

THIS PROSPECTUS HAS BEEN SEEN AND APPROVED BY THE DIRECTORS AND PROMOTERS OF SKP RESOURCES BHD (FORMERLY KNOWN AS VITAL CONGLOMERATE BERHAD) (524297-T) ("SKPRB" OR "COMPANY") AND THEY COLLECTIVELY AND INDIVIDUALLY ACCEPT FULL RESPONSIBILITY FOR THE ACCURACY OF THE INFORMATION GIVEN AND CONFIRM THAT, AFTER HAVING MADE ALL REASONABLE ENQUIRIES, AND TO THE BEST OF THEIR KNOWLEDGE AND BELIEF, THERE ARE NO FALSE OR MISLEADING STATEMENT OR OTHER FACTS, THE OMISSION OF WHICH WOULD MAKE ANY STATEMENT HEREIN FALSE OR MISLEADING.

COMMERCE INTERNATIONAL MERCHANT BANKERS BERHAD (18417-M) BEING THE ADVISER, MANAGING UNDERWRITER AND PLACEMENT AGENT, ACKNOWLEDGES THAT BASED ON ALL AVAILABLE INFORMATION AND TO THE BEST OF ITS KNOWLEDGE AND BELIEF, THIS PROSPECTUS CONSTITUTES A FULL AND TRUE DISCLOSURE OF ALL MATERIAL FACTS CONCERNING THE PUBLIC ISSUE (AS HEREINAFTER DEFINED) AND IS SATISFIED THAT THE CONSOLIDATED PROFIT FORECAST (FOR WHICH THE DIRECTORS OF THE COMPANY ARE FULLY RESPONSIBLE) PREPARED FOR INCLUSION IN THIS PROSPECTUS HAS BEEN STATED BY THE DIRECTORS AFTER DUE AND CAREFUL ENQUIRY AND HAS BEEN DULY REVIEWED BY THE REPORTING ACCOUNTANTS.

THE SECURITIES COMMISSION ("SC") HAS APPROVED THIS PUBLIC ISSUE AND THAT APPROVAL SHALL NOT BE TAKEN TO INDICATE THAT THE SC RECOMMENDS THE PUBLIC ISSUE, WHICH IS THE SUBJECT OF THIS PROSPECTUS.

THE SC SHALL NOT BE LIABLE FOR ANY NON-DISCLOSURE ON THE PART OF THE COMPANY AND ASSUMES NO RESPONSIBILITY FOR THE CORRECTNESS OF ANY STATEMENTS MADE OR OPINIONS OR REPORTS EXPRESSED IN THIS PROSPECTUS.

INVESTORS SHOULD RELY ON THEIR OWN EVALUATION TO ASSESS THE MERITS AND RISKS OF THE INVESTMENT.

THE KUALA LUMPUR STOCK EXCHANGE (30632-P) ("KLSE") ASSUMES NO RESPONSIBILITY FOR THE CORRECTNESS OF ANY OF THE STATEMENTS MADE OR OPINIONS EXPRESSED IN THIS PROSPECTUS. ADMISSION TO THE OFFICIAL LIST OF THE SECOND BOARD OF THE KLSE IS NOT TO BE TAKEN AS AN INDICATION OF THE MERITS OF SKPRB OR OF ITS ORDINARY SHARES.

A COPY OF THIS PROSPECTUS HAS BEEN REGISTERED BY THE SC AND LODGED WITH THE CHIEF EXECUTIVE OFFICER OF THE COMPANIES COMMISSION OF MALAYSIA ("CCM"), AND NEITHER THE SC NOR THE CCM TAKES ANY RESPONSIBILITY FOR ITS CONTENTS.

INDICATIVE TIMETABLE

The indicative timing of events leading up to the listing of and quotation for SKPRB's entire enlarged issued and paid-up share capital on Second Board of KLSE is set out below:

Event	Tentative Date
Opening of application for the Issue Shares (as defined herein)	28 December 2002
Closing of application for the Issue Shares	13 January 2003*
Balloting for applications for the Issue Shares	17 January 2003
Allotment of the Issue Shares	31 January 2003
Listing	10 February 2003

Note:

- * *The Directors and the Underwriters may in their absolute discretion mutually decide to extend the closing date of the application to a further date or dates. Should the closing date of the application be extended, the dates for the allotment of the Issue Shares and listing of and quotation for the entire enlarged issued and paid-up share capital of SKPRB on the Second Board of the KLSE would be extended accordingly.*

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DEFINITIONS

In this Prospectus, unless the context otherwise requires, the following abbreviations shall apply throughout:

Acquisitions	:	SKP Acquisition, GHL Acquisition and GHI Acquisition, collectively
ADA	:	Authorised Depository Agent
ADA Code	:	ADA (Broker) Code
AE	:	Alfa Erat Sdn Bhd (485668-V)
AmMerchant	:	AmMerchant Bank Berhad (<i>formerly known as Arab-Malaysian Merchant Bank Berhad</i>) (23742-V)
Articles	:	Articles of Association of SKPRB
ATM	:	Automated Teller Machine
BISB	:	Beyond Imagination Sdn Bhd (532207-X)
Board	:	Board of Directors of SKPRB
CCM	:	Companies Commission of Malaysia
CDS	:	Central Depository System
CIMB	:	Commerce International Merchant Bankers Berhad (18417-M)
Director	:	Director of SKPRB
Electronic Share Application	:	Application for the Issue Shares through the ATMs of Participating Financial Institutions
EPS	:	Earnings per share
ESOS	:	Employee share option scheme
FIC	:	Foreign Investment Committee
GDP	:	Gross Domestic Product
GHI	:	Goodhart Industries Sdn Bhd (402660-U)
GHI Acquisition	:	Acquisition of the entire issued and paid-up share capital of GHI comprising 10,000,000 ordinary shares of RM1.00 each by SKPRB for a total purchase consideration of RM6,674,970 which was satisfied by an issuance of 5,984,667 new SKPRB Shares at an issue price of approximately RM1.12 per ordinary share
GHL	:	Goodhart Land Sdn Bhd (307026-X)
GHL Acquisition	:	Acquisition of the entire issued and paid-up share capital of GHL comprising 2,000,000 ordinary shares of RM1.00 each by SKPRB for a total purchase consideration of RM9,720,239 which was satisfied by an issuance of 8,715,004 new SKPRB Shares at an issue price of approximately RM1.12 per ordinary share

DEFINITIONS *(Cont'd)*

GHT	:	Goodhart Technology Sdn Bhd (272270-D)
Graceful	:	Graceful Assessment Sdn Bhd (533055-V)
Issue Shares	:	7,200,000 new SKPRB Shares to be issued by the Company pursuant to the Public Issue
JG	:	Jalur Gala Sdn Bhd (585057-V)
KLSE	:	Kuala Lumpur Stock Exchange (30632-P)
Listing	:	Admission to the Official List of the Second Board of the KLSE and the listing of and quotation on the Second Board of the KLSE for 48,000,000 SKPRB Shares representing the entire issued and paid-up share capital of SKPRB after the Public Issue
Major Shareholder	:	Person who has an interest or interests in one (1) or more voting shares in a company and the nominal amount of that share or the aggregate nominal amounts of those shares, is not less than five percent (5%) of the aggregate of the nominal amounts of all the voting shares in the company
Managing Underwriter	:	CIMB
MCD	:	Malaysian Central Depository Sdn Bhd (165570-W), a subsidiary of the KLSE
MCM	:	Mezzanine Capital (Malaysia) Sdn Bhd (193393-P)
MIH	:	Malaysian Issuing House Sdn Bhd (258345-X)
MITI	:	Ministry of International Trade and Industry
MNC	:	Multi-national corporation
MPMA	:	Malaysian Plastics Manufacturers Association
NBV	:	Net book value
NTA	:	Net tangible assets
OEM	:	Original equipment manufacturer
Participating Financial Institutions	:	Participating financial institutions for Electronic Share Application as listed in Section 16.5 of this Prospectus
PE Multiple	:	Price earnings multiple
Placement Agent	:	CIMB
Public Issue	:	Public issue of the Issue Shares, at an issue price of RM1.50 per ordinary share payable in full upon application, to the Malaysian public, eligible employees of the SKPRB Group and identified investors
R&D	:	Research and development
RM and sen	:	Ringgit Malaysia and sen respectively

DEFINITIONS *(Cont'd)*

RMSB	:	Renown Million Sdn Bhd (568595-U)
RTA	:	Rights to allotment
SC	:	Securities Commission
SC Guidelines	:	Policies and Guidelines on Issue/Offer of Securities of the SC
SKP	:	Syarikat Sin Kwang Plastic Industries Sdn Bhd (18591-D)
SKP Acquisition	:	Acquisition of the entire issued and paid-up share capital of SKP comprising 6,762,728 ordinary shares of RM1.00 each by SKPRB for a purchase consideration of RM29,110,877 which was satisfied by the RTA to 26,100,327 new SKPRB Shares which were subsequently issued as fully paid-up at an issue price of approximately RM1.12 per ordinary share
SKPRB or Company	:	SKP Resources Bhd <i>(formerly known as Vital Conglomerate Berhad)</i> (524297-T)
SKPRB Group or Group	:	SKPRB and its subsidiaries, namely SKP, GHI, GHT, and GHL
SKPRB Share(s)	:	Ordinary share(s) of RM1.00 each in SKPRB
SPIB	:	South Peninsular Industries Berhad (288682-P)
STS	:	STS Tecnic Berhad (302675-A)
Ubiquity	:	Ubiquity Sdn Bhd (431881-W)
Underwriters	:	CIMB and AmMerchant
Underwriting Agreement	:	Underwriting agreement entered into between the Company, CIMB and AmMerchant on 20 December 2002 to underwrite the 3,900,000 SKPRB Shares which are made available for application by the Malaysian public and eligible employees of the SKPRB Group
US	:	United States of America
USD	:	US Dollars
YBSDH	:	YB Senator Datin (Dr) Hajah Nik Azizah binti Hj. Nik Yahya
Zenith	:	Zenith Highlight Sdn Bhd (569045-T)

Words importing the singular shall, where applicable, include the plural and vice versa and words importing the masculine gender shall, where applicable, include the feminine and neuter genders and vice versa. Reference to persons shall include a corporation.

Any reference in this Prospectus to any enactment is a reference to that enactment as for the time being amended or re-enacted.

Any reference to a time of a day in this Prospectus shall be a reference to Malaysian time, unless otherwise stated.

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1. CORPORATE DIRECTORY*Directors*

Name	Address	Occupation	Nationality
Dato' Gan Kim Huat (Managing Director/ Executive Chairman)	Unit 6-11, Level 6, Block B Sucasa Corporate Apartment 222, Jalan Ampang 50450 Kuala Lumpur	Company Director	Malaysian
Gan Poh San (Executive Director)	Unit 6-11, Level 6, Block B Sucasa Corporate Apartment 222, Jalan Ampang 50450 Kuala Lumpur	Company Director	Malaysian
Chia Choong Kim (Executive Director)	Wisma Dida, Unit 3U-1 No. 3, Jalan Kluang 83000 Batu Pahat Johor Darul Takzim	General Manager	Singaporean
Richard George Azlan bin Abas (Non-Executive Director)	No. 1, Lorong 14/42B 46100 Petaling Jaya Selangor Darul Ehsan	Company Director	Malaysian
Musa Bin Wahab @ Y.T.M Dato' Musa bin Wahab (Independent and Non- Executive Director)	Balai Undang Luak Jelebu 71600 Kuala Klawang Negeri Sembilan Darul Khusus	Company Director	Malaysian
Lau Chin Park (Independent and Non- Executive Director)	No. 4079, Jalan Sri Putri 7 Taman Putri 81000 Kulai Johor Darul Takzim	Chartered Accountant	Malaysian

Audit Committee

Name	Designation	Directorship
Lau Chin Park	Chairman of the Committee	Independent and Non-Executive
Musa Bin Wahab @ Y.T.M Dato' Musa bin Wahab	Member of the Committee	Independent and Non-Executive
Gan Poh San	Member of the Committee	Non-Independent and Executive

1. CORPORATE DIRECTORY (Cont'd)

- Company Secretaries** : Yeoh Chong Keat (MIA 2736)
No. 4, Jalan 12/19
46200 Petaling Jaya
Selangor Darul Ehsan
- Ng Lay Leng (LS 05134)
15-11-20, Teratai Mewah Apartment
Jalan Langkawi
53000 Kuala Lumpur
- Registered Office** : Suite 11.1A, Level 11
Menara Weld
No. 76, Jalan Raja Chulan
50200 Kuala Lumpur
Tel No: (603) 2031 1988
- Head/Management Office** : No. 421, 4th Mile
Jalan Kluang
83000 Batu Pahat
Johor Darul Takzim
Tel No: (607) 432 5707
- Principal Bankers** : RHB Bank Berhad
89, Jalan Rahmat
83000 Batu Pahat
Johor Darul Takzim
- United Overseas Bank (Malaysia) Berhad
Ground Floor, Wisma Sing Long
No. 9, Jalan Zabadah
Taman Bukit Pasir
83000 Batu Pahat
Johor Darul Takzim
- EON Bank Berhad
No. 9-11, Jalan Kundang
Taman Bukit Pasir
83000 Batu Pahat
Johor Darul Takzim
- Auditors and Reporting Accountants** : Messrs. Ernst & Young
Graha Maju Bangunan PKNM
Tingkat 10, Lot 1
Jalan Graha Maju
75300 Melaka
- Solicitors** : Messrs. Lee Choon Wan & Co.
No. 12, Lorong Dungun
Damansara Heights
50490 Kuala Lumpur
- Registrar** : Signet Share Registration Services Sdn Bhd
11th Floor, Tower Block
Kompleks Antarabangsa
Jalan Sultan Ismail
50250 Kuala Lumpur

1. CORPORATE DIRECTORY (Cont'd)

- Issuing House** : Malaysian Issuing House Sdn Bhd
27th Floor, Menara Multi-Purpose
Capital Square
8, Jalan Munshi Abdullah
50100 Kuala Lumpur
- Industry Expert** : Malaysian Plastics Manufacturers Association
No. 37, Jalan 20/14
Paramount Garden
46300 Petaling Jaya
Selangor Darul Ehsan
- Adviser, Managing Underwriter and Placement Agent** : Commerce International Merchant Bankers Berhad
7th Floor, Bangunan CIMB
Jalan Semantan
Damansara Heights
50490 Kuala Lumpur
- Underwriters** : Commerce International Merchant Bankers Berhad
7th Floor, Bangunan CIMB
Jalan Semantan
Damansara Heights
50490 Kuala Lumpur
- AmMerchant Bank Berhad (*formerly known as Arab-Malaysian Merchant Bank Berhad*)
22nd Floor, Bangunan Ambank Group
55, Jalan Raja Chulan
50200 Kuala Lumpur
- Listing Sought** : Second Board of the Kuala Lumpur Stock Exchange

2. INTRODUCTION

This Prospectus is dated 28 December 2002.

A copy of this Prospectus has been registered by the SC and lodged with the Chief Executive Officer of the CCM, and neither the SC nor the CCM takes any responsibility for its contents. Approvals have been obtained from the SC on 5 August 2002, 1 October 2002 and 12 December 2002 in respect of the Public Issue and Listing. The approval of the SC shall not be taken to indicate that the SC recommends the Public Issue and/or the Listing. Investors should rely on their own evaluation to assess the merits and risks of any investment in the Company.

An application will be made to the KLSE within three (3) market days from the date of this Prospectus for admission to the Official List of the Second Board of the KLSE and for permission to deal in and the listing of and quotation for the entire issued and fully paid-up ordinary shares of RM1.00 each in SKPRB, including the Issue Shares, which are the subject of this Prospectus. These ordinary shares will be admitted to the Official List of 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 the applications will be conditional upon permission being granted by the KLSE for the listing of the entire issued and fully paid-up ordinary shares of the Company, including the Issue Shares, within six (6) weeks from the date of this Prospectus or such longer period as may be specified by the SC, provided that the Company is notified by or on behalf of the KLSE within the six (6) weeks or such longer period as may be specified by the SC. Accordingly, monies paid in respect of all applications will be returned without interest if the said permission from the KLSE is not granted.

Pursuant to Section 14(1) of the Securities Industry (Central Depositories) Act, 1991, the KLSE has prescribed SKPRB as a CDS counter. In consequence thereof, the Issue Shares through this Prospectus will be deposited directly with MCD and any dealings in these shares will be carried out in accordance with the Securities Industry (Central Depositories) Act, 1991 and the Rules of MCD.

Pursuant to the SC Guidelines, the Company needs to have at least 25% of the enlarged issued and paid-up share capital in the hands of public shareholders and a minimum number of 750 public shareholders (of which at least 500 shareholders are members of the public who are not employees of the Group) holding not less than 1,000 shares each upon completion of the Public Issue. The Company is expected to achieve this at the point of Listing. In the event that the above requirement is not met pursuant to the Public Issue, the Company may not be allowed to proceed with the Listing. In the event thereof, monies paid in respect of all applications will be returned without interest.

An applicant should state his CDS account number in the space provided in the Application Form if the applicant presently has such an account and he shall be deemed to have authorised MCD to disclose information pertaining to the CDS account to the issuing house/Company for the purpose of crediting the Issue Shares allotted to him to his CDS account. Where an applicant does not presently have a CDS account, the applicant should state in the Application Form his preferred ADA Code. Where an applicant already has a CDS account, he should not complete the preferred ADA Code. For applications using the Electronic Share Application, an applicant must have a CDS account.

No person is authorised to give any information or to make any representation not contained herein in connection with the Public Issue and if given or made, such information or representation must not be relied upon as having been authorised by SKPRB and/or CIMB. Neither the delivery of this Prospectus nor any Public Issue made in connection with this Prospectus shall, under any circumstances, constitute a representation or create any implication that there has been no change in the affairs of the SKPRB Group since the date hereof.

2. INTRODUCTION *(Cont'd)*

The distribution of this Prospectus and the sale of any part of the Issue Shares are subject to Malaysian law and the Company takes no responsibility for the distribution of this Prospectus and/or sale of the Issue Shares outside Malaysia, which may be restricted by law in other jurisdictions. Persons who may be in possession of this Prospectus are required to inform themselves of and to observe such restrictions.

This Prospectus does not constitute and may not be used for the purpose of an offer to sell or an invitation of an offer to buy any Issue Shares in any jurisdiction in which such offer or invitation is not authorised or lawful or to any person to whom it is unlawful to make such offer or invitation.

If you are in any doubt concerning this Prospectus, you should consult your stockbroker, bank manager, solicitor, professional accountant or any other professional adviser immediately.

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3. INFORMATION SUMMARY

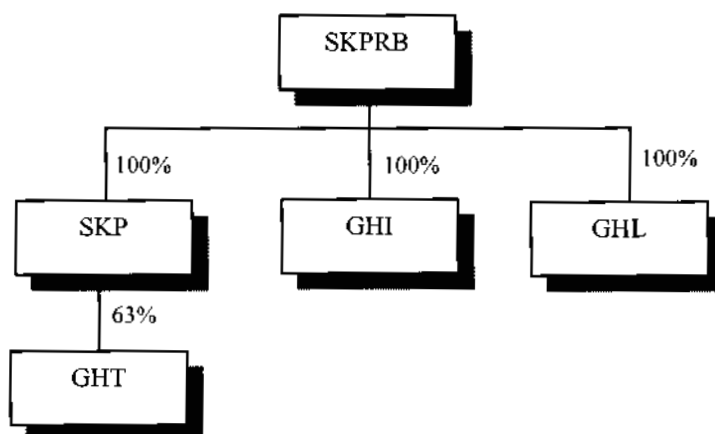
The following is only a summary of the salient information about the SKPRB Group and of the Public Issue. Investors should read and understand the whole Prospectus prior to making a decision on whether to invest in the Issue Shares.

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

3.1 History and Business

SKPRB was incorporated in Malaysia under the Companies Act, 1965 on 23 August 2000 under the name of Vital Conglomerate Sdn Bhd. On 12 December 2000, it was converted to a public limited company and assumed the name Vital Conglomerate Berhad. Subsequently on 8 October 2002, it changed its name to SKP Resources Bhd.

SKPRB is an investment holding company while the corporate structure and principal activities of its subsidiaries are as follows:



Subsidiaries	Principal activities
SKP	- Manufacturing of plastic parts and components, sub-assembly and other secondary processes.
GHI	- Manufacturing of precision and engineering plastic parts and components, sub-assembly and other secondary processes.
GHL	- Letting of property and property holding.
GHT	- Precision mould making, design and modification of moulds.

As at 30 November 2002, SKPRB does not have any associated company.

Detailed information on the history and business of the SKPRB Group is set out in Sections 7.1 and 7.4 of this Prospectus.

3. INFORMATION SUMMARY (Cont'd)

3.2 Shareholdings of Promoters, Major Shareholders, Directors and Senior Management of SKPRB

The shareholdings of the promoters, Major Shareholders, Directors and senior management of SKPRB after the Public Issue, based on the shareholding as at 3 December 2002 are as follows:

Name	Designation	-----After Public Issue-----			
		----- Direct-----		----- Indirect-----	
		No. of shares	%	No. of shares	%
Dato' Gan Kim Huat	Promoter Major Shareholder Managing Director	-	-	26,292,257	54.78 ⁽¹⁾
Richard George Azlan bin Abas	Promoter Major Shareholder Director	-	-	9,706,152	20.22 ⁽²⁾
Ubiquity	Promoter Major Shareholder	9,706,152	20.22	-	-
YBSDH	Promoter Major Shareholder	-	-	9,706,152	20.22 ⁽²⁾
RMSB	Promoter Major Shareholder	15,776,052	32.87	-	-
BISB	Major Shareholder	8,812,205	18.36	-	-
Gan Poh San	Director	-	-	940,800	1.96 ⁽³⁾
Chia Choong Kim	Director	-	-	-	-
Musa Bin Wahab @ Y.T.M Dato' Musa bin Wahab	Director	-	-	-	-
Lau Chin Park	Director	-	-	-	-
Leong Hiap Chong	Group Financial Controller of SKPRB	87,000 ⁽⁴⁾	⁽⁵⁾	-	-
Loh Teck Lian	Group Finance Manager of SKPRB	80,000 ⁽⁴⁾	⁽⁵⁾	-	-
Lui Kei Hon	Production Manager of SKP	80,000 ⁽⁴⁾	⁽⁵⁾	-	-
Low Hwee Ling	Accountant of SKP	80,000 ⁽⁴⁾	⁽⁵⁾	-	-
Lou Swee Chen	Project Manager of GHI	80,000 ⁽⁴⁾	⁽⁵⁾	-	-
Lim Tam Seng	Finishing Department Manager of SKP	80,000 ⁽⁴⁾	⁽⁵⁾	-	-
Wong Chor Seng	Director of GHT	-	-	-	-
We Yong Fong	Operations Director of GHT	-	-	-	-

3. INFORMATION SUMMARY (Cont'd)

Notes:

- (1) Deemed interest by virtue of his interests in RMSB, BISB, Graceful and Zenith pursuant to Section 6A of the Companies Act, 1965.*
- (2) Deemed interest by virtue of his/her interest in Ubiquity pursuant to Section 6A of the Companies Act, 1965.*
- (3) Deemed interest by virtue of his interest in Zenith pursuant to Section 6A of the Companies Act, 1965.*
- (4) Assuming full subscription of the SKPRB Shares offered to the senior management of the SKPRB Group under the Public Issue.*
- (5) Negligible.*

Detailed information on the Directors, promoters, Major Shareholders and senior management of SKPRB are set out in Sections 7.8, 7.9, 7.10 and 7.11.1 respectively of this Prospectus.

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3. INFORMATION SUMMARY (Cont'd)

3.3 Financial Highlights

The table below sets out a summary of the proforma audited consolidated results of SKPRB for the past five (5) financial years ended 31 March 2002 and four (4) months ended 31 July 2002 after such adjustments considered necessary for taxation based on the audited results of the companies comprising the Group on the assumption that the current structure of the SKPRB Group has been in existence throughout the years under review. The proforma consolidated results of SKPRB have been extracted from and should be read in conjunction with the accompanying notes and assumptions included in the Accountants' Report set out in Section 12 of this Prospectus.

3.3.1 Proforma Consolidated Income Statements

	-----Year ended 31 March-----					Four (4)
	1998	1999	2000	2001	2002	months ended 31.07.02 RM 000
	RM 000	RM 000	RM 000	RM 000	RM 000	RM 000
Revenue	24,772	33,594	53,652	75,469	62,917	23,229
Profit before depreciation, interest and taxation	7,690	8,365	9,550	12,307	15,001	5,851
Interest expenses	(492)	(383)	(254)	(294)	(206)	(69)
Depreciation	(1,278)	(1,597)	(2,016)	(3,085)	(3,570)	(1,267)
Profit before taxation	5,920	6,385	7,280	8,928	11,225	4,515
Taxation	(1,488)	(333)	(1,199)	(1,852)	(2,555)	(1,166)
Profit after taxation	4,432	6,052	6,081	7,076	8,670	3,349
No. of SKPRB Shares assumed in issue (000)	40,800	40,800	40,800	40,800	40,800	40,800
Gross EPS ⁽¹⁾ (RM)	0.15	0.16	0.18	0.22	0.28	0.33 ⁽²⁾
Net EPS ⁽¹⁾ (RM)	0.11	0.15	0.15	0.17	0.21	0.25 ⁽²⁾
Gross dividend rate (%)	2.98	-	-	-	-	-

Notes:

⁽¹⁾ EPS of the SKPRB Group is calculated based on 40,800,000 SKPRB Shares assuming that the restructuring scheme as detailed in Section 7.2 of this Prospectus excluding the Public Issue, has been in effect throughout the financial years/period under review.

⁽²⁾ Annualised.

⁽³⁾ There were no exceptional and extraordinary items during the years/period under review.

The accounts of SKPRB and its subsidiaries were not subject to any audit qualification for the financial years/period under review.

Detailed information on the proforma consolidated income statements is set out in Section 12 of this Prospectus.

3. INFORMATION SUMMARY (Cont'd)

3.3.2 Proforma Consolidated Balance Sheets of SKPRB Group as at 31 July 2002

The following is a summary of the proforma consolidated balance sheets of SKPRB as at 31 July 2002, prepared for illustrations purpose only, to show the effects of the Acquisitions, Public Issue and proposed utilisation of proceeds from the Public Issue in conjunction with the Listing, on the assumptions that these transactions were completed on 31 July 2002 and is prepared on a basis consistent with the accounting policies normally adopted by the SKPRB Group:

	Audited as at 31.07.02 RM 000	After the Acquisitions RM 000	After the Public Issue RM 000	After the proposed utilisation of proceeds from the Public Issue RM 000
FIXED ASSETS	-	39,815	39,815	47,975
CURRENT ASSETS	1	39,014	49,814	39,654
CURRENT LIABILITIES	(13)	(15,056)	(15,056)	(15,056)
	(12)	63,773	74,573	72,573
Financed by:				
SHARE CAPITAL	⁽¹⁾	40,800	48,000	48,000
RESERVES	(12)	4,694	8,294	6,294 ⁽²⁾
SHAREHOLDERS' FUNDS	(12)	45,494	56,294	54,294
RESERVES ON CONSOLIDATION	-	14,475	14,475	14,475
	(12)	59,969	70,769	68,769
LONG TERM BORROWINGS	-	1,104	1,104	1,104
DEFERRED TAXATION	-	2,700	2,700	2,700
	(12)	63,773	74,573	72,573
NTA/ (Net liabilities) (RM 000)	(12)	59,969	70,769	68,769
No. of ordinary shares (000)	⁽¹⁾	40,800	48,000	48,000
NTA/ (Net liabilities) per ordinary share (RM)	(5,954.50)	1.47	1.47	1.43

Notes:

⁽¹⁾ Two (2) ordinary shares of RM1.00 each.

⁽²⁾ After deducting the estimated listing expenses of approximately RM2 million.

Detailed information on the proforma consolidated balance sheets is set out in Section 11.5 of this Prospectus.

3. INFORMATION SUMMARY (Cont'd)

3.4 Principal Statistics Relating to the Public Issue

(i) Share Capital	RM
<i>Authorised</i>	
100,000,000 ordinary shares of RM1.00 each	<u>100,000,000</u>
<i>Issued and fully paid-up as at the date of this Prospectus</i>	
40,800,000 ordinary shares of RM1.00 each	40,800,000
<i>To be issued pursuant to the Public Issue</i>	
7,200,000 ordinary shares of RM1.00 each	7,200,000
	<u>48,000,000</u>

There is currently only one (1) class of shares in the Company, namely ordinary shares of RM1.00 each. The Issue Shares, upon allotment and issue, will rank pari passu in all respects with the other existing issued and paid-up ordinary shares of the Company including voting rights and will be entitled to all rights, dividends and distributions the entitlement date of which is subsequent to the date of allotment of the said Issue Shares.

Detailed information on the share capital is set out in Section 5.1 of this Prospectus.

(ii) Issue Price	
Issue price for each Issue Share	RM1.50
<i>Detailed information on the basis of arriving at the issue price of SKPRB Shares is set out in Section 5.5 of this Prospectus.</i>	
(iii) Proforma Group NTA	RM
Proforma Group NTA as at 31 July 2002 (after the Acquisitions, Public Issue and utilisation of proceeds from the Public Issue)	68,768,797
Proforma Group NTA per ordinary share (based on the enlarged share capital of 48,000,000 SKPRB Shares)	1.43
<i>Detailed information on the proforma NTA of the SKPRB Group is set out in Sections 3.3.2 and 11.5 of this Prospectus.</i>	

3. INFORMATION SUMMARY (Cont'd)

(iv) Consolidated Profit Forecast	Forecast 2003 RM 000
Financial Year Ending 31 March	
Consolidated profit before taxation and minority interest	12,096
Taxation	(3,012)
Minority interest	(76)
Consolidated profit after taxation and minority interest	<u>9,008</u>
Pre-acquisition profit	(6,032)
Consolidated profit after taxation, minority interest and pre-acquisition profit	<u>2,976</u>
Net EPS (sen)	
- Based on the weighted average number of shares in issue of 14,800,000 SKPRB Shares assuming completion of the Public Issue by 31 January 2003 and the consolidated profit after taxation, minority interest and pre-acquisition profit of RM2,976,000	20.11
- Based on the enlarged share capital of 48,000,000 SKPRB Shares and the consolidated profit after taxation and minority interest of RM9,008,000	18.77
Net PE Multiple (based on the issue price of RM1.50 per ordinary share) (times)	
- Based on the weighted average number of shares in issue of 14,800,000 SKPRB Shares assuming completion of the Public Issue by 31 January 2003 and the consolidated profit after taxation, minority interest and pre-acquisition profit of RM2,976,000	7.46
- Based on the enlarged share capital of 48,000,000 SKPRB Shares and the consolidated profit after taxation and minority interest of RM9,008,000	7.99

Detailed information on the consolidated profit forecast of the SKPRB Group is set out in Section 11.2 of this Prospectus.

(v) Dividend Forecast	Forecast 2003
Financial Year Ending 31 March	
Tax-exempt dividend per ordinary share	5.00 sen
Tax-exempt dividend yield (based on the issue price of RM1.50 per ordinary share)	3.33%
Tax-exempt dividend cover ⁽¹⁾	1.24 times

Note:

⁽¹⁾ Dividend cover is computed based on the consolidated profit after taxation, minority interest and pre-acquisition profit over the tax-exempt dividend.

Detailed information on the dividend forecast of the SKPRB is set out in Section 11.4 of this Prospectus.

3. INFORMATION SUMMARY (Cont'd)

3.5 Risk Factors

Applicants for the Issue Shares should carefully consider the following risk factors (which are not exhaustive) in addition to the other information contained elsewhere in this Prospectus, before applying for the Issue Shares:

(i) No Prior Market for SKPRB's Shares

Prior to the Listing, there was no public market for SKPRB's Shares. There can be no assurance that an active market for SKPRB's Shares will develop upon the Listing or, if developed, that such market can be sustained. In addition, there can be no assurance that the issue price of the Issue Shares will correspond to the price at which SKPRB's Shares will trade on the Second Board of the KLSE upon or subsequent to the Listing.

(ii) Delay in or Abortion of the Listing

The occurrence of certain events may cause a delay in or the abortion of the Listing. Although the Directors will endeavour to secure the Listing, there can be no assurance that certain events will not occur which will cause the delay or abortion of the Listing.

(iii) Business Risks

The business of the SKPRB Group is subject to certain risks inherent in the plastics injection moulding industry including, amongst others, the availability of labour, fluctuations in the price of raw materials, demand from the electronic and electrical products industry, competition from other plastics manufacturers, foreign exchange fluctuations and other general risks relating to the business.

(iv) Dependence on Key Customers

Historically, a very substantial portion of the revenue of the Group was generated from certain key customers. Hence, the loss of these key customers, though mitigated by the length and nature of the Group's relationship with its customers, may adversely affect the performance of the Group in the future.

(v) Geographical Location of Customers

The major customers of the Group are mainly MNC manufacturers located in the southern region of Malaysia and Singapore. The relocation or closure of the plants of these MNC manufacturers from these areas may affect the Group's performance as the proximity of the respective manufacturing facilities is an important consideration due to the practice of "just in time" inventory management by the MNC manufacturers.

(vi) No Contracts with Customers

There are no formal contracts between the Group and its customers. The absence of such formal contracts allows the Group's key customers to shift to other OEM easily, which may adversely affect the performance of the Group.

(vii) Supply of Raw Materials

There are no formal contracts between the Group and its suppliers of main raw materials. Hence, there can be no assurance that customers' orders can be delivered on timely basis in the event of a shortage of raw materials.

3. INFORMATION SUMMARY (Cont'd)

(viii) Common Shareholding of Dato' Gan Kim Huat

Dato' Gan Kim Huat, a promoter, Director and Major Shareholder of SKPRB, is also a Major Shareholder of STS, a company listed on the Second Board of the KLSE involved in the manufacturing of plastic products for households and the automobile industry. There can be no assurance that potential conflicts of interest will not arise in the future in the event both companies subsequently venture into the same segment of plastics industry.

(ix) Dependence on Senior Management

The Group believes that its continued success will depend to a significant extent upon the abilities and continued efforts of the Directors and senior management of the Group. The ability to attract and retain skilled personnel will also play a significant role in this regard.

(x) Control by Major Shareholders

Upon completion of the Public Issue, Dato' Gan Kim Huat will own directly and indirectly, approximately 54.78% of the enlarged issued and paid-up share capital of SKPRB. As such, Dato' Gan is likely to be able to effectively control the outcome of certain matters requiring the vote of the Company's shareholders unless Dato' Gan is required to abstain from voting by law and/or the relevant authorities.

(xi) Technological Change

The success of the Group is dependent on its ability to maintain and enhance its technology and technical know-how in the plastics industry. There can be no assurance that the Group will be able to procure the latest technology and/or expand its technical know-how to remain competitive in the plastics industry.

(xii) Forward-looking Statements

This Prospectus contains several forward-looking statements. Although the Directors believe that the expectations reflected in such statements are reasonable as at the date of this Prospectus, there can be no assurance that such expectations will prove to be correct or continue to hold in the future.

(xiii) Changes in General Economic, Political, Legislative, Business and Credit Conditions

As with any other company, the performance of the Group is also subject to the overall economic, political, legislative, business and credit environment both domestically and internationally.

(xiv) Profit Forecast

The profit forecast in this Prospectus is based on assumptions that are subject to uncertainties and are contingent in nature. Therefore, there can be no assurance that the profit forecast contained herein will be realised and actual results may be materially different from those shown.

(xv) Termination of the Underwriting Agreement

The Underwriting Agreement contains certain provisions which may allow the Underwriters to terminate the Underwriting Agreement if the Underwriters are of the reasonable opinion that the success of the Public Issue is likely to be materially and adversely affected by certain events.

Detailed commentary on the risk factors is set out in Section 4 of this Prospectus.

3. INFORMATION SUMMARY (Cont'd)

3.6 Future Prospects of the SKPRB Group

The Group is committed to expand its existing operations and activities and diversify into new areas to strengthen the business of the SKPRB Group as a "one-stop service centre" to its customers.

The Group believes that being a "one-stop service centre" will give more value to its customers as its customers will be able to get all the required services from one (1) supplier and will not have to co-ordinate the transfer of moulds or semi-finished plastic parts from one (1) supplier to the other for finishing works. Such an integrated manufacturing facility is advantageous to the customers as it reduces the need for repeated handling by different parties of product components and wastage in the manufacturing process. This will also save transportation costs and production lead time for the said customers.

Detailed discussion on the future prospects of the Group is set out in Section 7.4.6 of this Prospectus.

3.7 Utilisation of Proceeds of the Public Issue

The gross proceeds of RM10,800,000 from the Public Issue are intended to be utilised as follows:

	RM 000
Purchase of machinery	6,060
Upgrading of computer hardware and software	2,100
Working capital	640
Listing expenses	2,000
	<u>10,800</u>

Detailed information on the utilisation of proceeds is set out in Section 5.7 of this Prospectus.

3.8 Material Litigation, Contingent Liabilities and Capital Commitments

(i) Material Litigation

As at 30 November 2002 (being the latest practicable date prior to the printing of this Prospectus), SKPRB and its subsidiaries are not engaged in any litigation or arbitration either as plaintiff or defendant, which has a material adverse effect on the financial position or business of SKPRB and its subsidiaries and the Directors do not know of any proceeding pending or threatened or of any fact likely to give rise to any proceeding which might materially and adversely affect the financial position or business of SKPRB and its subsidiaries.

(ii) Material Contingent Liabilities

As at 30 November 2002 (being the latest practicable date at which such amount could be calculated prior to the printing of this Prospectus), there are no material contingent liabilities incurred by the Group which, upon materialisation, would have a material impact on the profit or net assets of the Group.

3. INFORMATION SUMMARY *(Cont'd)*

(iii) Material Capital Commitments

As at 30 November 2002 (being the latest practicable date at which such amount could be calculated prior to printing of this Prospectus), save for the purchase of machinery and upgrading of computer hardware and software as disclosed in Section 5.7 of this Prospectus, there are no material commitments for capital expenditure contracted or known to be contracted by the Group which may have a material impact on the financial position of the Group.

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4. RISK FACTORS

Applicants for the Issue Shares should carefully consider the following risk factors (which are not exhaustive) in addition to the other information contained elsewhere in this Prospectus, before applying for the Issue Shares:

4.1 No Prior Market for SKPRB's Shares

Prior to the Listing, there was no public market for SKPRB's Shares. Therefore, there can be no assurance that an active market will develop upon the Listing or, if developed, that such market can be sustained. 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 those set out in Section 5.5 of this Prospectus. The price at which the SKPRB's Shares will trade on the Second Board of the KLSE upon or subsequent to the Listing will be dependent upon market forces beyond the control of the Company. Therefore, there can be no assurance that the issue price of the Issue Shares will correspond to the price at which SKPRB's Shares will trade on the Second Board of the KLSE upon or subsequent to the Listing.

4.2 Delay in or Abortion of the Listing

The occurrence of any one (1) or more of the following events may cause a delay in or abortion of the Listing:

- (i) the identified investors failing to subscribe for the portion of Issue Shares to be placed to them;
- (ii) the Underwriters exercising their rights pursuant to the Underwriting Agreement to discharge themselves from their obligations thereunder; or
- (iii) the Company being unable to meet the public spread requirement, that is, at least 25% of the enlarged issued and paid-up capital of the Company to be held by a minimum number of 750 public shareholders holding not less than 1,000 shares each, of which at least 500 shareholders are members of the public who are not employees of the Group at the point of Listing.

Although the Directors will endeavour to ensure compliance of the various listing requirements, including, inter-alia, the public spread requirements imposed by the SC and KLSE for the successful Listing, no assurance can be given that the abovementioned events will not occur and cause a delay in or abortion of the Listing.

4.3 Business Risks

The business of the SKPRB Group is subject to certain risks inherent in the plastics injection moulding industry including, amongst others, the following:

(i) Availability of Labour

The availability of an adequate labour supply is essential for the continued success of the Group. Despite a certain degree of automation in the manufacturing process, the continued running of production lines is critically dependent on labour intensive input. To date, the Group has attempted to mitigate the shortage of manpower by enhancing the mechanisation of its processes and hiring foreign labour. As at 30 November 2002, the dependency on foreign labour by the SKPRB Group is only approximately 26% of its total workforce. In the past, the Group had no difficulty in recruiting labour for its production processes. Recruitment priority is given to local labour as compared to foreign labour.

Nevertheless, there can be no assurance that the Group will be able to sustain an adequate labour supply for its operations in the future.

4. RISK FACTORS (Cont'd)

(ii) Fluctuations in the Price of Raw Materials

The price of the raw materials used for the operations of the Group are usually determined on a negotiated basis as and when the materials are needed. Since the cost of raw materials constitutes, on average, approximately 45% of the cost of sales of the Group, fluctuations in the price of raw materials may affect the Group's operating profit. In view that plastic resin is the major raw material used in plastic products and as the price of plastic resin is dependent upon the price of petroleum, the operating profit of the Group may be affected by fluctuations in petroleum price.

However, the Directors are confident that the Group would be able to secure reasonable price for its raw materials in view of the long standing relationship between SKP and its suppliers and the history of transactions between them. Moreover, the management has vast experience in purchasing raw materials and is familiar with the market price trends of the raw materials used by the Group. Based on past experience, the Directors believe that the increase in the price of raw materials can be partially passed on to its customers via the pricing of its products. Nevertheless, there can be no assurance that fluctuations in raw material price will not affect the future profitability of the Group.

(iii) Demand from the Electronic and Electrical Products Industry

Since the products of the Group are mainly sold to the electronic and electrical products industry, the performance of the Group is highly dependent upon the performance of this industry. Although the Directors expect that the electronic and electrical products industry will recover towards the end of 2002 from the slow down in 2001, there can be no assurance that the expected recovery in the demand for electronic and electrical products industry will be realised or sustained in the future.

(iv) Competition from Other Plastics Manufacturers

The Group faces competition from various competitors ranging from private limited companies to public listed companies. Although no assurance can be given that the Group will be able to maintain its existing market share in the future, the Directors are confident that the Group will be able to meet the competition presented by its competitors, as it has in the past. Such confidence is based on the strength of the Group's relationship with its customers, its past ability to meet the standards set by its customers particularly in areas such as delivery and quality and its efforts to further improve its manufacturing processes and quality standards through R&D.

(v) Foreign Exchange Fluctuations

The Group's exposure to fluctuations in foreign exchange arises as a result of the difference between its transaction currency on sales and purchases. The purchases of the raw materials required for its production are mainly denominated in USD while most of the Group's sales are denominated in RM, with the exception of sales to foreign MNCs like Pioneer Electronics Asiacentre Pte Ltd, Philips Electronics Singapore Pte Ltd and Toshiba Singapore Pte Ltd, which are denominated in USD. USD sales constituted approximately 23% and 17% of the total Group's revenue for the financial year ended 31 March 2002 and four (4) months ended 31 July 2002 respectively. However, the Directors believe that increases in the price of raw materials as a result of foreign exchange fluctuations can be partially passed on to its customers via the pricing of its products. Nevertheless, no assurance can be given that the profits of the Group will not be affected by future foreign exchange fluctuations.

4. RISK FACTORS *(Cont'd)*

(vi) Other General Risks

The Group is also subject to other general risks associated with the business of the Group which may affect the operation and financial performance of the Group, such as the breakout of fire, energy crisis, flood, theft and others.

In order to minimise disruption to the operations of the Group, the Directors have in place certain risk-management plans and pre-emptive measures as follows:

- the Group has a transportable generator which is capable to provide electricity to the production process in the event of an interruption in electricity supply;
- the Group carries out regular service and maintenance of machinery to ensure the machines are in good condition and minimise the frequency of machinery breakdown. Annual inspection is also conducted by the Malaysian Department of Occupational Safety and Health to ensure the working environment at the manufacturing plants is safe for its employees; and
- the manufacturing plants are also equipped with sprinkler systems and fire fighting equipment such as fire extinguishers and hose reels in the manufacturing plants. Regular fire drills are also conducted to train the employees on the use of these equipment and basic fire-fighting techniques.

In addition, the respective companies in the SKPRB Group have also obtained insurance policies from various insurance agencies such as fire insurance, machinery and equipment insurance and consequential loss insurance to mitigate losses which may arise as a result of insured contingencies.

4.4 Dependence on Key Customers

As disclosed in Section 7.4 of this Prospectus, for the financial year ended 31 March 2002 and the four (4) months financial period ended 31 July 2002, approximately 75% and 71% respectively of the revenue of the Group were derived from sales to a few MNC customers. Therefore, the loss of one (1) or more of these key customers may adversely affect the performance of the Group.

Nonetheless, the Directors believe that the high concentration in a few customers is the norm for the industry and that the dependence on a few key customers will not create significant problems for the Group in view of the length of the Group's relationship with its customers and its ability to meet the requirements of its customers in terms of delivery, quality and product range. In fact, in the past, the small customer base has enabled the Group to work closely with its customers and fully concentrate on meeting their needs, thereby enhancing customer satisfaction and loyalty.

4.5 Geographical Location of Customers

The major customers of the Group are mainly MNC manufacturers located in the southern region of Malaysia and Singapore. The relocation or closure of the plants of these MNC manufacturers from these areas may affect the Group's performance as the proximity of the respective manufacturing facilities is an important consideration for the MNC manufacturers due to the practice of "just in time" inventory management by the MNC manufacturers. Therefore, should the MNC relocate their manufacturing facilities to other regions, it is likely that they will switch to suppliers which are closer to their new location.

4. RISK FACTORS (Cont'd)

However, the Directors believe that these MNCs will not relocate their manufacturing facilities from these areas in the short term as most of them have invested heavily in their existing manufacturing facilities. In view of the importance of the proximity between the manufacturing facilities of the MNCs and the Group, the manufacturing plants of the Group are located close to various MNCs to enhance the effectiveness and efficiency of producing and delivering products to its MNC customers.

4.6 No Contracts with Customers

It is the industry's practice that no formal contracts are entered into between the OEM and the local MNC customers. Most of these MNC customers practise "just-in-time" inventory management where the purchase order from these local MNC customers will only be issued approximately two (2) weeks to one (1) month prior to production. The absence of formal contracts allows the Group's key customers, ie. the local MNCs, to shift to other OEMs easily.

Despite the absence of formal contracts, the Directors believe that the loss of key customers will not be immediate because in the event of a termination order, the termination will usually involve a phasing out process which could take about six (6) to 12 months as the MNC customers are unlikely to outsource the same part from two (2) different manufacturers. This will give the Group sufficient lead time to source for new customers.

The Directors also believe that their long term relationship and the repeat orders from customers are testimony of its reputation for quality and proven capacity. Hence, the Directors are confident that the absence of formal contracts will not hinder the Group from retaining its customers' loyalty. Nevertheless, there is no assurance that the Group's customers will continue to place their orders with the Group or that the level of orders will be sustained in the future.

4.7 Supply of Raw Materials

It is the industry practice that there are no formal contracts entered into between the plastics injection moulders and the suppliers of raw materials as the specifications of each product type is different, hence requiring different types of raw materials.

The Directors believe that with proper planning and the long standing relationship with suppliers, the risk of shortage of raw materials for the production of the Group is minimal. In addition, it is the industry practice that MNC customers will appoint the plastic resin suppliers for the OEM to ensure that the quality of the raw materials used for the manufacturing of the products conform to their specifications. This accordingly minimises the risk of the absence of formal contracts with suppliers. However, there can be no assurance that customers' orders can be delivered on a timely basis in the event there is a shortage of raw materials.

4.8 Common Shareholding of Dato' Gan Kim Huat

As at 3 December 2002, Dato' Gan Kim Huat, a promoter, Director and Major Shareholder of SKPRB, is also a 9.1% Major Shareholder of STS, a company listed on the Second Board of the KLSE involved in the manufacturing of plastic products. Although both SKPRB and STS are involved in the plastics industry, the product ranges of both companies are different. SKPRB is mainly involved in the manufacturing of plastic products for the electronic and electrical products industry whilst STS is mainly involved in the manufacturing of plastic products for households and the automobile industry. In addition, STS only represents an investment to Dato' Gan Kim Huat and Dato' Gan Kim Huat is not a Director of STS. Nevertheless, there can be no assurance that potential conflicts of interest will not arise in the future in the event both companies subsequently venture into the same segment of the plastics industry.

In relation to this, Dato' Gan Kim Huat has undertaken to the SC that he will not be involved in any similar or competing business with the business of SKPRB Group which will result in conflicts of interest directly or indirectly.

4. RISK FACTORS *(Cont'd)*

4.9 Dependence on Senior Management

The Group believes that its continued success will depend to a significant extent upon the abilities and continued efforts of the Directors and senior management of the Group. The loss of any of the Group's executive Directors or key members of the senior management may affect the Group's performance. However, efforts are made to groom the younger members of the senior management to gradually assume more responsibilities to ensure a continuation of senior management personnel in the future. In addition, the Group will also implement an ESOS which will commence one (1) year from the Listing as a means of rewarding and retaining its employees. The Group's future success is also dependent upon its ability to attract and retain skilled personnel.

4.10 Control by Major Shareholders

Upon completion of the Public Issue, Dato' Gan Kim Huat will own, directly and indirectly, approximately 54.78% of the enlarged issued and paid-up share capital of SKPRB. As a result, it is likely that Dato' Gan will be able to effectively control the outcome of certain matters requiring the vote of the Company's shareholders unless Dato' Gan is required to abstain from voting by law and/or the relevant authorities.

4.11 Technological Change

The success of the Group in the past was very much dependent on its ability to maintain and enhance its technology and technical know-how in the plastics industry to meet the latest design and stringent requirements of its MNC customers on a timely basis.

The Directors believe that it is imperative for the Group to continue exploring new technologies and expanding its technical know-how in the plastics injection moulding process by investing in new machinery and sending its employees for training. However, there can be no assurance that the Group's development policy will be successful or that the Group will be able to procure the latest technologies and/or expand on its technical know-how or that the emergence of new technologies will not reduce the competitiveness of the Group.

4.12 Forward-looking Statements

This Prospectus contains several forward-looking statements, being statements other than statements of historical facts. Although the Directors believe that the expectations reflected in such statements are reasonable as at the date of this Prospectus, there can be no assurance that such expectations will prove to be correct or continue to hold in the future. Whether such statements will ultimately prove to be accurate depend on a variety of known and unknown factors that may cause the businesses and operations of the SKPRB Group to be materially different from any future results, plans, performance and achievements, express or implied, by such prospective statements.

4.13 Changes in General Economic, Political, Legislative, Business and Credit Conditions

As with any other company, the performance of the SKPRB Group is also subject to the overall economic, political, legislative, business and credit environment both domestically and internationally. For instance, an increase in interest rate may increase the burden of the Group with respect to interest payments of its loans depending on the total outstanding loans at that point in time.

As such, there can be no assurance that the performance of the Group would remain favourable in the event of changes in the general economic, political, legislative, business and credit conditions both domestically and internationally.

4. RISK FACTORS *(Cont'd)*

4.14 Profit Forecast

This Prospectus contains a profit forecast of the Group that is based on assumptions, which the Directors believe to be reasonable, but which nevertheless are subject to uncertainties and are contingent in nature. Due to the subjective judgements included and inherent uncertainty of profit forecasts, and as events and circumstances frequently do not occur as expected, there can be no assurance that the profit forecast contained herein will be realised and actual results may be materially different from those shown. Investors will be deemed to have read and understood the assumptions underlying the profit forecast that is contained herein.

4.15 Termination of the Underwriting Agreement

The Underwriting Agreement allows the Underwriters to terminate the Underwriting Agreement if the Underwriters are of the reasonable opinion that the success of the Public Issue is likely to be materially and adversely affected by certain events, details of which are set out in Section 5.9(ii) of this Prospectus.

No assurance can be given that the Underwriters will not terminate the Underwriting Agreement if in the reasonable opinion of the Underwriters any of the events detailed in Section 5.9(ii) of this Prospectus occurs. If, as a result of the termination, the Public Issue cannot be completed, all monies paid in respect of all applications will be returned to the applicants without interest.

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