

SKB SHUTTERS CORPORATION BERHAD
 (Company No. 430362 -U)
 (Incorporated in Malaysia)
 AND ITS SUBSIDIARIES

NOTES TO THE QUARTERLY REPORT
 #REF!

8 Status of corporate proposals

The proceeds raised pursuant to the listing exercise was utilised in the following manner as approved by the Securities Commission:

	Amount
Purpose	RM'000
Purchase of machinery	860
Purchase of land in Kulai	670
Repayment of amount owing to related companies	6,487
Redemption of a subsidiary's 500% cumulative redeemable preference shares	3,000
Listing expenses	1,200
Working capital	3,090

On 28 September 2001, the Board of Directors has approved the extension of time for another six months from 29 September 2001 to fully utilise its proceeds raised pursuant to the listing exercise.

The Group made the following announcement to the Kuala Lumpur Stock Exchange on 7 February 2002 and 8 February 2002 respectively :

Proposed revision to the IPO proceeds of approximately RM9.8 million for the acquisition of land and factory construction to the leasing of industrial land for a total cash consideration of approximately RM9.2 million, subject to approvals from the relevant authorities.

9 Issuance of equity or debts securities

There were no issuances and repayment of debt and equity securities, share buy-backs, share cancellations, share held as treasury shares and resale of treasury shares for the financial periods under review.

10 Group Borrowings and Debt Securities

	As at end of 31-Dec-01 RM'000	As at end of 30-Jun-01 RM'000
Unsecured - short term		
Bank overdrafts	6,063	3,910
Bankers' acceptances	3,191	4,946
Revolving credit	1,500	-
Term loan	104	-
	10,858	8,856

11 Contingent liabilities

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 a counterclaim amounting to RM0.987 million as at 25 February 2002 (the latest practicable date which is not earlier than 7 days from the date of issuance of this quarterly report).

12 Off balance sheet financial instruments

The Group did not have any financial instruments with off balance sheet risk as at 25 February 2002 (the latest practicable date which is not earlier than 7 days from the date of issuance of this quarterly report).

13 Material pending litigation

The Group was not engaged in any material litigation as at 25 February 2002 (the latest practicable date which is not earlier than 7 days from the date of issuance of this quarterly report).

14 Segmental reporting

There is no segmental reporting as the Group's activities are principally engaged in manufacturing and sale of roller shutters, racking system and related steel products and its operations are carried out in Malaysia.