

5. DIRECTORS, SENIOR MANAGEMENT, EMPLOYEES AND AUDIT COMMITTEE

The HTVB Group is led by committed promoters and is managed by its Board of Directors who is assisted by a senior management team. The profiles of the Promoters, Board of Directors and the key members of the management team are set out in the ensuing paragraphs.

5.1 Promoters

The promoters of HTVB are Kua Hock Lai, Tee Tuang Siong and Law Sook Teng.

5.2 Major Shareholders

As at 17 July 2003 (being the last practicable date prior to the printing of this Prospectus), the major shareholders of HTVB and their respective direct and indirect interest in the shares of the Company before and after the IPO are as follows:-

Major shareholder	Designation in Company	Nationality/ Country Incorporation	Before the IPO@				After the IPO#			
			Direct		Indirect		Direct		Indirect	
			No. of Shares	%	No. of Shares	%	No. of Shares	%	No. of Shares	%
KHL Sdn Bhd	N/A	Malaysia	~ 84,457,096	35.76	*46,173,644	19.55	~ 84,457,096	25.80	*46,173,644	14.10
United Coconut Fibre Products Sdn Bhd	N/A	Malaysia	46,173,644	19.55	-	-	46,173,644	14.10	-	-
Tan Sri Dato' Alwi bin Jantan	Chairman	Malaysian	26,788,464	11.34	-	-	26,788,464	8.18	-	-
Kua Hock Lai	Managing Director	Malaysian	13,904,566	5.89	^135,017,485	57.16	13,904,566	4.25	^135,017,485	41.24
Lim Ah Eng	## N/A	Malaysian	4,386,745	1.86	**144,535,306	61.19	4,386,745	1.34	**144,535,306	44.15

Notes:-

Excluding pink form allocation

* Deemed interested through its substantial shareholdings in United Coconut Fibre Products Sdn Bhd

^ Deemed interested through his substantial shareholdings in KHL Sdn Bhd and United Coconut Fibre Products Sdn Bhd and his spouse, Lim Ah Eng

** Deemed interested through her substantial shareholdings in KHL Sdn Bhd and United Coconut Fibre Products Sdn Bhd and her spouse, Kua Hock Lai

@ Based on 236,200,000 Shares

Based on the enlarged issued and paid-up share capital of 327,400,000 Shares

Lim Ah Eng is the Operating Manager of HMSB. She does not hold any directorships and/or is not a major shareholder in other public companies within the past two(2) years of this Prospectus

~ Of which 72,728,000 Shares are held by Alliancegroup Nominees (Tempatan) Sdn Bhd as bare trustees for KHL Sdn Bhd

Further information on KHL Sdn Bhd and United Coconut Fibre Products Sdn Bhd are set out below:-

(i) Brief information on KHL Sdn Bhd

KHL Sdn Bhd was incorporated as a private limited company in Malaysia on 3 September 1983 under the Companies Act, 1965. KHL Sdn Bhd is an investment holding company.

5. DIRECTORS, SENIOR MANAGEMENT, EMPLOYEES AND AUDIT COMMITTEE..... cont'd

The Directors of KHL Sdn Bhd are set out below:-

Name of Director	As at 17 July 2003			
	Direct		Indirect	
	No. of ordinary shares of RM1.00 each	%	No. of ordinary shares of RM1.00 each	%
Kua Hock Lai	848,430	77.98	*239,515	22.02
Lim Ah Eng	239,515	22.02	**848,430	77.98

Notes:-

* Deemed interested by virtue of his spouse, Lim Ah Eng's interest

** Deemed interested by virtue of her spouse, Kua Hock Lai's interest

The substantial shareholders of KHL Sdn Bhd (5% or more) as at 17 July 2003 are set out below:-

Name of shareholder	As at 17 July 2003			
	Direct		Indirect	
	No. of ordinary shares of RM1.00 each	%	No. of ordinary shares of RM1.00 each	%
Kua Hock Lai	848,430	77.98	*239,515	22.02
Lim Ah Eng	239,515	22.02	**848,430	77.98

Notes:-

* Deemed interested by virtue of his spouse, Lim Ah Eng's interest

** Deemed interested by virtue of her spouse, Kua Hock Lai's interest

(ii) Brief information on United Coconut Fibre Products Sdn Bhd

United Coconut Fibre Products Sdn Bhd was incorporated as a private limited company in Malaysia on 22 July 1992 under the Companies Act, 1965. United Coconut Fibre Products Sdn Bhd is an investment holding company.

The Directors of United Coconut Fibre Products Sdn Bhd are set out below :-

Name of Director	As at 17 July 2003			
	Direct		Indirect	
	No. of ordinary shares of RM1.00 each	%	No. of ordinary shares of RM1.00 each	%
Kua Hock Lai	2,192,501	12.84	*14,877,999	87.16
Lim Ah Eng	1	-	**17,070,499	99.99

Notes:-

* Deemed interested by virtue of his spouse, Lim Ah Eng's interest and his direct interest in KHL Sdn Bhd

** Deemed interested by virtue of her spouse, Kua Hock Lai's interest and her direct interest in KHL Sdn Bhd

5. DIRECTORS, SENIOR MANAGEMENT, EMPLOYEES AND AUDIT COMMITTEE..... cont'd

The substantial shareholders of United Coconut Fibre Products Sdn Bhd (5% or more) as at 17 July 2003 are set out below:-

Name of shareholder	As at 17 July 2003			
	Direct		Indirect	
	No. of ordinary shares of RM1.00 each	%	No. of ordinary shares of RM1.00 each	%
Kua Hock Lai	2,192,501	12.84	*14,877,999	87.16
KHL Sdn Bhd	14,877,998	87.16	-	-

Note:-

* Deemed interested by virtue of his spouse, Lim Ah Eng's interest and his direct interest in KHL Sdn Bhd

KHL Sdn Bhd and United Coconut Fibre Products Sdn Bhd do not have any shareholdings in other public companies.

5.3 Board of Directors

(i) Profile

TAN SRI DATO' ALWI BIN JANTAN, aged 68, is the Chairman of HTVB. He was appointed to the Board of HTVB on 6 June 2003.

He obtained his Bachelor of Arts (Honours) degree from the University of Malaya in Singapore in 1958 and also attended the Advanced Management Program at Harvard University in 1980. He joined the Malayan Civil Service in 1958. In a career spanning 32 years, he had served as Assistant Secretary, Ministry of Transport from 1958 to 1961, Assistant Secretary in the Prime Minister's Department from 1961 to 1963 and was also concurrently the Private Secretary to His Royal Highness the Timbalan Yang Dipertuan Agong from 1961 to 1962 and in 1965, Director of National Archives, Malaysia between 1966 and 1970 and Director General of National Archives and Library, Malaysia from 1971 to 1972. Thereafter, he served as State Secretary, Selangor from 1972 to 1976, Secretary General, Ministry of Local Government and Federal Territory from 1976 to 1977 and Secretary General, Ministry of Health from 1977 to 1981. In March 1981, he was appointed as the Deputy Secretary in the Prime Minister's Department and in 1984, he became the Secretary General, Ministry of Agriculture. He retired on 16 April 1990 as the Director General of Public Service, Malaysia after having served 3 and a half years in that position. He is currently the Executive Vice-President of Resorts World Bhd. He also sits on the board of several other public and private companies.

KUA HOCK LAI, aged 55, is the Managing Director of HTVB. He was appointed to the Board of HTVB on 6 June 2003.

He is a businessman by profession and has over 30 years of experience in hardware products and the building materials industry. Prior to joining the HTVB Group, he was one of the founder members of the Wing Tiek Group of Companies which was listed on the KLSE in 1990. He was the Managing Director of Wing Tiek Holdings Berhad from 1975 to 1994. After he left Wing Tiek Holdings Berhad, he established several private limited companies. He was then invited to join the HTVB Group and become a major shareholder.

5. DIRECTORS, SENIOR MANAGEMENT, EMPLOYEES AND AUDIT COMMITTEE..... cont'd

The overall management and day-to-day affairs of the HTVB Group are managed by him with the assistance of his able and dedicated management team. He is responsible for formulating business strategies within the Group to enhance profitability and for the continuous growth of the Group. With his long and in-depth experience, he plays an important role in guiding the Group's direction and future growth. He also sits on the boards of several other private limited companies.

MOHAMED NIZAM BIN ABDUL RAZAK, aged 44, is an Independent Non-Executive Director of HTVB. He was appointed to the Board of HTVB on 6 June 2003.

Mohamed Nizam bin Abdul Razak graduated in Politics, Philosophy and Economics from Oxford University, United Kingdom, in 1980. He began his career in 1981 when he joined the Corporate Finance Department in Bumiputera Merchant Bankers Berhad. In 1984, he joined GP Securities Sdn Bhd (now known as PB Securities Sdn Bhd) as general manager. He became the Chief Executive Officer in 1992 and held the position until his retirement in 1998. He currently sits on the boards of Mamee Double-Decker (M) Berhad, Sunway Building Technology Berhad (currently undertaking a change of name to "Dolomite Corporation Berhad"), Delloyd Ventures Berhad, PK Resources Berhad, Yeo Hiap Seng (Malaysia) Berhad, Synergy Track Berhad and several private companies. He is also a trustee on several charitable foundations such as the Noah Foundation, the Hong Leong Foundation and the National Children Welfare Foundation and sits on the Board of Governors of Nilai College.

TEE TUANG SIONG, aged 44, is an Executive Director of HTVB. He was appointed to the Board of HTVB on 6 June 2003.

He joined THH as General Manager in 1994 and was appointed as the Director of THH in October 1994. Based in Butterworth, he is in charge of the management and the marketing of the Group's products in the northern region.

He obtained a Diploma of Marketing from the Malaysian Institute of Training and Development, and Marketing Confederation of Australia in 1993. He was with Robert Newton Timber Products Sdn Bhd as an Administration and Purchasing Assistant from 1980 to 1981. He joined Wing Tiek Hardware Sdn Bhd in 1981 as Sales Executive and was transferred to Butterworth as Branch Manager in 1983 responsible for the operations of Wing Bee Hardware Sdn Bhd. He was later promoted to General Manager in 1990, a position he assumed until 1994. His experience in the marketing capacity has accorded him familiarity with the hardware trading business in the northern region.

LAW SOOK TENG, aged 35, is an Executive Director of HTVB. She was appointed to the Board of HTVB on 6 June 2003.

She graduated with a Bachelor of Economics degree from Universiti Malaya in 1992. Prior to joining APM in 1994 as the Sales Manager, she was the Assistant Sales Manager of Wing Tiek Steel Pipes Sdn Bhd from 1992 to 1994. She was appointed to the Board of APM in 1994, where she is responsible for the overall production, sales and administrative functions.

5. DIRECTORS, SENIOR MANAGEMENT, EMPLOYEES AND AUDIT COMMITTEE..... cont'd

LU KANG EING, aged 51, is an Executive Director of HTVB. He was appointed to the Board of HTVB on 6 June 2003.

He has over 23 years of experience in hardware products and building materials industry and has been with HTH since 1994. He obtained his Diploma in Mechanical Engineering from Singapore Polytechnic in 1974, Diploma in Production Management from Ngee Ann Technical College in 1978 and Diploma in Management from Malaysian Institute of Management in 1987. Upon his graduation in 1974, he was attached to the National Iron and Steel Mill, Singapore as a Production Engineer for 6 years. Between 1981 to 1991, he was with Amalgamated Steel Mill Berhad and subsequently in 1992, he joined Wing Tiek Pipe Mill Sdn Bhd as General Manager. He also sits on the boards of several other private limited companies.

CHEAH SHU BOON, aged 43, is a Non-Executive Director of HTVB. He was appointed to the Board of HTVB on 20 March 1997.

He holds a Bachelor of Arts in Law (Honours) and a Master of Laws from the London School of Economics, University of London. He is also a Barrister-at-Law from Gray's Inn, England. He is a practising advocate and solicitor of the High Court of Malaya.

He is well experienced in a wide scope of legal work which include civil litigation, conveyancing, corporate matters and joint ventures. He has provided extensive advice in the negotiation and finalisation of various joint ventures and privatisation projects. In addition, he has undertaken property development projects and currently sits on the boards of three private property development and investment holding companies.

TOH SU LIN, aged 32, is the alternate Director of HTVB to Cheah Shu Boon. She was appointed to the Board of HTVB on 20 March 1997 and as the alternate Director to Mr Cheah Shu Boon on 12 June 2003.

She holds a Bachelor of Laws (Honours) degree from the University of Leeds, England and holds the Certificate of Legal Practice. She is a practising advocate and solicitor of the High Court of Malaya.

ONG ENG CHOON, aged 51 is an Independent Non-Executive Director of HTVB. He was appointed to the Board of HTVB on 6 June 2003.

He graduated from the Tunku Abdul Rahman College, Kuala Lumpur with the Diploma of Business Administration and has 23 years of tax experience of which 3 years were spent with the Inland Revenue Board, 10 years with one of the top four international accounting firms before becoming Managing Director of Taxnet Consultants Sdn Bhd. He is a Chartered Accountant (Malaysia), a Fellow of the Chartered Association of Certified Accountants (FCCA), an Associate member of the Institute of Chartered Secretaries and Administrators (ICSA) and an Associate Member of the Malaysian Institute of Taxation. Mr Ong is also a director of Chinwell Holdings Berhad, a public listed company.

5. DIRECTORS, SENIOR MANAGEMENT, EMPLOYEES AND AUDIT COMMITTEE..... cont'd

YEOH CHONG KEAT, aged 44 is an Independent Non-Executive Director of HTVB. He was appointed to the Board of HTVB on 6 June 2003.

He did his foundation course in accountancy in Birmingham Polytechnic, UK and is a Chartered Accountant (Malaysia), a Fellow of the Institute of Chartered Accountants in England and Wales, Fellow of the Malaysian Institute of Taxation and Member of the Malaysian Institute of Certified Public Accountants and is currently in practice as President/Chief Executive Officer of Archer Corporate Services Sdn Bhd, Archer Tax Services Sdn Bhd and Archer Consulting Group Sdn Bhd.

He is also a licensed auditor practicing under the Firm of C.K.Yeoh & Co, Chartered Accountants. Prior to setting up the Archer Group, Mr Yeoh had been in audit, tax and consulting practice upon his return from the United Kingdom ("UK") in 1982 where he trained and qualified as a Chartered Accountant with the firm now known as PricewaterhouseCoopers, UK. He was also formerly the Head of the Corporate Secretarial Division of a top four international accounting firm in Kuala Lumpur for over 10 years.

Currently, Mr Yeoh is the external company secretary of a number of public listed companies listed on the Main and Second Boards of the KLSE and also a member of the MIA Company Law Practice Board Committee. He also sits on the board of directors of Lien Hoe Corporation Berhad and Polymate Holdings Berhad.

(ii) Directors shareholdings in HTVB

Name of Director	Direct		Indirect	
	No. of Shares	%	No. of Shares	%
Tan Sri Dato' Alwi bin Jantan	26,788,464	8.18	-	-
Kua Hock Lai	13,904,566	4.25	135,017,485	41.24
Mohamed Nizam bin Abdul Razak	11,256,247	3.44	-	-
Tee Tuang Siong	2,674,609	0.82	-	-
Law Sook Teng	1,587,615	0.48	-	-
Lu Kang Eing	1,832,961	0.56	-	-
Cheah Shu Boon	-	-	-	-
Toh Su Lin	-	-	-	-
Ong Eng Choon	-	-	-	-
Yeoh Chong Keat	-	-	-	-

Notes:-

Excludes pink form allocation

[^] *Deemed interest through his substantial shareholdings in KHL Sdn Bhd, United Coconut Fibre Products Sdn Bhd and his spouse, Lim Ah Eng*

^{*} *Based on an enlarged share capital of 327,400,000 Shares*

5. DIRECTORS, SENIOR MANAGEMENT, EMPLOYEES AND AUDIT COMMITTEE..... cont'd

Save as disclosed below, none of the other Directors have any other directorships and/or major shareholdings (5% or more) in other public companies for the past two(2) years.

Name of Director	Nationality	Directorship	Company	Direct		Indirect	
				No. of ordinary shares held	%	No. of ordinary shares held	%
Tan Sri Dato' Alwi bin Jantan	Malaysian	Yes	Resorts World Bhd	5,000	Neg.	-	-
		Yes	United Overseas Australia Ltd	318,757	0.52	-	-
		Yes	Guinness Anchor Bhd	-	-	-	-
		Yes	Genting Highlands Berhad	-	-	-	-
		Yes	Genting Golf Course Bhd	-	-	-	-
		Yes	Fal Bhd	-	-	-	-
Mohamed Nizam bin Abdul Razak	Malaysian	Yes	Mamee-Double Decker (Malaysia) Berhad	1,133,333	1.90	-	-
		(Resigned on 8 March 2001)	Harrisons Holdings (Malaysia) Berhad	9,000	Neg.	-	-
		Yes	Sunway Building Technology Berhad *	2,938,180 (1,880,435 warrants)	1.14	-	-
		Yes	Delloyd Ventures Berhad	312,500	0.40	-	-
		Yes (Resigned on 2 May 2003)	PK Resources Berhad	-	-	-	-
		Yes	Winitex Holdings Bhd	-	-	-	-
Yeoh Chong Keat	Malaysian	Yes	Yeo Hiap Seng (Malaysia) Berhad	-	-	-	-
		Yes	Synergy Track Berhad	** 1	50.00	-	-
Ong Eng Choon	Malaysian	Yes	Lien Hoe Corporation Berhad	-	-	-	-
		Yes	Polymate Holdings Berhad	-	-	-	-
Ong Eng Choon	Malaysian	Yes	Chinwell Holdings Berhad	10,000	Neg.	-	-

Note:-

Neg. Negligible

* Currently undertaking a change of name to "Dolomite Corporation Berhad".

** Held as trustee

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5. DIRECTORS, SENIOR MANAGEMENT, EMPLOYEES AND AUDIT COMMITTEE..... cont'd**(iii) Directors' Remuneration and Benefits**

The remuneration paid to the Directors of the Group for services rendered in all capacities to the Company and its subsidiaries for the financial year ended 31 July 2002 amounted to RM1.3 million. For the financial year ending 31 July 2003, the amount payable to the Directors of the Group for services rendered in all capacities to the Company and its subsidiaries is estimated to be RM1.5 million. The details of the aggregate remuneration are as follows:-

Directors' remuneration (RM)	No. of Directors	
	Financial year ended 31 July 2002	Financial year ending 31 July 2003
0 – 50,000	4	6
Between 50,000 – 100,000	1	1
Above 100,000	8	8
	13	15

5.4 Management Team and Key Technical Personnel

The day-to-day management of the HTVB Group is headed by the Managing Director, Kua Hock Lai, who is assisted by a team of experienced and dedicated management and technical personnel as detailed below:-

TEH SWEE SEE, aged 42, the General Manager of HTSM, graduated with a Bachelor of Business Administration from Memphis State University in 1985. Prior to joining the HTVB Group in 1996, he was Credit Controller in Wing Tiek Holdings Berhad from 1991 to 1993. In 1994, he was promoted to Sales Manager of Wing Tiek Holdings Berhad, a position he assumed until he left in 1996. He currently oversees the Group's manufacturing and marketing of shoring and system scaffolding.

KOK KIM SANG, aged 48, is the General Manager of the Group's marketing arm, HMSB. He began his career in 1979 as a Sales Executive of the Lion Group, where he remained for 13 years. In 1992, he joined HMSB to assume his present position. His responsibilities lay in the manufacturing and marketing of the scaffolding equipment and accessories for the local and overseas market.

OOI AI LENG, aged 37, is the Accountant of HTH. She obtained her Bachelor of Accounting degree from University Malaya in 1991. She joined HTH as the Accountant in 1994. She oversees the Group's corporate exercise, system development and budgets.

PHANG CHIN KHIONG, aged 34, is the Executive Director of APM. He started his career in sales as a Sales Executive with Konwa Sewing Machine Sdn Bhd in 1990. He joined Wing Tiek Steel Pipes Sdn Bhd as Assistant Sales Manager in 1991 after which he left in 1994 to pursue a career in the steel industry with APM.

5. DIRECTORS, SENIOR MANAGEMENT, EMPLOYEES AND AUDIT COMMITTEE..... cont'd

TAN YUEN HONG, aged 37, is the Executive Director of HTH. Prior to joining the company in 1993, he has had 8 years of work experience with Wing Teik Holdings Bhd as Regional Sales Manager. He is responsible for the marketing function of the hardware trading business of the company.

CHOO WAI HOONG, aged 35, is the Senior Factory Manager of APM and joined the company in 1997. He holds a Diploma in Mechanical and Manufacturing Engineering. Upon graduation, he was attached with Amsteel Mills Sdn Bhd as Maintenance Executive overseeing the daily operation of the steel mill.

LEE KEE BAU, aged 35, is the Senior Technical and Design Manager of HTSM and has held the position since joining in 1998. He graduated from Universiti Kebangsaan Malaysia with a Bachelor of Engineering in Civil and Structural Engineering. He began his career in 1993 as a site engineer with Chase Perdana Berhad till 1995 where subsequently he joined K.L. Chan & Associates as a Civil & Structural Design Engineer till 1997. He then joined Sin Ki Piling & Engineering (M) Sdn Bhd where he was the Assistant Projects Manager. He is a Registered Professional Engineer (P.Eng) with the Board of Engineers Malaysia, a Corporate Member of the Institution of Engineers, Malaysia, a Professional Member, the Institution of Materials, Malaysia and a Registered Scaffolder, Jabatan Keselamatan Dan Kesihatan Pekerjaan Malaysia.

WONG KON SIONG, aged 48, is the Senior Factory Manager of HMSB and APM, posts he held since 1994. He is a qualified Wireman Nail granted by Tenaga Nasional Berhad and was a Site Supervisor with Vicent Electrical from 1975 till 1982. He then joined Valex Electrical as a Site Manager from 1983 till 1990 and subsequently joined Wing Teik Steel Pipe Sdn Bhd as a Factory Executive till 1993 and subsequently joined the Company in 1994.

TEOH PEIR SONG, aged 37, is the Executive Director of HTH and joined HTH in 1993 as the Manager and was appointed Director of HTH in October 1993. Graduating with a Diploma in Civil Engineering, he was attached to Wing Teik Holdings Berhad before joining HTH. He also sits on the boards of several other private limited companies.

KUA SWEE LEONG, aged 29, is the Chief Operating Officer of HTH. Since graduating from the University of Kansas, U.S.A. with a Bachelor's degree in Business Administration and Management in 1995, he has been actively involved in the marketing of the Group's products and general administration of the Group's affairs. He sits on the boards of several private limited companies.

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5. DIRECTORS, SENIOR MANAGEMENT, EMPLOYEES AND AUDIT COMMITTEE..... cont'd

A summary description of the key management team / key technical personnel of the HTVB Group and their direct/indirect shareholdings in HTVB (after the IPO) are as follows:-

	Designation	Direct		Indirect	
		No. of Shares	* %	No. of Shares	* %
Kua Hock Lai	Managing Director	13,904,566	4.25	^135,017,485	41.24
Teh Swee See	General Manager of HTSM	-	-	-	-
Kok Kim Sang	General Manager of HMSB	1,556,299	0.48	-	-
Ooi Ai Leng	Accountant of HTH	-	-	-	-
Phang Chin Khiong	Executive Director of APM	1,587,615	0.48	-	-
Tan Yuen Hong	Executive Director of HTH	1,091,515	0.33	-	-
Choo Wai Hoong	Senior Factory Manager of APM	-	-	-	-
Lee Kee Bau	Senior Technical and Design Manager of HTSM	-	-	-	-
Wong Kon Siong	Senior Factory Manager of HMSB and APM	687,360	0.21	-	-
Teh Peir Song	Executive Director of HTH	1,091,515	0.33	-	-
Kua Swee Leong	Chief Operating Officer of HTH	545,757	0.17	-	-

Notes:-

Excludes pink form allocation

^ Deemed interest through his substantial shareholdings in KHL Sdn Bhd, United Coconut Fibre Products Sdn Bhd, and his spouse, Lim Ah Eng

* Based on the enlarged issued and paid-up share capital at 327,400,000 Shares

5.5 Employees

As at 30 June 2003, the Group employs a total of 462 employees, of whom 153 are managers, executives and supervisory personnel, 42 sales and clerical staff, 26 technical staff, 48 general workers, 78 skilled and 115 unskilled and foreign workers. The average years of service of the Group's employees is 7 years for senior management and 5 years for other employees. Based on HMSB's records as at 30 June 2003, 20 employees of HMSB are members of the Metal Industries Employees' Union ("**Union**"). A draft Collective Agreement ("**CA**"), which sets out the terms and conditions of employment to be observed by the relevant employees of HMSB, is currently being negotiated between HMSB and the Union. The salient terms of the CA are expected to be as follows:-

- (i) The CA is intended to be in force for a period of four(4) years;
- (ii) The CA shall cover all employees of HMSB but excluding managerial, supervisory, executive and confidential staff and all employees engaged in security work ("**Employees**");
- (iii) HMSB shall recognise that the Union shall be the exclusive collective to bargain on behalf of the Employees in respect of matters set out in the CA;
- (iv) The CA sets out policies regarding, *inter alia*, promotions, transfers, arbitrations, settlements, grievances procedures, probationary periods, acceptable disciplinary actions, working hours and employment, retirement and/or retrenchment benefits;
- (v) The CA also sets out a basic salary scale to be agreed upon by the Union and HMSB and any adjustments thereto; and
- (vi) HMSB shall assist the Union in the collection of its subscription, which shall be deducted from the Employees' wages, subject to the requirements of the Employment Act 1955 and remit the same to the Union.

5. DIRECTORS, SENIOR MANAGEMENT, EMPLOYEES AND AUDIT COMMITTEE..... cont'd

The management of the Group is of the opinion that its dedicated and efficient employees are instrumental to its success. The management of the Group enjoys a good working relationship with the employees. There have not been any strikes or other forms of labour disputes which has caused disruption to the business or operations of the HTVB Group.

The Group provides on-the-job-training and sends its employees to courses for staff development and skill training in operational, administrative, health and safety aspects. Some of the courses and training are conducted in-house whenever possible but most of the courses are conducted by various external professional bodies or institutes. The Group also keeps its employees abreast of the latest developments in the domestic and regional iron and steel industry as well as the latest technology used in the industry by sending its employees to courses organised by MISIF and other related bodies within the iron and steel industry.

Some of the programmes undertaken by the various departments include *inter-alia*, the following areas of development:-

Operational

- Field Audits by the Inland Revenue Board
- Malaysian Customs and Excise Procedures
- Understand and Use the Latest Malaysian Customs and Excise Procedures
- *Bengkel Asas Perkeranian dan Pentadbiran Pejabat yang Berkesan*
- Export and Import Documentation Risk and Financing

Technical

- Basic Metallurgy
- Advanced Metallurgy
- Electrical Power System
- Electrical Wiring Design, Installation and Testing
- Operation, Maintenance and Trouble Shooting of Air-Conditioning and Refrigeration System
- Maintenance Practices of Mechanical and Services Equipment
- Power Electronics – Application to Electric Drives and Power Transmission
- Electrical Circuit Design, Installation and Commissioning
- Hydraulics and Pneumatics Practices in Industries

Human Resources

- *Teknik-teknik Komunikasi Berkesan*
- Managing People Effectively
- *Warga Kerja Bermotivasi, Warga Kerja Cemerlang*
- *Kursus Pengurangan Kos Pekerja*
- 6S Implementation for Enhancing Shop Floor Effectiveness
- *Motivasi Diri dan Memotivasikan Pekerja Untuk Perspektif Islam*
- Personal Advancement Skill Training Initiative Workshop1, 3 & 4

Management

- *Bengkel Mengurus dan Meningkatkan Prestasi Pekerja Bermasalah*
- *Bengkel Penyeliaan Berkesan*
- *Bengkel Peningkatan Produktiviti dan Prestasi Kerja Syarikat*
- *Bengkel PDCA Untuk Team Leader dan Penyelia*
- *Kursus Kemahiran Asas Kaunseling – Psikologi Menangani Pekerja Bermasalah*
- *Kursus Akta Kerja Lanjutan 1955*
- *Kursus Akta Kerja Lanjutan 1956*
- Effective Managerial Skills for Success
- Effective Management and Administration Skill
- *Kursus Pengurusan Pembelian Yang Menguntungkan Syarikat*
- *Pengurusan Stor dan Inventori Yang Berkesan*

5. DIRECTORS, SENIOR MANAGEMENT, EMPLOYEES AND AUDIT COMMITTEE..... cont'd

- Towards Effective Inventory Control and Warehouse Management
- *Kursus Asas Pembangunan Line Leader*
- *Kursus Lanjutan Pembangunan Line Leader*
- Modern Approaches to Material Management in Manufacturing, Maintenance and Process Industries
- Autonomous Maintenance and Planned Maintenance Management
- Effective Materials Requirements Planning (MRP)

Sales and Marketing

- Effective Marketing Strategies and Personal Selling Skills
- Professional Consultative Selling Skills Workshop
- Customer Retention

5.6 Family Relationship

Mr Kua Hock Lai (*the Managing Director of the Group*), is the father of Mr Kua Swee Leong (*Chief Operating Officer of HTH*). Mdm Lim Ah Eng is the spouse of Mr Kua Hock Lai and is also the Operating Manager of HMSB. Save for the aforementioned, there are no family relationships among the Directors and senior management team.

5.7 Audit Committee

HTVB has set up an Audit Committee on 17 July 2003. The Committee now comprises of the following Board members :-

Name	Designation	Directorship
Yeoh Chong Keat	Chairman	Independent Non-Executive Director
Kua Hock Lai	Member	Managing Director
Ong Eng Choon	Member	Independent Non-Executive Director

The functions of the Audit Committee include the review of the audit plan and audit report with the Auditors, review of the scope of internal audit procedures, review of balance sheets and profit and loss accounts, review of the appointment of auditors, assist the Board in discharging its statutory duties and responsibilities relating to the accounting and reporting practices of the companies within HTVB Group and undertake such other responsibilities as may be agreed to by the Audit Committee and the Board.

The Audit Committee will also monitor all business transactions in the future to be entered into by HTVB Group with parties that are related to the promoters, Directors and major shareholders to ensure that such transactions are based on commercial terms and not on terms that are detrimental to HTVB Group.

5.8 Changes in the Shareholdings of Major Shareholders/Promoters

Save for the changes in the shareholdings of the major shareholders arising from the Acquisitions and Acquisition of Properties as set out in Section 4.3 of this Prospectus, there has been no other changes of major shareholders or promoters of HTVB with regards to their direct or indirect shareholdings for the past three (3) years from the date of this Prospectus.

6. FURTHER INFORMATION ON THE HTVB GROUP

6.1 Approvals, Major Licences and Permits

The approvals, major licences and permits under the possession of the Group are as follows:

Approvals and major licences held by HTH						
Licence No.	Issuing Authority	Date of Issue	Duration	Subject Matter	Major Conditions	Status of compliance
BB03984M	Kementerian Perdagangan Dalam Negeri dan Hal-Ehwal Pengguna	19.11.01	3 years	Licence for wholesale trading of mild steel round bars.	None.	N/A
SB05708A	Kementerian Perdagangan Dalam Negeri dan Hal-Ehwal Pengguna	14.06.02	3 years	Licence for storage of cement for trading purposes.	None.	N/A

Approvals and major licences held by HTSM						
Licence No.	Issuing Authority	Date of Issue	Duration	Subject Matter	Major Conditions	Status of compliance
B10-95000068/95	Jabatan Kastam dan Eksais Diraja Malaysia	25.09.1996	N/A	Manufacturer's Licence under Sales Tax Act, 1972 for scaffolding and shoring system equipment	None.	N/A
A011755	MITI	01.04.1999	N/A	Manufacturing Licence under Industrial Co-ordination Act, 1975 for clamp, steel scaffolding, steel racking and pre-forming box.	At least 70% of the shares of HTSM shall be held by Malaysians including at least 30% reserved.	Will be complied with upon listing.

Approvals and major licences held by HT Steel						
Licence No.	Issuing Authority	Date of Issue	Duration	Subject Matter	Major Conditions	Status of compliance
BM00080K	Kementerian Perdagangan Dalam Negeri dan Hal-Ehwal Pengguna	28.05.2002	2 years	Manufacturer's licence for mild steel round bars	The licensee shall not have in its possession more than 10,000 tons of mild steel round bars.	Will be complied with upon commencement of operations.
BB4558K	Kementerian Perdagangan Dalam Negeri dan Hal-Ehwal Pengguna	28.05.2000	5 years	Licence for wholesale trading of mild steel round bars.	The licensee shall not have in its possession more than 5,000 tons of mild steel round bars.	Will be complied with upon commencement of operations.

Approvals and major licences held by APM						
Licence No.	Issuing Authority	Date of Issue	Duration	Subject Matter	Major Conditions	Status of compliance
A 010757	MITI	02.04.1997	N/A	Manufacturing licence for slitting and shearing of steel sheets/coils and straightening of iron and steel bars	At least 70% of the shares of APM shall be held by Malaysians including at least 30% reserved.	Will be complied with upon listing.
A 010723	MITI	10.03.1997	N/A	Manufacturing of additional products i.e. lipped channel, C channel, steel pipes and metal door frames		

6. FURTHER INFORMATION ON THE HTVB GROUP ... cont'd

Approvals and major licences held by HMSB						
Licence No.	Issuing Authority	Date of Issue	Duration	Subject Matter	Major Conditions	Status of compliance
A 009998	MITI	22.11.1995	N/A	Manufacturing licence for welded steel pipes and lipped channels	At least 70% of the shares of HMSB shall be held by Malaysians including at least 30% reserved.	Will be complied with upon listing.

Approvals and major licences held by HHSB						
Licence No.	Issuing Authority	Date of Issue	Duration	Subject Matter	Major Conditions	Status of compliance
A 008985	MITI	28.10.1993	NA	Manufacturing licence for tubular steel scaffolding and accessories	At least 70% of the shares of HMSB shall be held by Malaysians including at least 30% reserved.	Will be complied with upon listing.

Approvals, major licences and permits held by BDBB						
Licence No.	Issuing Authority	Date of Issue	Duration	Subject Matter	Major Conditions	Status of compliance
34 Licences (Various Nos.)	Commercial Vehicles Licensing Board, Peninsular Malaysia ("CVLB")	Various dates from 1998 to 2001	5 years expiring on various dates from 2003 to 2006	Lorry permit	The licensee shall not cease services during the period of the licence except with the prior written consent of the CVLB.	Will be complied.

In addition to the above licences and permits, the Group holds other approved permits to import various steel products and to operate its business.

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6. FURTHER INFORMATION ON THE HTVB GROUP ... cont'd

6.2 Related Party Transactions

6.2.1 Promotions of any assets acquired/to be acquired within two(2) years preceding the date of the Prospectus

Save for the Sales and Purchase Agreement dated 24 January 2000 (and the Supplemental Sales and Purchase Agreement dated 2 September 2002 and the Further Supplemental Sales and Purchase Agreement dated 16 September 2002) entered into between HTVB and the vendors who are the Directors and/or substantial shareholders of HTH, THH, APM, HMSB and BDSB and the Sale and Purchase Agreement dated 22 November 2002 (and the letters dated 14 January 2003 and the Supplementary Agreement dated 5 May 2003) between HTVB and the vendors KHL Sdn Bhd and United Coconut Fibre Products Sdn Bhd who are the owners of the Properties as well as substantial shareholders of HTVB as described in Section 5.2 to formalise the acquisition of the Properties pursuant to the Restructuring and Listing Scheme, none of the other Directors or substantial shareholders has any interest, direct or indirect, in the promotion of or in any assets which have, within the two(2) years immediately preceding the date of this Prospectus, been acquired or proposed to be acquired or disposed or proposed to be disposed of or leased or proposed to be leased to the Company or its subsidiaries or any contract or arrangement subsisting at the date of this Prospectus which is significant in relation to the business of the Company and its subsidiaries taken as a whole.

The acquisition of HTH, THH, APM, HMSB and BDSB by HTVB involved the following Directors and/or substantial shareholders:-

Acquisition of HTH	
Name of Director / substantial shareholder of HTVB	Nature of interest in HTH
Kua Hock Lai	Director, shareholder and indirect substantial shareholder
Lu Kang Eing	Director
Mohamed Nizam bin Abdul Razak	Director and substantial shareholder
Tan Sri Dato' Alwi bin Jantan	Director and substantial shareholder
KHL Sdn Bhd	Substantial shareholder
Lim Ah Eng (<i>spouse of Kua Hock Lai</i>)	Shareholder and indirect substantial shareholder

Acquisition of THH	
Name of Director / substantial shareholder of HTVB	Nature of interest in THH
Kua Hock Lai	Director and substantial shareholder
Lu Kang Eing	Director
Tee Tuang Siong	Director and shareholder
KHL Sdn Bhd	Substantial shareholder
Tan Sri Dato' Alwi bin Jantan	Substantial shareholder
Lim Ah Eng (<i>spouse of Kua Hock Lai</i>)	Indirect substantial shareholder

6. FURTHER INFORMATION ON THE HTVB GROUP ... cont'd

Acquisition of APM	
Name of Director /substantial shareholder of HTVB	Nature of interest in APM
Kua Hock Lai	Director and substantial shareholder
Law Sook Teng	Director and shareholder
Lu Kang Eing	Director and shareholder
KHL Sdn Bhd	Substantial shareholder
Lim Ah Eng (<i>spouse of Kua Hock Lai</i>)	Substantial shareholder

Acquisition of HMSB	
Name of Director /substantial shareholder of HTVB	Nature of interest in HMSB
Kua Hock Lai	Director and indirect substantial shareholder
Lim Ah Eng (<i>spouse of Kua Hock Lai</i>)	Indirect substantial shareholder
KHL Sdn Bhd	Substantial shareholder
United Coconut Fibre Products Sdn Bhd	Substantial shareholder

Acquisition of BDSB	
Name of Director /substantial shareholder of HTVB	Nature of interest in BDSB
United Coconut Fibre Products Sdn Bhd	Substantial shareholder
Kua Hock Lai	Indirect substantial shareholder
Lim Ah Eng (<i>spouse of Kua Hock Lai</i>)	Indirect substantial shareholder

The Acquisition of Properties involved the following Director and/or substantial shareholders:-

Acquisition of Properties	
Name of Director /substantial shareholder of HTVB	Nature of interest in the Properties
KHL Sdn Bhd	Substantial shareholder
United Coconut Fibre Products Sdn Bhd	Substantial shareholder
Kua Hock Lai	Indirect substantial shareholder
Lim Ah Eng (<i>spouse of Kua Hock Lai</i>)	Indirect substantial shareholder

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6. FURTHER INFORMATION ON THE HTVB GROUP ... cont'd**6.2.2 Transactions between HTVB Group and the Promoters/Directors/Major Shareholders**

Save as disclosed below, there are no other transactions with companies in which certain Directors/substantial shareholders of HTVB are also directors/substantial shareholders:-

Name of other company	Nature of business	Name of director	Director/ substantial shareholder of HTVB Group deemed interest	Equity interest held (%)		Nature of transaction with the HTVB Group
				Direct	Indirect	
Hiap Wing Marketing Sdn Bhd	Trading of structural steel	Kua Lai Shon @ Kuah Ah Kok	Kua Hock Lai	-	#99.87	Trading of steel products with HTVB Group
Hiap Wing Building Materials Sdn Bhd	Trading of building materials	Kua Lai Shon @ Kuah Ah Kok	Kua Hock Lai	-	~59.99	Trading of steel products with HTVB Group
Euro Wide Corporation Sdn Bhd	Trading of timber	Kua Lai Shon @ Kuah Ah Kok	Kua Hock Lai	-	*100.00	Purchase of steel products from HTVB Group
Power Concord Sdn Bhd	Renting of steel pallets	Kua Swee Kiat Kua Siu Hui	Kua Hock Lai	-	^100.00	1. Rental of office and warehouse from APM at RM15,000 per month 2. Purchase of steel products from APM

Notes:-

- # By virtue of his brother's (Kua Lai Shon @ Kuah Ah Kok) indirect interest in the company via KAK Sdn Bhd
- ~ By virtue of his brother's (Kua Lai Shon @ Kuah Ah Kok) direct and indirect (59.99%) interest in the company via KAK Sdn Bhd
Kua Lai Shon @ Kuah Ah Kok is a director of KAK Sdn Bhd of which he has 8.67% direct shareholding.
- * By virtue of his brother's 8.67% interest in KAK Sdn Bhd which in turn has 59.99% interest in Hiap Wing Building Materials Sdn Bhd which owns 100% of Euro Wide Corporation Sdn Bhd
- ^ By virtue of his children, Kua Swee Kiat and Kua Siu Hui's interests in Power Concord Sdn Bhd

	KUA HOCK LAI			Nature of transaction with HTVB Group
	Direct interest (%)	Indirect interest (%)	Principal activity	
KHL Sdn Bhd	77.98	^22.02	Investment holding	Rental by HMSB and APM of lots 6088 and 6089 respectively which were previously owned by KHL Sdn Bhd but has since been acquired by HTVB pursuant to the Acquisition of Properties *
United Coconut Fibre Products Sdn Bhd	12.84	^87.16	Investment holding	Rental by APM of lot 6085 which was previously owned by United Coconut Fibre Products Sdn Bhd but has since been acquired by HTVB pursuant to the Acquisition of Properties *

Notes:-

- ^ Deemed interest by virtue of his spouse (Lim Ah Eng) direct shareholding
- * The details of this transaction is set out in Section 4.3(iii) of this Prospectus

Although Mr Kua Hock Lai is indirectly interested in the above businesses that are carrying on a similar trade as the Group, the businesses are not in conflict with the Group's existing business because the target customers of the above companies are different from those of the Group. Further, the value of the transactions between these companies and the Group is negligible. In addition, save for KHL Sdn Bhd and United Coconut Fibre Products Sdn Bhd, Mr Kua Hock Lai is not a director of any of the above other companies.

6. FURTHER INFORMATION ON THE HTVB GROUP...cont'd**6.3 Summary of Landed Properties**

Details of the properties owned by the HTVB Group which have been valued by the Valuers, Khong & Jaatar Sdn Bhd, are shown as follows:-

Owner/Title/Location	Description / existing Use	Approximate age of building (years)	Approximate built-up area	Tenure	Net book value @ 31.07.2000 (RM)	Market value / valuation date (RM)	Value approved by SC (RM)	Market value as updated on 24.03.03 ^ (RM)	Valuation method	* Revaluation surplus/(deficit) as approved by the SC (RM)
Properties held for owner occupation										
HTP										
Lot 6096, Mukim of Kapar District of Klang Selangor Darul Ehsan	Single storey factory & warehouse with 4 storey office building	4	3,838 hectares / 12,179 sq metres	Freehold	13,643,781	18,300,000 / 12.10.99	18,300,000	18,200,000	Comparison method and Investment method	4,451,219
Lot 6095, Mukim of Kapar District of Klang Selangor Darul Ehsan	Single storey factory & warehouse	4	4.047 hectares / 22,341 sq. metres	Freehold	12,159,210	26,000,000 / 12.10.99	26,000,000	25,600,000	Comparison method and Investment method	13,163,790
Lot 169, Mukim of Plentong District of Johor Bahru Johor Darul Takzim	Vacant agricultural land	-	2.643 hectares / N/A	Freehold	621,176	850,000 / 13.10.99	850,000	1,140,000	Comparison method	218,824
Lot 215, Mukim of Senai - Kulai, District of Johor Bahru Johor Darul Takzim #	Vacant industrial land	-	1.01 hectares / N/A	Leasehold (60 years)	1,826,882	1,650,000 / 13.10.99	1,650,000	1,740,000	Comparison method	(176,882)
Lot 216, Mukim of Senai - Kulai, District of Johor Bahru Johor Darul Takzim	Vacant industrial land	-	1.01 hectares / N/A	Leasehold (60 years)	1,826,882	1,650,000 / 13.10.99	1,650,000	1,740,000	Comparison method	(176,882)
THH										
Lot 296, Mukim 13 District of Seberang Perai Tengah Pulau Pinang	Vacant industrial land	-	0.9069 hectares / N/A	Leasehold (66 years) expiring 10.3.2058	1,058,848	1,070,000 / 08.10.99	1,070,000	1,120,000	Comparison method	11,152
SUBTOTAL					31,136,779	48,520,000	49,520,000	49,540,000		17,491,221

6. FURTHER INFORMATION ON THE HTVB GROUP...cont'd

Owner/Title/Location	Description / Existing Use	Approximate age of building (years)	Approximate land / built-up area	Tenure	Net book value @ 31.07.2000 (RM)	Market value / valuation date (RM)	Value approved by SC (RM)	Market value as updated on 24.03.03 [^] (RM)	Valuation method	* Revaluation surplus / (deficit) as approved by the SC (RM)
Properties held as investment										
HTVB										
Lot 6085, Mukim of Kapar District of Klang Selangor Darul Ehsan	Industrial land built upon with a single storey factory building with a 2 storey office and a guard house	5.5	3.642 hectares	Freehold	8,405,199	21,100,000 / 26.04.2000	21,100,000	21,200,000	Comparison method and investment method	-
Lot 6088, Mukim of Kapar District of Klang Selangor Darul Ehsan	Industrial land built upon with a single storey factory with a 2 storey office section and a guard house	5.5	3.642 hectares	Freehold	7,959,719	19,800,000 / 25.04.2000	19,800,000	19,900,000	Comparison method	-
Lot 6089, Mukim of Kapar District of Klang Selangor Darul Ehsan	Industrial land built upon with a single storey factory /warehouse and a guard house	4.5	3.642 hectares	Freehold	10,868,603	22,000,000 / 11.05.2000	22,000,000	21,900,000	Comparison method	-
TOTAL					58,370,300	112,420,000	112,420,000	112,540,000		17,491,221

Notes:-

[^] The updated valuation on the properties were not incorporated into the Restructuring and Listing Scheme and is for disclosure purposes only.

* To be incorporated in the financial statements of the HTVB Group for financial year ending 31 July 2003 (amounts are after provision for RPGT).

Subsequently disposed of for cash on 24 June 2003 at a disposal price of RM1,650,000.

6. FURTHER INFORMATION ON THE HTVB GROUP...cont'd

6.4 Declarations by the Advisers

AmMerchant Bank hereby confirms that there is no conflict of interest with respect of its capacity as Adviser to the HTVB Group for the IPO.

Messrs. Lee, Perara & Tan hereby confirm that there is no conflict of interest with respect of their capacity as Solicitors for the IPO.

Messrs. Wong Yow Seng & Co. hereby confirms that there is no conflict of interest with respect of their capacity as Auditors and Reporting Accountants to the HTVB Group for the IPO.

Khong & Jaafar Sdn Bhd hereby confirms that there is no conflict of interest with respect of their capacity as the Valuer to the HTVB Group for the IPO.

The Valuers' Letter on the above properties is set out in Section 10 of this Prospectus. The revaluation surplus for the properties under HTP and THH was arrived at after deducting the net book value of the landed properties as at 31 July 2000 from the open market value and allowing for real property gains tax. Further information on the incorporation of Revaluation Surplus is set out in Section 4.3(i) of this Prospectus.

Messrs. S.B. Cheah & Associates is the Solicitors to the HTVB Group for Group Affairs and has acted as legal adviser to certain subsidiaries of HTVB. Its partner, Mr Cheah Shu Boon, is also the Non-Executive Director of HTVB. Ms Toh Su Lin, a Legal Assistant in the aforesaid firm is also the alternate Director of HTVB to Mr Cheah.

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