</p> <p>(b) SKB Shutters is required to obtain the approval of its shareholders should the change in the utilisation of proceeds varies more than 25% from the original utilisation. Should the said change varies less than 25%, SKB Shutters will only be required to inform its shareholders of the change.</p> <p>(c) Any extension of time in respect of the implementation for the utilisation of proceeds must be approved through a Board resolution and SKB Shutters is to make the necessary disclosure to the KLSE of such change.</p> <p>(d) SKB Shutters is required to make the relevant disclosure on the status of the utilisation of proceeds in the Company's Quarterly Report and Annual Report. Such disclosure shall be made until the proceeds have been fully utilised.</p>	<p>To be complied if there is any further variation to the original utilisation of proceeds as disclosed in Section 3.8 of this Prospectus.</p> <p>To be complied if there is any further variation to the original utilisation of proceeds as disclosed in Section 3.8 of this Prospectus.</p> <p>To be complied if there is any further variation to the original time frame for the utilisation of proceeds as disclosed in Section 3.8 of this Prospectus.</p> <p>To be complied</p>
(iii)	<p>Trade debtors outstanding or have exceeded the terms of credit are to be fully collected by SKBM prior to the despatch of the Prospectus. In the event that the debts are not fully collected, provisions for bad debts should be made.</p>	Met
(iv)	<p>Moratorium will be imposed on the 18,000,000 ordinary shares of RM1.00 each, representing 45% of the enlarged issued and paid-up share capital of SKB Shutters held by the promoters, whereby they are not allowed to sell, transfer or assign part of their shareholdings in SKB Shutters within one (1) year from the date of admission of SKB Shutters to the Official List of the Second Board of the KLSE. Thereafter, the promoters are allowed to divest or transfer up to a maximum of one third of their shareholdings per annum.</p> <p>The SC has no objection that 18,000,000 ordinary shares held by SKBG be under moratorium.</p> <p>The moratorium is also imposed on the individual shareholders of SKBG (who are the ultimate shareholders of SKB Shutters). The ultimate shareholders will also be held under moratorium in respect of their direct shareholdings in SKB Shutters (if any). These shareholders are required to give a written undertaking that they will not sell, transfer or assign part of their shareholding in all and any shares, which they hold in SKBG/SKB Shutters until the date of expiry of the moratorium.</p>	<p>The shareholders of SKBG have on 1 February 2001 provided an undertaking that they would not sell, transfer or assign part of their shareholding in all and any shares which they hold in SKBG/ SKB Shutters from the date of admission of SKB Shutter on the Official List of the KLSE until the date of expiry of the moratorium.</p>

7.0 APPROVALS AND CONDITIONS (Cont'd)

	Conditions Imposed	Status of Compliance
(v)	The Promoters and Directors of SKB Shutters are to provide written undertakings to the SC that they will not venture into any new business that would result in a potential conflict of interest with the Group's existing business. Any involvement in similar businesses have to be disclosed in the Prospectus.	All the Promoters and Directors of SKB Shutters other than Ms Lai Lan Man @ Lai Shuk Mee had on 1 February 2001 provide an undertaking that they shall not venture into any new business that would result in a potential conflict with the Group's existing businesses. Ms Lai Lan Man @ Lai Shuk Mee gave her undertaking on 7 February 2001
(vi)	Any future business transactions between SKB Shutters and companies connected with its Promoters, Directors and Substantial Shareholders are to be transacted on arms-length basis. All such transactions (if any) are to be monitored by the Group's audit committee and reported by the Directors in the Company's Annual Report each year.	To be complied
(vii)	SKB Shutters is to comply with all matters pertaining to the issuance of securities as per the SC's Policies and Guidelines on Issue/ Offer of Securities, paying special attention to chapters 7, 10 and 25 of the said guidelines.	To be complied

7.3 Moratorium on Disposal of Shares

The SC in approving the flotation of the Company on the Second Board of the KLSE has imposed that moratorium be placed on the disposal of shares by certain substantial shareholders of SKB Shutters.

It is a condition of the SC that the substantial shareholder of SKB Shutters, namely SKBG, will not be allowed to sell, transfer or assign part of its shareholdings in SKB Shutters amounting to 18,000,000 ordinary shares of RM1.00 each, representing 45% of the issued and paid-up share capital of SKB Shutters, within one year from the date of admission of SKB Shutters to the Official List of the Second Board of the KLSE.

SKBG is permitted to divest or transfer up to a maximum of one-third per annum (on a straight-line basis) of its shareholdings under the moratorium after the said one-year period.

Information on the substantial shareholder of SKB Shutters which is subject to the moratorium is as follows:

	No. of ordinary shares held after the Public Issue	% of share capital	No. of ordinary shares placed under moratorium	% of share capital
SKB Glory Sdn Bhd	21,847,605	54.62	18,000,000	45.00
	<u>21,847,605</u>	<u>54.62</u>	<u>18,000,000</u>	<u>45.00</u>

8.0 RELATED PARTY TRANSACTIONS/ CONFLICT OF INTEREST

8.1 Related Party Transactions

None of the Directors or substantial shareholders of the Company have any interest, direct or indirect, in any business carrying on a similar trade as the Company or its subsidiaries.

8.2 Declaration by Advisors, Auditors, Solicitors, Market Researchers and Valuers

Perdana Bankers hereby confirms that there is no conflict of interest in its capacity as the Adviser for the Issue.

Messrs Sim Hazlina & Co has given its confirmation that there is no conflict of interest in its capacity as the Solicitor for the issue.

Messrs KPMG has given its confirmation that there is no conflict of interest in its capacity as Reporting Accountants.

CH Williams Talhar & Wong Sdn Bhd has given its confirmation that there is no conflict of interest in its capacity as the Valuers in relation to the issue.

AC Nielsen (Malaysia) Sdn Bhd has given its confirmation that there is no conflict of interest in its capacity as the Independent Market Researcher in relation to the issue.

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9.0 OTHER INFORMATION CONCERNING THE SKB SHUTTERS GROUP**9.1 Approvals, Major Licenses and Permits Obtained, Conditions Attaching (if any) and Status of Compliance****SKBM**

Authority	Date of Issue	Type of license	Equity condition	Status of Compliance
MITI	24.07.96	Manufacturing License for Steel and Aluminium Roller Shutters	100% of SKBM's shares are to be held by Malaysians, out of which 30% are to be held by Bumiputras.	Met
MIDA	26.07.96	Manufacturing License for Steel and Aluminium Roller Shutters	100% of SKBM's shares are to be held by Malaysians, out of which 30% are to be held by Bumiputras.	Met
MITI	18.11.99	Manufacturing License for Steel Storage Racks	100% of SKBM's shares are to be held by Malaysians, out of which 30% are to be held by Bumiputras.	Met
MIDA	22.11.99	Manufacturing License for Steel Storage Racks	100% of SKBM's shares are to be held by Malaysians, out of which 30% are to be held by Bumiputras.	Met

Rigida

Authority	Date of Issue	Type of License/Incentive	Equity conditions	Status of Compliance
Royal Malaysian Customs	01.06.00	Warehouse Licence	-	-
MITI	14.04.95	Manufacturing License for the production of alloy wheel rims for bicycle	At least 20% of the equity interest of Rigida should be in the hands of Malaysians	Met
Majlis Perbandaran Klang	11.12.99	Business License for year 2000	-	-

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9.0 OTHER INFORMATION CONCERNING THE SKB SHUTTERS GROUP (Cont'd)

9.2 Summary of Landed Properties

The summarised information on the SKB Shutters Group's landed properties are set out below:

Proprietor	Location	Existing Use	Expiry dates for leasehold land	Age of building (years)	Land Area (sq. m.)	Built-up area (sq. m.)	NBV as at 30 June 1999 RM'000	NBV as at 30 June 2000 RM'000	Open market valuation by independent valuer RM'000	Open market value as approved by the SC RM'000	Revaluation Surplus based on NBV as at 30 June 1999 RM'000	Revaluation Surplus based on NBV as at 30 June 2000 RM'000
SKBM	Lot 2.22-2.28 Jalan SU 6A Lion Industrial Park Phase 2 Section 22, 40300 Shah Alam Selangor Darul Ehsan	Factory	Freehold	4 to 6	16,243	2,530.44	15,493*	14,709	16,100**	16,100	607	1,391
SKBM	Seri Hijauan Condominium B1-81, 1 Jalan Bukit Hijau 26/2U Section 26 40000 Shah Alam Selangor Darul Ehsan	Accommodation	Freehold	4	-	95.97	211	207	180	180	(31)	(27)
SKBM	Robson Heights Condominium No 98, Section 94B, Robson Heights off Jalan Syed Putra Kuala Lumpur	Vacant	Freehold	3	-	138.90	236	232	250	250	14	18
SKBM	Endah Ria Condominium S0109 Sapphire Tower Taman Sri Endah Bandar Baru Seri Petaling	Vacant	Leasehold 93 years expiring in 2083	1	-	128.67	214	209	207	207	(7)	(2)

9.0 OTHER INFORMATION CONCERNING THE SKB SHUTTERS GROUP (Cont'd)

Proprietor	Location	Existing Use	Expiry dates for leasehold land	Age of building (years)	Land Area (sq. m.)	Built-up area (sq. m.)	NBV as at 30 June 1999 RM'000	NBV as at 30 June 2000 RM'000	Open market valuation by independent valuer RM'000	Open market value as approved by the SC RM'000	Revaluation Surplus based on NBV as at 30 June 1999 RM'000	Revaluation Surplus based on NBV as at 30 June 2000 RM'000
SKBM	Endah Ria Condominium S0209 Sapphire Tower Taman Sri Endah Bandar Baru Seri Petaling	Vacant	Leasehold 93 years expiring in 2083	1	-	128.67	216	211	210	210	(6)	(1)
SKBM	Lot No 47158 Industrial Lot of Indahpura in Mukim Senai-Kulai Daerah Johor Bahru Johor	Vacant	Freehold	-	6,102	-	1,676	1,676	1,380	1,380	(296)	(296)
SKBM	H.S. (M) 2726 PTD 3345 Tempat Parit Maimon Mukim Simpang Kiri Negeri Johor	Factory (11/2 Floor)	Freehold	4	1,045	-	259	254	230	230	(29)	(24)
TOTAL							18,305	17,498	18,557	18,557	252	1,059

* Including a steel platform with an invoiced value of RM1,764,500 of which RM1,061,937 has been paid.

** Including a steel platform with an open market value of RM1,700,000, as assessed by an independent market valuer.

9.3 Acquisition of Any of the Properties During the Two (2) Years Preceding the Valuation

None.