

EKO WOOD®

EKO WOOD®

P R O S P E C T U S

eKO WOOD®
A Stylish Way To Live

EKOWOOD INTERNATIONAL BERHAD
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P R O S P E C T U S

eKO WOOD®

A Member Of TSH Group

EKOWOOD INTERNATIONAL BERHAD

(formerly known as TSH Ekowood Berhad)

(Company No: 301735-D)

(Incorporated in Malaysia under the Companies Act, 1965)

OFFER FOR SALE OF 58,800,012 ORDINARY SHARES OF RM0.50 EACH IN EKOWOOD INTERNATIONAL BERHAD ("EKOWOOD") TO THE FOLLOWING:

- 24,106,412 ORDINARY SHARES OF RM0.50 EACH TO THE EXISTING SHAREHOLDERS AND/OR WARRANT HOLDERS OF TSH RESOURCES BERHAD ("TSH") AT AN OFFER PRICE OF RM1.05 PER SHARE ON THE BASIS OF ONE (1) ORDINARY SHARE OF RM0.50 EACH IN EKOWOOD FOR EVERY FIVE (5) EXISTING ORDINARY SHARES AND/OR WARRANTS IN TSH HELD AS AT 23 SEPTEMBER 2004 PAYABLE IN FULL ON APPLICATION;
- 4,200,000 ORDINARY SHARES OF RM0.50 EACH AVAILABLE FOR APPLICATION BY THE ELIGIBLE EXECUTIVES OF THE EKOWOOD GROUP VIA AN EXECUTIVE SHARE SCHEME AT AN OFFER PRICE OF RM1.05 PER SHARE;
- 4,200,000 ORDINARY SHARES OF RM0.50 EACH TO THE ELIGIBLE DIRECTORS AND ELIGIBLE MALAYSIAN EMPLOYEES OF THE EKOWOOD GROUP AND TSH BY WAY OF PINK FORM ALLOCATION AT AN OFFER PRICE OF RM1.05 PER SHARE PAYABLE IN FULL ON APPLICATION;
- 24,259,200 ORDINARY SHARES OF RM0.50 EACH TO THE IDENTIFIED BUMIPUTERA INVESTORS APPROVED BY MINISTRY OF INTERNATIONAL TRADE AND INDUSTRY BY WAY OF PLACEMENT AT AN OFFER PRICE OF RM1.05 PER SHARE PAYABLE IN FULL ON APPLICATION; AND
- 2,034,400 ORDINARY SHARES OF RM0.50 EACH TO THE IDENTIFIED PUBLIC INVESTORS BY WAY OF PLACEMENT AT AN OFFER PRICE OF RM1.15 PER SHARE PAYABLE IN FULL ON APPLICATION

IN CONJUNCTION WITH THE LISTING OF EKOWOOD INTERNATIONAL BERHAD ON THE MAIN BOARD OF BURSA MALAYSIA SECURITIES BERHAD

Adviser, Joint Lead Placement Agent, Managing Underwriter and Underwriter



AVENUE SECURITIES SDN BHD
(Company No : 682-X)

This Prospectus Is Dated 30 September 2004

FOR INFORMATION CONCERNING CERTAIN RISK FACTORS WHICH SHOULD BE CONSIDERED BY PROSPECTIVE INVESTORS, SEE "RISK FACTORS" IN SECTION 4.0 HEREOF

THIS PROSPECTUS HAS BEEN SEEN AND APPROVED BY THE DIRECTORS AND PROMOTER/OFFEROR OF EKOWOOD INTERNATIONAL BERHAD (*FORMERLY KNOWN AS TSH EKOWOOD BERHAD*) ("EKOWOOD" OR "COMPANY") AND THEY COLLECTIVELY AND INDIVIDUALLY ACCEPT FULL RESPONSIBILITY FOR THE ACCURACY OF THE INFORMATION CONTAINED HEREIN AND CONFIRM, HAVING MADE ALL REASONABLE ENQUIRIES, THAT 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. THE DIRECTORS HEREBY ACCEPT FULL RESPONSIBILITY FOR THE CONSOLIDATED PROFIT FORECAST INCLUDED IN THIS PROSPECTUS AND CONFIRM THAT THE CONSOLIDATED PROFIT FORECAST HAS BEEN PREPARED BASED ON THE ASSUMPTIONS MADE.

AVENUE SECURITIES SDN BHD, BEING THE ADVISER, JOINT LEAD PLACEMENT AGENT, MANAGING UNDERWRITER AND UNDERWRITER, 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 OFFER FOR SALE ("OFFER FOR SALE") OF 58,800,012 ORDINARY SHARES OF RM0.50 EACH IN THE COMPANY ("OFS SHARES") AND IS SATISFIED THAT THE CONSOLIDATED PROFIT FORECAST (FOR WHICH THE DIRECTORS OF EKOWOOD ARE FULLY RESPONSIBLE), PREPARED FOR INCLUSION IN THE PROSPECTUS HAVE BEEN STATED BY THE DIRECTORS AFTER DUE AND CAREFUL ENQUIRY AND HAVE BEEN DULY REVIEWED BY THE REPORTING ACCOUNTANTS.

THE SECURITIES COMMISSION ("SC") HAS ON 9 AUGUST 2004 APPROVED THE OFFER FOR SALE AND THAT THE APPROVAL SHALL NOT BE TAKEN TO INDICATE THAT THE SC RECOMMENDS THE OFFER FOR SALE.

THE SC SHALL NOT BE LIABLE FOR ANY NON-DISCLOSURE ON THE PART OF THE COMPANY AND TAKES NO RESPONSIBILITY FOR THE CONTENTS OF THIS PROSPECTUS, MAKES NO REPRESENTATION AS TO ITS ACCURACY OR COMPLETENESS AND EXPRESSLY DISCLAIMS ANY LIABILITY WHATSOEVER FOR ANY LOSS HOWSOEVER ARISING FROM OR IN RELIANCE UPON THE WHOLE OR ANY PART OF THE CONTENTS OF THIS PROSPECTUS. **INVESTORS SHOULD RELY ON THEIR OWN EVALUATION TO ASSESS THE MERITS AND RISKS OF THE INVESTMENT. IN CONSIDERING THE INVESTMENT, INVESTORS WHO ARE IN ANY DOUBT AS TO THE ACTION TO BE TAKEN SHOULD CONSULT THEIR STOCKBROKER, BANK MANAGER, SOLICITOR, ACCOUNTANT OR OTHER PROFESSIONAL ADVISER IMMEDIATELY.**

BURSA MALAYSIA SECURITIES BERHAD (*FORMERLY KNOWN AS MALAYSIA SECURITIES EXCHANGE BERHAD*) ("BURSA SECURITIES") SHALL NOT BE LIABLE FOR ANY NON-DISCLOSURE ON THE PART OF THE COMPANY AND TAKES NO RESPONSIBILITY FOR THE CONTENTS OF THIS PROSPECTUS, MAKES NO REPRESENTATION AS TO ITS CORRECTNESS OR COMPLETENESS AND EXPRESSLY DISCLAIMS ANY LIABILITY WHATSOEVER FOR ANY LOSS HOWSOEVER ARISING FROM OR IN RELIANCE UPON THE WHOLE OR ANY PART OF THE CONTENTS OF THIS PROSPECTUS. ADMISSION TO THE OFFICIAL LIST IS NOT TO BE TAKEN AS AN INDICATION OF THE MERITS OF THE COMPANY OR OF ITS ORDINARY SHARES.

A COPY OF THIS PROSPECTUS HAS BEEN REGISTERED WITH THE SC. A COPY OF THIS PROSPECTUS, TOGETHER WITH THE APPLICATION FORMS, HAS ALSO BEEN LODGED WITH THE REGISTRAR OF COMPANIES ("ROC"), AND NEITHER THE SC NOR THE ROC TAKES ANY RESPONSIBILITY FOR ITS CONTENTS.

THIS PROSPECTUS CAN ALSO BE VIEWED OR DOWNLOADED FROM BURSA SECURITIES' WEBSITE AT www.bursamalaysia.com

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INDICATIVE TIMETABLE

The indicative timing of events leading up to the listing of and quotation for Ekowood's entire issued and paid-up share capital on the Main Board of Bursa Securities is set out below:

Event	Date
Date of Prospectus	30 September 2004
Opening of Application for the OFS Shares	30 September 2004
Closing of Application for the OFS Shares*	13 October 2004

Event	Tentative Date
Despatch of Notices of Allotment for the OFS Shares to successful applicants	22 October 2004
Listing of and quotation for Ekowood's entire issued and paid-up share capital on the Main Board of Bursa Securities	8 November 2004

Note:

* *The Directors and/or Promoter/Offeror of the Company together with the Underwriters may mutually decide to extend the closing date of the Application to a later date. Should the closing date of the Application be extended, the dates for the allotment and listing of Ekowood's entire issued and paid-up share capital on the Main Board of Bursa Securities will be extended accordingly. Ekowood will notify the parties via an advertisement in a widely circulated English newspaper in the event there is an extension of time on the closing date of the Application.*

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DEFINITIONS

Except where the context otherwise requires, the following definitions (in alphabetical order) shall apply throughout this Prospectus:

“Act”	:	The Companies Act, 1965, as amended from time to time and any re-enactment thereof
“AFTA”	:	ASEAN Free Trade Area
“AGM”	:	Annual General Meeting
“Application”	:	The application for the OFS Shares by way of Application Forms
“Application Form”	:	The printed form for the application of the OFS Shares
“Approved Transfer”	:	An approved reason for transfer of securities in accordance with the Rules of Bursa Depository
“ASEAN”	:	Association of South East Asia Nations
“Avenue”	:	Avenue Securities Sdn Bhd (<i>Company No. 682-X</i>)
“Board”	:	Board of Directors of Ekowood
“Bursa Depository”	:	Bursa Malaysia Depository Sdn Bhd (<i>formerly known as Malaysian Central Depository Sdn Bhd</i>) (<i>Company No. 165570-W</i>)
“Bursa Securities”	:	Bursa Malaysia Securities Berhad (<i>formerly known as Malaysia Securities Exchange Berhad</i>) (<i>Company No. 635998-W</i>)
“CEO of Ekowood”	:	Tan Aik Sim
“CEO Scheme”	:	The grant of a share option by TSH to purchase 8,400,000 Ekowood Shares representing 5% of the issued and paid-up share capital of Ekowood to the CEO of Ekowood
“CDS”	:	Central Depository System
“DOE”	:	Department of Environment
“DOS”	:	Department of Statistics
“EGM”	:	Extraordinary General Meeting
“EkoLoc”	:	EkoLoc System Sdn Bhd (<i>Company No. 396543-P</i>), a wholly-owned subsidiary of Ekowood
“Ekowood” or “Company”	:	Ekowood International Berhad (<i>formerly known as TSH Ekowood Berhad</i>) (<i>Company No. 301735-D</i>)
“Ekowood Group” or “Group”	:	Ekowood and its subsidiaries
“Ekowood Share(s)”	:	Ordinary share(s) of RM0.50 each in Ekowood

DEFINITIONS (Cont'd)

“Eligible Executive”	:	An executive (including Executive Directors and Non-Executive Directors) of the Ekowood Group who meets the criteria of eligibility for participation in the ESS
“Ekowood Malaysia” or “EMSB”	:	Ekowood Malaysia Sdn Bhd (<i>Company No. 336672-X</i>), a 60% owned subsidiary of Ekowood
“EPS”	:	Earnings per share
“ESHF”	:	Engineered Solid Hardwood Flooring
“ESS Period”	:	The period the ESS is valid which is up to 5 years from the first offer to Eligible Executive
“ESS Shares”	:	4,200,000 Ekowood Shares representing 2.5% of the issued and paid-up share capital of Ekowood offered for sale by the Promoter/Offeror to the Eligible Executives via the ESS
“Euro” or “€”	:	The single currency of the European Union
“Executive Share Scheme” or “ESS”	:	The offer for sale by the Promoter/Offeror of 4,200,000 Ekowood Shares representing 2.5% of the issued and paid-up share capital of Ekowood to the Eligible Executives via a scheme whereby the Eligible Executives may pay for the Ekowood Shares offered to them over the ESS Period in accordance with the terms and conditions of the scheme
“FIC”	:	Foreign Investment Committee
“GDP”	:	Gross Domestic Product
“ISO”	:	International Organisation for Standardisation
“KLCI”	:	KL Composite Index
“Listing”	:	Admission to the Official List of Bursa Securities and the listing of and quotation for the entire issued and paid-up share capital of Ekowood of RM84,000,000 comprising 168,000,000 Ekowood Shares on the Main Board of Bursa Securities
“Listing and Quotation”	:	Listing of and quotation for the entire issued and paid-up share capital of Ekowood on the Main Board of Bursa Securities
“LWF”	:	Laminated Wood Flooring
“LR”	:	Listing Requirements of Bursa Securities
“Market Day”	:	A day on which Bursa Securities is open for trading in securities
“MI”	:	Minority interests
“MITI”	:	Ministry of International Trade and Industry
“MTC”	:	Malaysian Timber Council
“NDP”	:	National Development Policy
“NTA”	:	Net tangible assets

DEFINITIONS (Cont'd)

“Offer For Sale”	:	The offer for sale of 58,800,012 Ekowood Shares by TSH in the following manner: <ul style="list-style-type: none"> (i) 24,106,412 Ekowood Shares to the existing shareholders and/or warrant holders of TSH at an offer price of RM1.05 per Ekowood Share on the basis of one (1) Ekowood Share for every five (5) existing TSH Shares and/or TSH Warrants held as at 23 September 2004 payable in full on application; (ii) 4,200,000 Ekowood Shares to the Eligible Executives of Ekowood Group at an offer price of RM1.05 per Ekowood Share via the ESS; (iii) 4,200,000 Ekowood Shares to the eligible directors and eligible Malaysian employees of the Ekowood Group and TSH by way of pink form allocation at an offer price of RM1.05 per Ekowood Share payable in full on application; (iv) 24,259,200 Ekowood Shares to the identified Bumiputera investors approved by MITI at an offer price of RM1.05 per Ekowood Share by way of placement payable in full on application; and (v) 2,034,400 Ekowood Shares to the identified public investors at an offer price of RM1.15 per Ekowood Share by way of placement payable in full on application
“Offer Price”	:	Offer price of RM1.05 per OFS Share for Offer For Sale to the existing shareholders and/or warrant holders of TSH, Eligible Executives, eligible directors and eligible Malaysian employees of Ekowood Group and TSH and the identified Bumiputera investors approved by MITI and offer price of RM1.15 per OFS Share for Offer For Sale to the identified public investors, as the case may be
“OFS Share(s)”	:	58,800,012 Ekowood Shares to be offered pursuant to the Offer For Sale
“PAT”	:	Profit after taxation
“PBT”	:	Profit before taxation
“PE Multiple”	:	Price earnings multiple
“Promoter/Offeror”	:	TSH
“R&D”	:	Research & Development
“RM” and “sen”	:	Ringgit Malaysia and sen, respectively
“Rules of Bursa Depository”	:	The rules of Bursa Depository as issued pursuant to the Securities Industry (Central Depositories) Act, 1991
“SC”	:	Securities Commission
“SIRIM”	:	Standards and Industrial Research Institute of Malaysia
“SME” or “SMI”	:	Small Medium Enterprises / Small Medium Industries

DEFINITIONS *(Cont'd)*

“SWF”	:	Solid Wood Flooring
“TIDP”	:	TSH-Iberica del Parquet SL, a 80% owned subsidiary of Ekowood
“TPJ”	:	TSH Products Inc., a wholly-owned subsidiary of TPSB
“TPSA”	:	TSH Parquet S.A., a 70% owned subsidiary of TPSB
“TPSB”	:	TSH Products Sdn Bhd (<i>Company No. 450556-T</i>), a wholly-owned subsidiary of Ekowood
“TSH”	:	TSH Resources Berhad (<i>Company No. 049548-D</i>)
“TSH ESOS”	:	Employees’ Share Option Scheme of TSH
“TSH Group”	:	TSH and its subsidiaries
“TSH Share(s)”	:	Ordinary share(s) of RM1.00 each in TSH
“TSH Warrant(s)”	:	1995/2005 detachable warrants in TSH
“UK”	:	United Kingdom
“USA” or “US”	:	United States of America
“USD”	:	United States of America Dollars

In this Prospectus, words importing the singular, where applicable, include the plural and vice versa and words importing the masculine gender shall, where applicable include the feminine and vice versa. Reference to persons shall, where applicable, include corporations.

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

For the purpose of this Prospectus, reference to time relates to Malaysian time.

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