

6. INFORMATION ON PROMOTER/OFFEROR, SUBSTANTIAL SHAREHOLDER, DIRECTORS AND KEY MANAGEMENT OR KEY TECHNICAL PERSONNEL

6.1 Promoter/Offeror And Substantial Shareholder

6.1.1 Promoter's/Offeror's And Substantial Shareholder' Shareholding In Ekowood

The Promoter/Offeror and substantial shareholder's shareholding in Ekowood upon completion of the Offer For Sale and the full exercise of the CEO Option pursuant to the CEO Scheme is as follows:

Promoter/ Offeror	Country Of Incorporation	< ----- Direct ----- >		< --- Indirect --- >	
		No. Of Ekowood Shares Held	% Held	No. Of Ekowood Shares Held	% Held
TSH	Malaysia	100,799,988	60.00	-	-

6.1.2 Directorships And Substantial Shareholdings In All Other Public Corporations For The Past Two (2) Years

The Promoter/Offeror and substantial shareholder of Ekowood does not have any directorship and/or substantial shareholding (shareholdings of 5% or more), direct or indirect in other public corporations for the past two (2) years prior to the date of this Prospectus.

6.1.3 Background Information On And Knowledge And Experience Of The Promoter/Offeror And Substantial Shareholder Of Ekowood

TSH was incorporated as a private limited company in Malaysia under the Companies Act 1965 as Tan Soon Hong Enterprise Sdn Bhd on 7 August 1979. It subsequently changed its name to Tan Soon Hong Corporation Sdn Bhd on 18 April 1992. On 28 April 1992, it was converted into a public limited company and subsequently on 10 November 1993, it changed its name to TSH. TSH was listed on the Second Board of Bursa Securities on 31 January 1994 and was transferred to Main Board of Bursa Securities on 12 June 2000.

As at 17 September 2004 (being the last practicable date prior to the printing of this Prospectus), TSH has an authorised share capital of RM500,000,000 comprising 500,000,000 ordinary shares of RM1.00 each. The paid-up share capital of TSH is RM98,745,868 comprising of 98,745,868 ordinary shares of RM1.00 each.

TSH Group is principally involved in several autonomous businesses namely, oil palm plantation and palm oil milling, manufacturing, marketing and distribution of cocoa beans and cocoa products, energy generation, forest management unit and manufacturing of engineered solid hardwood flooring.

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6. INFORMATION ON PROMOTER/OFFEROR, SUBSTANTIAL SHAREHOLDER, DIRECTORS AND KEY MANAGEMENT OR KEY TECHNICAL PERSONNEL (Cont'd)

The directors of TSH are as follows:

- (i) Tan Soon Hong;
- (ii) Datuk Azizan bin Abd Rahman;
- (iii) Datuk Kelvin Tan Aik Pen;
- (iv) Hajah Siti Rohani bte A. Manan;
- (v) Datuk Jaswant Singh Kler;
- (vi) William Tully;
- (vii) Dr Tee Choon Hwa;
- (viii) Tan Aik Kiong;
- (ix) Tan Aik Sim;
- (x) Lim Fook Hin; and
- (xi) Tan Aik Yong (Alternate Director to Datuk Kelvin Tan Aik Pen).

The substantial shareholders of TSH and their respective shareholdings in TSH as at 17 September 2004 (being the last practicable date prior to the printing of this Prospectus) are as follows:

Substantial Shareholders	< ----- Direct ----- >		< ----- Indirect ----- >	
	No. Of Shares	%	No. Of Shares	%
Datuk Kelvin Tan Aik Pen	10,808,268	10.95	32,791,908*	33.21
Lembaga Tabung Haji	9,761,500	9.89	-	-

Note:

* Deemed interested by virtue of shareholdings of his parents, his brothers and his sisters-in-law per Section 122A of the Company Act 1965.

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6. INFORMATION ON PROMOTER/OFFEROR, SUBSTANTIAL SHAREHOLDER, DIRECTORS, KEY MANAGEMENT OR KEY TECHNICAL PERSONNEL (Cont'd)

6.1.4 Changes In Shareholdings Of Promoter/Offeror And Substantial Shareholders Of Ekowood For The Past Three (3) Years

Save as disclosed below, there has been no change in the direct shareholdings of the TSH, the sole Promoter/Offeror and substantial shareholder of Ekowood, for the past three (3) years.

Substantial Shareholders	Country of Incorporation	As at 31 December 2001		As at 31 December 2002		As at 31 December 2003		As at 17 September 2004	
		No. Of Shares	%	No. Of Shares	%	No. Of Shares	%	No. Of Shares	%
TSH	Malaysia	4,750,000	95.00	-	-	9,481,500	100.00	168,000,000	100.00
Sikap Hasrat Sdn Bhd	Malaysia	250,000	5.00	-	-	-	-	-	-

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6. INFORMATION ON PROMOTER/OFFEROR, SUBSTANTIAL SHAREHOLDER, DIRECTORS, KEY MANAGEMENT OR KEY TECHNICAL PERSONNEL (Cont'd)

6.2 Directors

6.2.1 Directors' Shareholdings In Ekowood

The directors and their respective shareholdings in Ekowood upon completion of the Offer For Sale and the full exercise of the CEO Option pursuant to the CEO Scheme are as follows:

Director	< ----- Direct ----- >		< ----- Indirect ----- >	
	No. of Ekowood Shares held	% held	No. of Ekowood Shares held	% held
Dato' Kalimullah bin Masheerul Hassan	420,000	0.25	-	-
Dato' Haji Abdul Latif bin Abdullah	350,000	0.21	-	-
Datuk Kelvin Tan Aik Pen	420,000	0.25	110,249,988*	65.62
Tan Aik Sim	8,400,000	5.00	102,269,988*	60.87
Datuk Azizan bin Abdul Rahman	350,000	0.21	-	-
Lim Fook Hin	350,000	0.21	-	-
Tan Aik Hwa (Alternate to Datuk Kelvin Tan Aik Pen)	350,000	0.21	110,319,988*	65.67
Tan Ek Huat (Alternate to Tan Aik Sim)	350,000	0.21	110,319,988*	65.67
Tan Aik Yong (Alternate to Lim Fook Hin)	350,000	0.21	110,319,988*	65.67

Notes:

* Deemed interested by virtue of their respective shareholdings in TSH and the shareholdings of persons connected to them per Section 122A of the Act in in Ekowood pursuant to the ESS and the CEO Scheme but excluding their entitlements pursuant to their shareholdings and/or warrant holdings in TSH.

6.2.2 Profiles of Directors

Dato' Kalimullah bin Masheerul Hassan, aged 46, a Malaysian, was appointed as Chairman of Ekowood on 1 June 2002. Dato' Kalimullah began a long career in journalism, beginning as a cadet journalist with the then Penang-based National Echo in 1979. He joined The Star in 1980 and later became the daily's head of the political desk.

In 1987, he became a correspondent for Reuters and in the same year joined the New Straits Times as a Special Correspondent. In 1988, Dato' Kalimullah became the Press Secretary to the then Deputy Prime Minister Ghafar Baba (now Tun).

In 1995, he was made the General Manager of FACB Bhd and handled several business operations of the group in Cambodia. He was appointed as director of FACB Bhd and FACB Industries Incorporated Bhd on 2 July 2001 but resigned exactly a year later. He also held directorships in TA Enterprise Berhad, TA Securities Berhad, TA Unit Trust Management Berhad, MBf Holdings Berhad and the then MBf Capital Berhad which was replaced by MBf Corporation Berhad after the restructuring scheme. He resigned from the boards of these companies in 2003 to focus on his own investments.

6. INFORMATION ON PROMOTER/OFFEROR, SUBSTANTIAL SHAREHOLDER, DIRECTORS, KEY MANAGEMENT OR KEY TECHNICAL PERSONNEL (Cont'd)

In September 2002, Dato' Kalimullah was appointed as Bernama chairman for a two-year term by the Yang di-Pertuan Agong but resigned to take on his position in The News Straits Times Press (M) Bhd on 1 January 2004.

He is currently the Chairman of ECM Libra Sdn Bhd, a financial services group that he co-founded and holds directorships in Taylor Education Berhad and Efficient E-Solutions Berhad.

Dato' Haji Abd Latif bin Abdullah, aged 54, a Malaysian, was appointed Deputy Chairman of Ekowood on 30 January 2004. He holds a Masters Degree in Marine Law & Policy from the University of Wales (UWIST, 1981), B.A. (Honours) in International Relations from the University of Malaya (1975) and is a member of Chartered Institute of Logistics and Transport, U.K. (1990). In 1990, he joined Mitsui O.S.K. Lines (M) Sdn Bhd as a founder Director and currently holds the position of Executive Chairman.

On 1 January 2004, Dato' Abdul Latif was appointed Chairman of Penang Port Sdn Bhd by the Minister of Finance after serving as a Director (non-executive) for 5 years. Currently, he sits on the Board of Bursa Malaysia Berhad and various other public and private limited companies. He is also a member of the Marine Department's Light Dues Board and Merchantile Marine Fund Board and a member of Lembaga Pelabuhan Klang (LPK) Port Consultative Committee. Dato' Abdul Latif has 28 years experience in international shipping having served companies such as Malaysian International Shipping Corporation, Perbadanan Nasional Shipping Line Berhad and Mitsui O.S.K. Lines (M) Sdn Bhd. Dato' Abdul Latif is the present Chairman of International Shipowners' Association of Malaysia (ISOA) and former Deputy Chairman of Malaysian Shipowners' Association (MASA).

Datuk Kelvin Tan Aik Pen, aged 47, a Malaysian, is the Managing Director of Ekowood. He was appointed to the Board on 21 June 1994. He holds a Diploma in Electrical Engineering from City & Guild Institute of London. He has more than twenty (20) years experience in resource based industry, which includes extensive working knowledge in international trade practices.

He worked with the Cocoa Association of London in 1983 and was the only Malaysian selected by the United Nations Conference on Trade and Development to represent Malaysia at the cocoa conferences held in Paris, New York and London in 1989.

He is the chairman of the Malaysian Cocoa Board and member of the Board of Trustees of Yayasan Seri Insan, Sabah, the Guardian for Sekolah Swasta Seri Insan and Kolej Seri Insan, Sabah. Datuk Kelvin is also the Honorary Director of Sabah Chinese High School for year 2003 and 2004. In addition, he was appointed to the Board of the Kuala Lumpur Commodities Exchange on 30 June 1992. He is currently the Group Managing Director of TSH Group and holds directorships in several other private limited companies.

Tan Aik Sim, aged 40, a Malaysian, was appointed as a Chief Executive Officer of Ekowood on 21 June 1994. He obtained Bachelor Degrees in both Economics and Engineering from Monash University, Australia in 1988.

6. INFORMATION ON PROMOTER/OFFEROR, SUBSTANTIAL SHAREHOLDER, DIRECTORS AND KEY MANAGEMENT OR KEY TECHNICAL PERSONNEL (Cont'd)

As Assistant General Manager of CocoaHouse Industries Sdn Bhd from 1989 to 1990, he had gained experience and expertise in general management, manufacturing and marketing. He was also heavily involved in the setting up of TSH Industries Sdn Bhd's manufacturing facilities in 1993 and its subsequent operations. He played a leading role in the listing of TSH in 1994.

He was appointed to Ekowood to spearhead the establishment of the integrated timber complex from a greenfield site. As CEO of Ekowood, he has played a pivotal role in the rapid growth of Ekowood to a brand to be reckoned with in the engineered solid hardwood flooring industry. He is also instrumental in developing Ekowood's international marketing network and developing it into an award-winning internationally-recognised brand.

He is currently an Executive Director of TSH and also sits in the board of various subsidiaries of TSH.

Datuk Azizan bin Abd Rahman, DMSM, aged 54, a Malaysian, was appointed as Director of Ekowood on 1 June 2002. He holds a Bachelor of Arts Degree from University of Malaya. He started his career as a Shipping Executive in Harper Gilfillan (M) Sdn Bhd after graduating from University of Malaya in 1973. In 1975, he joined the Malaysian International Shipping Corporation ("MISC") Group as a Branch Manager and later became Marketing Manager of their Tanker Division. In 1981, he was attached to Panocean Ltd in London in their Chartering Department.

He left MISC to join JF Apex Securities Berhad in 1982 as Director and launched his career in stockbroking and finance. As a stockbroker, he was an active member of the stockbrokers fraternity and had held the post of President of the Association of Stockbroking Companies of Malaysia until he left the industry. In 1995, he was appointed to the Board of Tongkah Holdings Berhad and also the Kedah State owned Bina Darulaman Berhad to assist these companies in their debt restructuring plan and to identify new business strategies.

He joined the MBf Group in 2000 to help in the restructuring of the MBf Group and was subsequently appointed the Managing Director of MBf Capital Berhad in 2001. Upon completion of the exercise, Datuk Azizan remains as the non-executive Chairman of MBf Corporation Berhad and a non-executive Director of MBf Holdings Berhad. Datuk Azizan is currently the Executive Deputy Chairman of TSH and Chairman of Eastern & Oriental Berhad. He is also a member of the Investment Panel of Lembaga Tabung Haji and sits on the board of Commerce Asset Ventures Sdn Bhd.

Lim Fook Hin, aged 55, a Malaysian, was appointed as an Alternate Director to Datuk Kelvin Tan Aik Pen on 2 July 1997 and subsequently on 1 June 2002 was appointed as Executive Director of Ekowood. He is a member of the Malaysian Institute of Certified Public Accountants. After qualifying as a member of the ICAEW, he joined Coopers & Lybrand as an audit senior in 1976 and was transferred to Coopers' management consultancy services in 1977. He joined the Commonwealth Development Corporation in 1978 and was seconded to Sarawak Oil Palm Sdn. Bhd. as the company secretary.

He joined BAL in 1981 as the Financial Controller until 1993. His main responsibilities include financial management, merger and acquisition and commodity marketing. He was the Chief Executive of United Palm Oil Industries PLC, a company listed on the Stock Exchange of Thailand before joining TSH in 1997.

6. INFORMATION ON PROMOTER/OFFEROR, SUBSTANTIAL SHAREHOLDER, DIRECTORS AND KEY MANAGEMENT OR KEY TECHNICAL PERSONNEL (Cont'd)

He is currently an Executive Director of TSH and serves as a member of the Audit Committee, the Remuneration Committee and the Employees Share Option Scheme Committee. He also sits on the Board of all subsidiaries of TSH and also holds directorships in other private limited companies.

Tan Aik Hwa, aged 42, a Malaysian, was appointed as an Executive Director in Ekowood on 30 November 1994. He resigned as an Executive Director in Ekowood on 30 January 2004 and was appointed as the Alternate Director to Datuk Kelvin Tan Aik Pen on the same day. Over the nine (9) years with the Company since he joined TSH in 1985, he has been involved in the manufacturing, procurement, marketing and shipping of cocoa products.

Tan Ek Huat, aged 48, a Malaysian, was appointed as an Executive Director in Ekowood on 30 November 1994. He resigned as an Executive Director in Ekowood on 30 January 2004 and was appointed as the Alternate Director to Tan Aik Sim on the same day. He holds a Bachelor of Arts (Hons.) in Economics degree from Universiti Malaya. He joined TSH in 1991 as the Business Development Manager and in 1994 he was made the general manager of TSH Overseas Sdn. Bhd. overseeing the Group's investment interest in the People's Republic of China. Prior to joining the TSH Group, he was a teacher for a period of thirteen (13) years.

Tan Aik Yong, aged 35, a Malaysian, was appointed as an Executive Director in Ekowood on 20 June 2002. He resigned as an Executive Director in Ekowood on 30 January 2004 and was appointed as the Alternate Director to Lim Fook Hin on the same day. He is a non-practising barrister with a Bachelor of Laws degree (LLB) from Queen Mary College, London. He qualified as a Chartered Financial Analyst (CFA) in 1998. His career started with a law firm in Kuala Lumpur and has since spent about 10 years in investment banking activities, including in Malaysia with Aseambankers Malaysia Berhad and in Singapore with UOB Asia Ltd. He was a senior manager in United Overseas Bank (Malaysia) Bhd, prior to joining TSH Group to handle investment planning, corporate and financing matter in 2002. He is currently an Alternate Director to Datuk Kelvin Tan Aik Pen in TSH.

6.2.3 Directors' Aggregate Remuneration And Benefits

The remuneration and benefits paid by the Ekowood Group to the directors of Ekowood (inclusive of CEO of Ekowood) in the financial year ended 31 December 2003 was approximately RM673,500. It is forecast that the aggregate remuneration and benefits (excluding performance bonus) proposed for the directors of Ekowood for the financial year ending 31 December 2004 is RM816,000. These payments are in the following bands:

RM	No. Of Directors	
	Year Ended 31 December 2003	Year ending 31 December 2004
0 – 100,000	3	6
100,000 – 200,000	2	-
Above 200,000	1	3
	6	9

6. INFORMATION ON PROMOTER/OFFEROR, SUBSTANTIAL SHAREHOLDER, DIRECTORS AND KEY MANAGEMENT OR KEY TECHNICAL PERSONNEL (Cont'd)

6.3 Audit Committee

The main functions of the audit committee will fall within the ambit of the LR of Bursa Securities. The members of the audit committee are as follows:

Name	Designation	Directorship
Dato' Kalimullah bin Masheerul Hassan	Chairman	Chairman / Independent Non-Executive Director
Dato' Haji Abdul Latif bin Abdullah	Member	Deputy Chairman / Independent Non-Executive Director
Lim Fook Hin	Member	Executive Director

6.4 Key Management Or Key Technical Personnel

6.4.1 Key Management's Or Key Technical Personnel's Shareholding

The shareholdings of key management or key technical personnel in Ekowood upon completion of the Offer For Sale and the full exercise of the CEO Option pursuant to the CEO Scheme are as follows:

Key Management/ Key Technical Personnel	Designation	< ----- Direct ----- >		< ----- Indirect ----- >	
		No. Of Ekowood Shares Held	% Held	No. Of Ekowood Shares Held	% Held
Datuk Kelvin Tan Aik Pen	Managing Director	420,000	0.25	110,249,988*	65.62
Tan Aik Sim	Chief Executive Officer	8,400,000	5.00	102,269,988*	60.87
Datuk Azizan bin Abd Rahman	Executive Director	350,000	0.21	-	-
Lim Fook Hin	Executive Director	350,000	0.21	-	-
Tan Aik Hwa	Alternate Director	350,000	0.21	110,319,988*	65.67
Tan Ek Huat	Alternate Director	350,000	0.21	110,319,988*	65.67
Tan Aik Yong	Alternate Director	350,000	0.21	110,319,988*	65.67
Lim Ming Chan	Factory Manager	170,000	0.10	-	-
Choong Wei Theng	Finance Manager	100,000	0.06	-	-
Lim Wai Mun	Production Manager	100,000	0.06	-	-

6. INFORMATION ON PROMOTER/OFFEROR, SUBSTANTIAL SHAREHOLDER, DIRECTORS AND KEY MANAGEMENT OR KEY TECHNICAL PERSONNEL (Cont'd)

Key Management/ Key Technical Personnel	Designation	< ----- Direct ----- >		< ----- Indirect ----- >	
		No. Of Ekowood Shares Held	% Held	No. Of Ekowood Shares Held	% Held
Nagaraja a/ Jeganathan	Technical Development Manager	80,000	0.05	-	-

Note:

- * Deemed interested by virtue of their respective shareholdings in TSH and the shareholdings of persons connected to them per Section 122A of the Act in Ekowood pursuant to the ESS and the CEO Scheme but excluding their entitlements pursuant to their shareholdings and/or warrant holdings in TSH.

6.4.2 Profiles of Key Management Or Key Technical Personnel

Profiles of **Datuk Kelvin Tan Aik Pen, Tan Aik Sim, Datuk Azizan bin Abd Rahman, Lim Fook Hin, Tan Aik Hwa, Tan Ek Huat and Tan Aik Yong** can be found in Section 6.2.2 of this Prospectus.

Lim Ming Chan, aged 40, is the Factory Manager of Ekowood. He joined the Company in 2003. He holds a Bachelor of Science in Mechanical Engineering from Middle East Technical University, Republic of Turkey and a Diploma in Mechanical Engineering from University of Technology Malaysia. He has more than 13 years experience in industrial and process engineering related work.

He started his career with Robert Bosch (Penang) Sdn Bhd as an industrial engineer in 1990. In 1991 he moved to General Motors (S'pore) Pte Ltd as a production cum industrial engineer. After 2 years with General Motors (S'pore) Pte Ltd, he joined Applied Magnetic (Penang) Sdn Bhd in 1992 as Process Engineer. In 1994 he joined Motorola Penang (M) Sdn Bhd and assumed a senior process engineer position. Prior to joining Ekowood, he was with Tectron Development Pte Ltd for 6 years from 1997 to 2003 as a factory manager, where he was in charged in production planning, quality assurance, maintenance and manpower planning.

Choong Wei Theng, aged 34, is the Finance Manager of Ekowood. She holds ACCA and a Diploma in Financial Accounting from Tunku Abdul Rahman College, Kuala Lumpur. She joined the Company in 1998 as a Finance Executive. In 2001, she was promoted as the Accountant and assumed her current position in 2003. She was previously attached with Ernst & Young for 3 years from 1994 to 1997. After spending 3 years in the audit line, she was invited to join Kar Sin Berhad as a finance manager.

Lim Wai Mun, aged 40, is the Production Manager of Ekowood. He joined the Company in December 2003. He holds a Bachelor of Science (Honours) in Physics from University of Malaya.

He started his career in 1989 as production executive in Alps Electric (M) Sdn Bhd. In 1991, he joined Yamaha Electronics Manufacturing (M) Sdn Bhd as a warehouse senior executive. After 4 years, he joined Yongxin Magnetic Tape manufacturing Ltd, Zuhai, China as Production Manager in 1994. In 1997 he came back to Malaysia and worked as an operation manager in Golden Pet Industries Sdn Bhd. In 2001, Mr Lim went to Dongguan China to join Dongguan Unza Consumer Products Ltd as an Operation Manager. Equipped with his vast experience in production, he joined Ekowood in 2004.

6. INFORMATION ON PROMOTER/OFFEROR, SUBSTANTIAL SHAREHOLDER, DIRECTORS AND KEY MANAGEMENT OR KEY TECHNICAL PERSONNEL (Cont'd)

Nagaraja a/l Jeganathan, aged 30, is the Technical Development Manager of Ekowood. He joined the Company in 1998 as a Quality Assurance Assistant Supervisor. He graduated from UKM in 1998 and obtained Bachelor of Economics majoring in Industrial Economy. In 2003 he was promoted to his current position, a Technical Development Manager. He is in charge of the overall development and technical specification of Ekowood flooring.

6.5 Directorships In Any Other Public Corporations For The Past Two (2) Years And Substantial Shareholdings

Save as disclosed below, none of the directors and key management has any directorships in any other public corporations for the past two (2) years and their substantial shareholding as at 17 September 2004 (being the last practicable date prior to the printing of this Prospectus).

(i) Dato' Kalimullah bin Masheerul Hassan

Name Of Company	Directorship	Date Of Appointment/ (Resignation)	Principal Activities	< --- Direct --- >		< --- Indirect --- >	
				No. Of Ordinary Shares	%	No. Of Ordinary Shares	%
ECM Libra Berhad	Director	2/4/2004	Investment holding	60,000,000	13.86	-	-
Taylor's Education Berhad	Director	22/10/2001	Education	1,500,000	6.67	-	-
Efficient E-Solutions Bhd	Director	2/8/2004	Investment holding	-	-	-	-
The New Straits Times Press (M) Bhd	Executive Director	1/1/2004	Investment holding, publishing and sale of newspapers	-	-	-	-
ECM Libra Holdings Limited (incorporated in Labuan)	Director	21/6/2002	Investment holding	-	-	-	-
ECM Libra Investment Bank Limited (incorporated in Labuan)	Director	29/8/2002	Investment bank	-	-	-	-

6. INFORMATION ON PROMOTER/OFFEROR, SUBSTANTIAL SHAREHOLDER, DIRECTORS AND KEY MANAGEMENT OR KEY TECHNICAL PERSONNEL (Cont'd)

Name Of Company	Directorship	Date Of Appointment/ (Resignation)	Principal Activities	< --- Direct --- >		< --- Indirect --- >	
				No. Of Ordinary Shares	%	No. Of Ordinary Shares	%
ECM Libra Securities Limited (incorporated in Labuan)	Director	14/3/2003	Stockbroking	-	-	-	-
TA Enterprise Berhad	Independent Non-Executive Director	20/12/2000 (resigned on 22/5/2003)	Investment holding	-	-	-	-
TA Securities Berhad	Independent Non-Executive Director	1/3/2001 (resigned on 23/6/2003)	Stockbroking	-	-	-	-
TA Unit Trust Management Berhad	Independent Non-Executive Director	1/8/2001 (resigned on 31/12/2003)	Unit trust management	-	-	-	-
MBf Holdings Berhad	Non-Executive Director	18/7/2000 (resigned on 30/6/2003)	Investment holding	-	-	-	-
MBf Capital Berhad*	Non-Executive Director	5/9/2003 (resigned on 31/12/2003)	Investment holding	-	-	-	-
MBf Corporation Berhad*	Non-Executive Director	2/7/2003 (resigned on 31/12/2003)	Investment holding	-	-	-	-
AWC Facility Solution Berhad	Independent Non-Executive Director	7/7/2003 (resigned on 31/12/2003)	Integrated facility maintenance	-	-	-	-

Note:

* MBf Corporation Berhad to replace MBf Capital Berhad after restructuring scheme.

6. INFORMATION ON PROMOTER/OFFEROR, SUBSTANTIAL SHAREHOLDER, DIRECTORS AND KEY MANAGEMENT OR KEY TECHNICAL PERSONNEL (Cont'd)

(ii) Dato' Haji Abdul Latif bin Abdullah

Name Of Company	Directorship	Date Of Appointment	Principal Activities	<---Direct--->		<--- Indirect --->	
				No. Of Ordinary Shares	%	No. Of Ordinary Shares	%
Bursa Malaysia Berhad	Director	1/4/2004	To provide, regulate and maintain facilities for conducting the business of a stock exchange in Malaysia. Pursuant to the Demutualisation (Kuala Lumpur Stock Exchange) Act 2003, the company's stock exchange was vested and transferred to Bursa Malaysia Securities Berhad (formerly known as Malaysia Securities Exchange Berhad), a wholly owned subsidiary of the Company on 5 January 2004. Thereafter, the principle activity of Bursa Malaysia is that of an exchange holding company as provided under the Securities Industry Act, 1983 (Amended 2003).	-	-	-	-
Efficient E-Solutions Berhad	Chairman	2/8/2004	Investment holding	-	-	-	-
Tamco Corporate Holdings Berhad	Chairman	20/08/2004	Design, manufacture, supply, installation, commissioning, & maintenance of equipment & systems for power distribution & motor control.	-	-	-	-

(iii) Datuk Kelvin Tan Aik Pen

Name Of Company	Directorship	Date Of Appointment	Principal Activities	<--- Direct --->		<--- Indirect --->	
				No. Of Ordinary Shares	%	No. Of Ordinary Shares	%
TSH	Director	17/1/1986	Investment holdings and operation of a forest management unit	10,808,268	10.95	32,791,908 ⁽¹⁾	33.21

6. INFORMATION ON PROMOTER/OFFEROR, SUBSTANTIAL SHAREHOLDER, DIRECTORS AND KEY MANAGEMENT OR KEY TECHNICAL PERSONNEL (Cont'd)

Note:

(1) Deemed interested by virtue of the shareholdings of persons connected to him per Section 122A of the Act in TSH.

(iv) Tan Aik Sim

Name Of Company	Directorship	Date Of Appointment	Principal Activities	< Direct >		< Indirect >	
				No. Of Ordinary Shares	%	No. Of Ordinary Shares	%
TSH	Director	27/2/1992	Investment holdings and operation of a forest management unit	4,192,534	4.25	39,407,642 ⁽¹⁾	39.91

Note:

(1) Deemed interested by virtue of the shareholdings of persons connected to him per Section 122A of the Act in TSH.

(v) Datuk Azizan bin Abd Rahman

Name of Company	Directorship	Date of Appointment/ (Resignation)	Principal Activities	< Direct >		< Indirect >	
				No. of Ordinary Shares	%	No. of Ordinary Shares	%
Apex Equity Holdings Berhad	Director	21/11/1990	Investment holding and trading in marketable securities	4,508,000 ⁽¹⁾	2.11	3,567,074 ⁽²⁾	1.67
MBf Holdings Berhad	Director	1/8/2000	Investment holding	1,016,968	*	-	-
MBf Corporation Berhad ⁽³⁾	Chairman (Non Executive)	14/1/2004	Investment holding	-	-	-	-
TSH	Executive Deputy Chairman	3/9/2003	Investment holdings and operation of a forest management unit	100,000	*	-	-
Eastern & Oriental Berhad	Chairman	6/11/2003	Property development, property investment and management, leisure and hotel	-	-	-	-

6. INFORMATION ON PROMOTER/OFFEROR, SUBSTANTIAL SHAREHOLDER, DIRECTORS AND KEY MANAGEMENT OR KEY TECHNICAL PERSONNEL (Cont'd)

Name of Company	Directorship	Date of Appointment/ (Resignation)	Principal Activities	< — Direct — >		< — Indirect — >	
				No. of Ordinary Shares	%	No. of Ordinary Shares	%
QBE-MBf Insurance Berhad	Director	3/3/2003 (resigned on 1/7/2004)	General insurance	-	-	-	-
MBf Capital Berhad ⁽³⁾	Director	5/9/2000	Investment holding	-	-	-	-
	Managing Director	1/8/2001 (redesignated) (resigned on 1/12/2003)					

Notes:

* Negligible.

⁽¹⁾ Shares pledged to Hong Leong Finance Berhad, EB Nominees (Tempatan) Sdn Bhd and RHB Capital Nominees (Tempatan) Sdn Bhd.⁽²⁾ Deemed interested through shareholdings of his wife and ANZ Equities Sdn Bhd.⁽³⁾ MBf Corporation Berhad to replace MBf Capital Berhad after restructuring scheme.

(vi) Lim Fook Hin

Name Of Company	Directorship	Date Of Appointment/	Principal Activities	< — Direct — >		< — Indirect — >	
				No. Of Ordinary Shares	%	No. Of Ordinary Shares	%
TSH	Director	9/5/1997	Investment holdings and operation of a forest management unit	343,000	0.35	-	-
Andalas Agro Industri (L) Bhd	Director	4/4/2003	Investment Holding	-	-	-	-

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6. INFORMATION ON PROMOTER/OFFEROR, SUBSTANTIAL SHAREHOLDER, DIRECTORS AND KEY MANAGEMENT OR KEY TECHNICAL PERSONNEL (Cont'd)

(vii) Tan Aik Yong (alternate to Lim Fook Hin)

Name Of Company	Directorship	Date Of Appointment	Principal Activities	<-- Direct -->		<--Indirect-->	
				No. Of Ordinary Shares	%	No. Of Ordinary Shares	%
TSH	Alternate Director to Datuk Kelvin Tan Aik Pen	4/7/2003	Investment holdings and operation of a forest management unit	4,192,534	4.25	39,407,642 ⁽¹⁾	39.91
Andalas Agro Industri (L) Bhd	Director	4/4/2003	Investment Holding	-	-	2,450 ⁽²⁾	70.00

Notes:

(1) Deemed interested by virtue of the shareholdings of persons connected to him per Section 122A of the Act in TSH.

(2) Deemed interested by virtue of his shareholdings and the shareholdings of persons connected to him per Section 122A of the Act in TSH.

6.6 Declarations From The Promoter/Offeror, Substantial Shareholder, Directors And Key Management Or Key Technical Personnel

No Director, substantial shareholder/Promoter/Offeror, key management/key technical personnel or any person nominated to become a Director or key management or key technical personnel is or has been involved in any of the following events (whether in or outside Malaysia):

- (i) a petition under any bankruptcy or insolvency law filed (and not struck out) against such person or any corporation of which he was a partner or any corporation of which he was a director or key personnel; or
- (ii) a charge and/or convict in a criminal proceeding or being named as subject of a pending criminal proceeding; or
- (iii) any order, judgment or ruling of any court of competent jurisdiction temporarily enjoining that person from acting as an investment adviser, dealer in securities, director or employee of a financial institution and engaging in any type of business practice or activity.

6.7 Family Relationship And Association

Save for Datuk Kelvin Tan Aik Pen, Tan Aik Sim, Tan Aik Hwa, Tan Ek Huat and Tan Aik Yong who are brothers, the other directors and key management or key technical personnel of the Ekowood Group do not have any family relationship.

6.8 Service Contracts

As at 17 September 2004 (being the last practicable date prior to the printing of this Prospectus), there is no existing or proposed service contract between the Directors and the Company or its subsidiaries excluding contracts expiring, or terminable by the employing company without payments or compensation (other than statutory compensation) within one (1) year.

6. INFORMATION ON PROMOTER/OFFEROR, SUBSTANTIAL SHAREHOLDER, DIRECTORS AND KEY MANAGEMENT OR KEY TECHNICAL PERSONNEL *(Cont'd)*

6.9 Involvement Of Executive Directors/Key Management/Key Technical Personnel In Other Businesses And/Or Corporations

As at 17 September 2004 (being the last practicable date prior to the printing of this Prospectus), save and except for the following, none of the Executive Directors and/or key management or key technical personnel is presently involved in other businesses and/or corporations.

- (a) **Datuk Kelvin Tan Aik Pen** is an Executive Director in TSH and he is also involved in a few private limited companies mainly in TSH Group. He allocates approximately 30% of his time in the Ekowood Group and the balance of his time in involvements in other companies.
- (b) **Tan Aik Sim** is an Executive Director in TSH and he is also involved in a few private limited companies mainly in the TSH Group. He allocates approximately 85% of his time in the Ekowood Group and the balance of his time in involvements in other companies.
- (c) **Datuk Azizan bin Abd Rahman** is involved in other public corporations as disclosed in Section 6.5 of this Prospectus and a few private limited companies. He allocates approximately 15% of his time in the Ekowood Group and the balance of his time in involvements in other companies.
- (d) **Lim Fook Hin** is an Executive Director in TSH and he is also involved in a few private limited companies mainly in the TSH Group. He allocates approximately 25% of his time in the Ekowood Group and the balance of his time in involvements in other companies.
- (e) **Tan Aik Hwa (alternate to Datuk Kelvin Tan Aik Pen) and Tan Ek Huat (alternate to Tan Aik Sim)** are also involved in several private limited companies mainly in the TSH Group. However, they spend all of their normal working hours in the full time employment of the Ekowood Group.
- (f) **Tan Aik Yong (alternate to Lim Fook Hin)** is an Executive Director in TSH and he is also involved in a few private limited companies mainly in the TSH Group. He allocates approximately 10% of his time in the Ekowood Group and the balance of his time in his involvements in other companies as Executive Director.

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7. APPROVALS AND CONDITIONS

The SC, FIC and MITI had on 9 August 2004 and 23 July 2004 respectively approved the Offer For Sale and the Listing. Bursa Depository had on 22 September 2004 approved the Approved Transfer. The conditions imposed by the aforesaid authorities and the status of compliance are as follows:

Authorities	Details of Conditions Imposed	Status of Compliance
(i) SC and FIC	<p>(a) Ekowood to ensure that a portion of the OFS Shares representing at least 14.44% of its issued and paid-up share capital to be offered to Bumiputera investors to be approved by MITI in order to comply with the NDP requirements. Avenue and Ekowood to also inform the SC of the final allocation of Ekowood Shares pursuant to the Proposed Offer For Sale;</p> <p>(b) Ekowood to make full disclosure in the prospectus of the fact that the past financial accounts prior to the financial year ended 31 December 2003 of its subsidiaries, TIDP, TPI and TPSA were not audited;</p> <p>(c) Ekowood to make full provision for all overdue trade receivables which are in dispute or under legal action and for amounts which have been outstanding for more than 6 months;</p> <p>(d) the directors and major shareholders of Ekowood should not be involved in any business which would be in conflict with the Ekowood Group's existing core business;</p> <p>(e) all related party transactions between the Ekowood Group and the businesses in which the directors and major shareholders have interest must be conducted at arm's length basis, must not be to the disadvantage of the Ekowood Group and should be subject to the scrutiny of the Audit Committee;</p> <p>(f) Avenue/Ekowood to provide the SC with the status of compliance with the NDP requirement upon completion of the flotation exercise; and</p> <p>(g) Ekowood should comply with the relevant requirements in the SC's Guidelines relating to the implementation of the flotation exercise;</p>	<p>Will be complied with.</p> <p>Complied. Appropriate disclosure has been made in Section 10.1.1 of this Prospectus.</p> <p>Noted. Relevant provision (save for 5% of sale value being the retention sum which will be paid after the expiry of the 12 months contractual defect liability period) will be made and reflected in Ekowood's financial statements beginning from 31 December 2004.</p> <p>Noted. Appropriate disclosure has been made in Section 14.3 of this Prospectus.</p> <p>Noted. Appropriate disclosure has been made in Section 8.1 of this Prospectus.</p> <p>Will be complied with.</p> <p>Noted and will comply with the relevant requirements in the SC's Guidelines relating to the implementation of the flotation exercise.</p>

7. APPROVALS AND CONDITIONS (Cont'd)

Authorities	Details of Conditions Imposed	Status of Compliance
(ii) SC	The SC had also on 21 September 2004 approved certain waivers sought by Avenue, on behalf of Ekowood, via its application letter dated 17 August 2004, as detailed below: (a) Waiver from having to publish in full Ekowood's prospectus and application forms in a widely-circulated Bahasa Malaysia newspaper and English newspaper as required under Paragraph 1.12 of the SC's Guidelines on Prospectus; and (b) Waiver from having to submit a registrable copy of Ekowood's prospectus and application forms to the SC in Bahasa Malaysia as required under paragraphs 26.01 and 26.03(k) of the SC's Guidelines on Prospectus.	Noted. Noted.
(iii) MITI	(a) Ekowood topping-up 7,509,600 Ekowood Shares representing 4.47% of the issued and paid-up share capital of Ekowood to Bumiputera shareholders in order to comply with the minimum 30% Bumiputera equity requirement prior to the Proposed Listing. The allocation of Ekowood Shares to identified Bumiputera investors will be determined by MITI at a later date; (b) the allocation of the 16,749,600 Ekowood Shares to be placed out to Bumiputera shareholders will be made by MITI after the approval from the SC for the Proposed Flotation of Ekowood has been obtained; and (c) to obtain the approval of the SC for the Proposed Flotation of Ekowood and to comply with the FIC Guidelines.	Will be complied with. Will be complied with. SC and FIC had on 9 August 2004 approved the listing scheme.
(iv) Bursa Depository	The approval for the Approved Transfer shall be valid throughout the ESS Period.	Noted.

Under the Guidelines of the FIC in relation to the Acquisitions, Mergers and Takeovers, 1974, the SC via its approval letter dated 9 August 2004, has no objection on the equity structure of Ekowood pursuant to the implementation of the initial public offering as follows:

	Before The Listing And Quotation %	After The Listing And Quotation %
MALAYSIAN		
Bumiputera	30.00	30.00
Non-Bumiputera	67.14	67.14
TOTAL MALAYSIAN	97.14	97.14
FOREIGNERS	2.86	2.86
	100.00	100.00

8. RELATED PARTY TRANSACTIONS / CONFLICT OF INTERESTS

8.1 Related Party Transactions

Save as disclosed below, there is no other transaction, existing or potential, entered or to be entered by Ekowood or any of its subsidiaries at the date hereof, which involves the interest, direct or indirect, of the Directors, substantial shareholders and/or persons connected to them, as defined under Section 122A of the Act:

- (i) Tenancy agreement dated 22 February 2002 between Cheong Sau Kum (spouse of Lim Fook Hin) as the landlord and Ekowood Malaysia as tenant for the renting of a warehouse in Subang for RM3,000 per month for a term of three (3) years with an option to renew for another two (2) years.

Currently, TSH has entered into transactions with its wholly-owned subsidiary, Ekowood, and certain subsidiaries of Ekowood, which will be deemed as related party transactions upon the listing of Ekowood. The Directors of Ekowood will seek shareholders' mandate, if required, on these related party transactions which are recurrent in nature in accordance with the LR upon the listing of Ekowood. The amounts involved for the six months period ended 30 June 2004 are set out in Paragraph 8.21 of the Accountants' Report in Section 11 of this Prospectus.

There is no transaction, existing or potential, entered or to be entered by Ekowood or any of its subsidiaries as at the date hereof which involves the interest, direct or indirect, of its key management personnel.

In addition, all future related party transactions (if any) between the Ekowood Group and the businesses in which the Directors and substantial shareholders have interests in will be conducted at arm's length basis and will not be to the disadvantage of the Ekowood Group and will be subject to the scrutiny of the Audit Committee.

8.2 Conflict Of Interests

Avenue confirms that there is no existing or potential conflict of interest in its capacity as Adviser, Joint Lead Placement Agent, Managing Underwriter and Underwriter for the Listing and Quotation.

Messrs. Teh & Lee has given its confirmation that there is no conflict of interest in its capacity as the Solicitors for the Listing and Quotation.

Messrs. Ernst & Young has given its confirmation that there is no conflict of interest in its capacity as the Auditors and Reporting Accountants for the Listing and Quotation.

Messrs. Infocredit D&B (Malaysia) Sdn Bhd has given its confirmation that there is no conflict of interest in its capacity as the Independent Market Research Consultants for the Listing and Quotation.

8.3 Interests In Similar Business

None of the Directors nor substantial shareholders and/or key management is interested, directly or indirectly, in any other business carrying similar trade as the Company and its subsidiaries.

8.4 Promotion Of Material Assets

None of the Directors nor substantial shareholders and/or key management have, whether directly or indirectly, within two (2) years preceding the date of this Prospectus, acquired or disposed off by, or leased to the Company or any of its subsidiaries, or are proposed to be acquired or disposed off by or leased to the Company or any of its subsidiaries.

9. OTHER INFORMATION ON THE EKOWOOD GROUP

9.1 Approvals, Major Licences And Permits Obtained

Save as disclosed below, the Group has not obtained any approvals and does not hold any regulatory licences or permits.

(i) Major Licences And Permits

Type Of Licence/Permits And Approvals	Granted To	Governing Body/ Authority	Major Conditions Imposed	Status Of Compliance
Manufacturing Licence a. S/N: A020903 L/N: A010018 effective from 20 September 1994 issued on 30 December 2002 b. S/N: A021597 L/N: A010018 effective from 24 December 2002 issued on 15 September 2003 c. S/N: A021917 L/N: A010018 effective from 17 October 2003 issued on 13 February 2004	Ekowood	MITI (Industrial Coordination Act, 1975)	<ul style="list-style-type: none"> The shares in Ekowood must be held by TSH. MITI's approval is required for any sales of shares in the Company; The Company must implement its project as approved in accordance to the conditions set forth and any other laws and regulations enacted in Malaysia. 	Met. Approval from MITI obtained on 23 July 2004.
Lesen Tanur Pengerang L/N: T4/95 (K/M) Valid from 1 January 2004 to 31 December 2004	Ekowood	Pengarah Perhutanan Negeri Perak	-	-
Lesen Kilang Kerja Kayu/Perabot/Kayu Kumai L/N: F8/95 (K/M) Valid from 1 January 2004 to 31 December 2004	Ekowood	Pengarah Perhutanan Negeri Perak	-	-
Lesen Kilang Kerja Kayu/Perabot/Kayu Kumai L/N: P4/95 (K/M) Valid from 1 January 2004 to 31 December 2004	Ekowood	Pengarah Perhutanan Negeri Perak	-	-
Lesen Kilang Kerja Kayu/Perabot/Kayu Kumai L/N: P4/95 (K/M) Valid from 1 January 2004 to 31 December 2004	Ekowood	Pengarah Perhutanan Negeri Perak	-	-
Perakuan Pendaftaran S/N: 2562 Valid until 31 December 2004	Ekowood	Lembaga Perindustrian Kayu Malaysia	-	-

9. OTHER INFORMATION ON THE EKOWOOD GROUP (Cont'd)

(ii) Approval for Listing

Ekowood has obtained the approvals of the following authorities for the listing:

- (a) SC and FIC, of which approval was obtained on 9 August 2004; and
- (b) MITI, of which approval was obtained on 23 July 2004.

The approvals are subject to the conditions as set out in Section 7 of this Prospectus.

(iii) Registration of Intellectual Properties Rights

The Group has taken steps to protect its trademarks in the countries set out below:

Trademark	Country/ Class	Company	Trademark Registration No.	Status
EKOWOOD Device	& Malaysia Class 19	Ekowood	96015121	Registered. Valid until 16 December 2013
EKOWOOD Device	& Cambodia Class 19	Ekowood	KH 18518/03	Registered. Valid until 3 July 2013
EKOWOOD Device	& Singapore Class 19	Ekowood	T0307512Z	Registered. Valid until 21 May 2013
EKOWOOD Device	& Germany Class 19 Class 20	TSH Marketing Sdn Bhd [^]	396 35 321	Registered. Valid until 30 June 2006
EKOWOOD Device	& Benelux* Class 19 Class 20	TSH Marketing Sdn Bhd [^]	604220	Registered. Valid until 18 June 2006

Notes:

[^] Ekowood is in the process to file for assignment of the said trademark to its name with the relevant trademark registries.

* Benelux comprises of Belgium, the Netherlands and Luxembourg.

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9. OTHER INFORMATION ON THE EKOWOOD GROUP (Cont'd)

9.2 Landed Properties Of The Ekowood Group

The details of the landed properties of the Ekowood Group as at the date of this Prospectus are set out below:

Owner	Title No. And Location	Approximate Land Area And Built-up Area	Description And Existing Use	(1) Express Condition In Interest	(2) Restriction In Interest	Date Of Issuance Of Certificate Of Fitness	Tenure	Date Of Acquisition	Net Book Value As At 31 December 2003 (At Cost)	Age of building (years)
Ekowood	Lot-1-12, Jalan Industri 2/1, Kawasan Perindustrian Gopeng, KM 15 Jalan Gopeng, 36100 Gopeng, Perak Darul Ridzuan ⁽¹⁾⁽²⁾ held under Titles Nos. :- (i) HS(D) 44294-44305, PT 3068 - 3079, Mukim Sg. Raya, Daerah Kinta, Negeri Perak; & (ii) HS(D) 47907 - 47913, PT 2844 - 50, Mukim Teja, Daerah Kinta, Negeri Perak	Land area of 1,752,254 sq. ft. and built-up area of 600,000 sq. ft.	One factory, which houses the manufacturing facilities of the Ekowood Group, and one 2-storey office building.	(1) For industrial use (2) See note below	(1) For industrial use (2) See note below	11 March 2004	(i) 60 years leasehold land expiring on 26 March 2056 (ii) 60 years leasehold land expiring on 28 September 2055	18 January 1995	30,217,177	8
Ekowood	Suite 701, Block E, Phiteo Damansara 1, No. 9, Jalan 16/11, Off Jalan Damansara, 46350 Petaling Jaya, Selangor Darul Ehsan held under Master Title GM571, Lot 48017 Sek. 39, Bandar Petaling Jaya, Mukim Sg. Buloh, Daerah Petaling, Negeri Selangor (formerly under GM34, Lot 1603, Mukim of Sg. Buloh, District of Petaling, State of Selangor; EMR 4970 Lot 907, Mukim of Kuala Lumpur, Wilayah Persekutuan) ⁽³⁾	Built-up area of 2,219 sq. ft.	An office suite within a 12-storey office building	(1) Commercial Building.	(1) Commercial Building.	18 July 2000	Freehold	8 August 2002	549,735	5

9. OTHER INFORMATION ON THE EKOWOOD GROUP (Cont'd)

Notes

- (1) *Please refer to Section 10.2.3 of this Prospectus in respect of the disputes on this property.*
- (2) *Individual titles for the property have been issued under the name of Gopeng Berhad. Ekowood had entered into private caveat on these individual titles in order to protect its interests.*
- (3) *Individual title for the property has yet to be issued.*
- (4) *The restriction in interest imposed on the land titles is as follows:
"Tanah ini tidak boleh dipindahmilik atau dipajak melainkan dengan kebenaran Menteri Besar Perak. Tanah ini tidak boleh dipecah sempadan mengikut Seksyen 135 Kanun Tanah Negara tanpa kebenaran Menteri Besar Perak."*

Both properties do not have any encumbrances. Save for the properties listed above, there has been no transaction involving the purchase of properties during the past two (2) years preceding the date of this Prospectus.

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10. FINANCIAL INFORMATION

10.1 Historical Financial Information

10.1.1 Profit and Dividend Record

The following sets out a summary of the consolidated audited results of the Ekowood Group for the past five (5) financial years ended 31 December 1999 to 31 December 2003 and the six (6)-months period ended 30 June 2004, prepared on the assumption that the current Ekowood Group structure has been in existence throughout the years under review. The consolidated profit records should be read in conjunction with the accompanying notes and assumptions included in the Accountants' Report set out in Section 11.0 of this Prospectus.

	<-----Year ended 31 December----->					6-month Period Ended 30 June 2004
	1999 RM	2000 RM	2001 RM	2002 RM	2003 RM	RM
Revenue	61,956,852	73,140,639	81,129,164	91,112,096	110,675,358	61,887,500
Profit before interest, depreciation, tax and amortisation	11,871,026	15,215,831	13,485,868	19,081,240	25,507,029	14,863,156
Interest expense	(4,720,901)	(4,261,947)	(2,095,338)	(2,213,909)	(2,498,921)	(654,264)
Depreciation and amortisation	(3,549,989)	(3,787,894)	(3,811,000)	(3,942,782)	(4,313,502)	(2,335,723)
PBT and minority interests	3,600,136	7,165,990	7,579,530	12,924,549	18,694,606	11,873,169
Taxation	(4,822)	(972,937)	(1,456,935)	(4,646,321)	(3,864,321)	(1,187,609)
PAT but before minority interests	3,595,314	6,193,053	6,122,595	8,278,228	14,830,285	10,685,560
Minority interests	(17,560)	14,846	(88,823)	238,258	(19,404)	(25,579)
PAT and minority interests	3,577,754	6,207,899	6,033,772	8,516,486	14,810,881	10,659,981
Weighted average number of shares in issue *	115,906,792	115,906,792	115,906,792	115,906,792	116,204,340	151,002,789
Gross EPS (sen)	3.11	6.18	6.54	11.15	16.09	7.86
Net EPS (sen)	3.09	5.36	5.21	7.35	12.75	7.06

Note:

* Calculated after retrospective adjustments for bonus issue and share split on 1 March 2004.

Save for the financial statements for financial year ended 2003 and 6-months period ended 30 June 2004, of which the financial statements for TIDP, TPI and TPSA were audited for the purposes of submission to the SC and disclosure in the Prospectus, the past financial statements of these subsidiaries have not been audited as they are not required to be audited in their respective countries of origin.

10. FINANCIAL INFORMATION (Cont'd)

10.1.2 Segmental Analysis of Revenue and PAT Before MI

The segmental analysis of revenue and PAT before MI generated by each company of the Ekowood Group is as follows:

(a) Analysis Of Revenue By Company

	<-----Year ended 31 December----->					Period ended 30 June 2004 (6 months)
	1999 RM	2000 RM	2001 RM	2002 RM	2003 RM	RM
Revenue						
Ekowood	11,491,994	9,810,058	7,641,377	7,464,412	7,923,176	2,966,531
TPSB	46,473,951	56,387,876	56,314,839	48,470,282	38,252,000	24,817,293
TIDP	3,990,907	6,067,746	7,777,296	14,471,816	16,686,931	9,958,271
TPI	^	726,184	4,770,254	6,422,933	18,623,627	5,462,112
TPSA	^	148,775	3,158,026	10,181,696	21,250,878	14,844,439
Ekowood Malaysia	#	#	1,467,372	4,100,957	7,897,829	3,838,854
EkoLoc	#	#	#	#	40,917	-
Consolidated	61,956,852	73,140,639	81,129,164	91,112,096	110,675,358	61,887,500

^ Not yet incorporated.

Not yet acquired by the Group.

Over the past five (5) years, Ekowood's revenues have been growing at an average of 15.7% per annum. The revenue growth was attributed to higher demand and selling price of Ekowood's products.

(b) Analysis Of PAT Before MI By Company

	<-----Year ended 31 December----->					Period Ended 30 June 2004 (6 months)
	1999 RM	2000 RM	2001 RM	2002 RM	2003 RM	RM
PAT Before MI						
Ekowood	3,537,809	6,820,691	7,511,942	10,820,512	18,494,957	12,000,880
TPSB	37,512	33,419	280,439	152,537	(206,699)	630,485
TIDP	19,993	152,290	62,482	178,557	97,019	127,899
TPI	^	(557,907)	(823,084)	(872,453)	(1,067,582)	(296,446)
TPSA	^	(255,440)	(1,100,499)	(1,200,722)	(1,793,118)	(1,071,011)
Ekowood Malaysia	#	#	191,315	(800,203)	(725,424)	(307,834)
EkoLoc	#	#	#	#	31,132	(398,413)
Consolidated	3,595,314	6,193,053	6,122,595	8,278,228	14,830,285	10,685,560

^ Not yet incorporated.

Not yet acquired by the Group.

10. FINANCIAL INFORMATION (Cont'd)

For the past three (3) years up to 2003, the PAT before MI and the compounded annual growth rate (CAGR) were approximately 33.6%. Ekowood's strong performance was mainly attributed to higher demand and selling prices of Ekowood's products. Notwithstanding, a higher production volume had also improved both unit costs for labour and overhead. The improvement in demand is also due to Ekowood's wide range of product selection and product mix that enabled it to cater to customers' preferences.

TPI, TPSA and Ekowood Malaysia, which are involved in installation, sales and importation of engineered solid hardwood flooring, recorded loss after tax over the past years. This is mainly due to the continued increase in operating expenses from promotional and branding exercises, which include salary, space rental, maintenance, display, merchandising and other related promotional expenses.

Brand building takes time to deliver results. Notwithstanding, these companies continue to record a substantial increase in their revenue for the past 4 financial years, wherever applicable, as detailed in Section 10.1.2(a) of this Prospectus. The increase in sales volume had resulted in further improvement in pre-tax margin from more efficient cost utilisation. This indicates promotional efforts and brand building exercises had produce positive results. Given time, with continued increasing demand for Ekowood's products, the overhead and promotional expenses will be spread over the higher sales volume and these companies are expected to turn into profitable entities.

As for EkoLoc, its revenue and profits are mainly derived from contract management and sub-licence fees. EkoLoc recorded a loss after tax for the period ended 30 June 2004 of RM398,413 was due to consolidation adjustments.

10.1.3 Factors Affecting Financial Performance, Position And Operations Of The Ekowood Group

Save as disclosed in Section 3.8, 4 and 10.2 of this Prospectus, the financial performance, position and operations of the Ekowood Group are not materially affected by any of the following:

- (i) known trends, demands, commitments, events or uncertainties that have had or that are reasonably likely to have a material favourable or unfavourable impact on financial performance, position and operations of the Company and/or the Group;
- (ii) material capital expenditure commitments for capital expenditure;
- (iii) unusual or infrequent events or transactions or any significant economic changes that materially affected the financial performance, position and operations of the Company and/or the Ekowood Group;
- (iv) substantial increase in revenue; and
- (v) known events, circumstances, trends, uncertainties and commitments that are reasonable likely to make the historical financial statements not indicative of future financial performance and position.

10. FINANCIAL INFORMATION (Cont'd)

10.2 Working Capital, Borrowings, Material Litigation, Material Commitments And Contingent Liabilities

10.2.1 Working Capital

The Directors of Ekowood are of the opinion that after taking into account the Ekowood Group's cash flow position and banking facilities available to the Ekowood Group, the Ekowood Group will have adequate working capital for the period of twelve (12) months from the date of the issue of this Prospectus.

10.2.2 Borrowings

As at 17 September 2004 (being the last practicable date prior to the printing of this Prospectus), the total outstanding borrowings of the Ekowood Group from financial institutions amounted to approximately RM16,173,138 comprising the following:

Short term (interest bearing)	RM
Bank overdraft	1,206,138
Bankers' acceptance	14,967,000
	<u>16,173,138</u>

10.2.3 Material Litigation

Save as disclosed below, as at 17 September 2004 (being the last practicable date prior to the printing of this Prospectus) neither Ekowood nor its subsidiary companies is engaged in any material litigation either as plaintiff or defendant which has a material effect on the financial position of Ekowood or any of its subsidiaries and the directors of the Company have no knowledge of any proceedings pending or threatened against the Company and its subsidiaries or of any facts likely to give rise to any proceedings which might materially affect the position and business of the Company and its subsidiaries.

- (i) Ekowood had on 19 September 1997 filed a suit in Ipoh High Court against Gopeng Land & Properties Sdn. Bhd. ("Gopeng"), Villa Technobuild Sdn. Bhd. ("Villa") and Chuah Cheng Hoe ("CCH") (practising as CH Chuah Associates) for loss and damages arising from the breach of contract and/or negligence on the part of the defendants as follows:
 - (a) breach of contract and/or negligence by Gopeng in carrying out the infilling works on a piece of land in the Gopeng Industrial Park in accordance with the Sale and Purchase Agreement dated 18th January 1995 between Ekowood and Gopeng resulting in severe damage to the factory buildings and associated external works ("Works") located within and/or nearby the aforesaid land;
 - (b) breach of contract by Villa of the construction contract dated 15th March 1995 in failing to construct the Works in a good or workmanlike manner or with good or proper materials and therefore the Works are not fit for its purpose and cannot be properly used as a wood product factory; and

10. FINANCIAL INFORMATION (Cont'd)

- (c) breach by CCH of his contract of employment with Ekowood as consultant engineer and/or negligence in failing to exercise due professional skill and care in the performance of his services resulting in the Works containing serious and substantial defects which prevent the Works from being properly and efficiently used as a wood product factory.

In the abovementioned suit, Ekowood claimed against Gopeng and Villa, inter alia, for damages of RM45,160,104.10 and general damages for loss of goodwill to be assessed by the Court and against CCH, inter alia, for the sum of RM16,284,872.89 being the amount paid to Villa under the construction contract, or alternatively, for damages to the sum of RM45,160,369.00 and general damages for loss of goodwill to be assessed by the Court.

The suit is now fixed for case management on 5 January 2005.

The Board, in consultation with the lawyers, is of the opinion that the Company has a fair chance of succeeding in this suit.

- (ii) Gopeng had on 8 November 2001 filed a suit against Ekowood via Suit No. 22-219-01 in Ipoh High Court in relation to the abovementioned Sale and Purchase Agreement dated 18 January 1995 made between Gopeng and Ekowood whereby Gopeng has agreed to sell and Ekowood has agreed to purchase the land in Gopeng Industrial Park.

In the abovementioned suit, Gopeng claimed against Ekowood inter alia for specific performance of the Sale and Purchase Agreement in that Ekowood be ordered to pay to Gopeng the sum of RM3,434,457.04, interests thereon from 1 July 1997 or such other date deemed appropriate, or alternatively for vacant possession of the aforesaid land and damages pursuant to the Agreement, and general damages for breach of contract, and costs.

Payment of the principal sum has been provided for in the accounts of Ekowood.

Ekowood has filed its defence and counter-claim to the above suit. Ekowood counter-claimed against Gopeng for general damages, for special damages of RM45,160,104.10 being the cost of inter alia rectification of works damaged by the subsidence of the land and loss of profits, and also claimed for interest from date of judgment and costs. Gopeng has thereafter filed its reply and defence to the counterclaim.

The suit is now fixed for case management on 3 November 2004.

The Board, in consultation with the lawyers, is of the opinion that the Company has a fair chance of defending the claim and succeeding in the counter-claim.

10.2.4 Material Commitments

As at 17 September 2004 (being the last practicable date prior to the printing of this Prospectus), there are no material commitments for capital expenditure incurred or known to be incurred by the Ekowood Group which may have a substantial impact on the results or the financial position of the Group.

10. FINANCIAL INFORMATION *(Cont'd)*

10.2.5 Contingent Liabilities

As at 17 September 2004 (being the last practicable date prior to the printing of this Prospectus), there are no contingent liabilities which, upon becoming enforceable, may have a material impact on the profit or net asset value of the Ekowood Group.

10.3 Future Financial Information

10.3.1 Consolidated Profit Forecast with the Notes Thereon

The consolidated profit forecast of Ekowood for the financial year ending 31 December 2004, which had been prepared based on bases and accounting principles consistent with those previously adopted in the preparation of the audited financial statements of the Ekowood Group, are as follows:

Financial Year Ending 31 December

	Forecast 2004 RM'000
Revenue	<u>126,904</u>
Consolidated PBT and MI	23,952
Less: Taxation	(2,266)
Consolidated PAT but before MI	<u>21,686</u>
Less: MI	(10)
Consolidated PAT and MI	<u>21,676</u>

Calculated based on the weighted average issued and paid-up share capital of 168,000,000 Ekowood Shares

- Gross EPS (sen)	14.2
- Net EPS (sen)	12.9
- Gross PE multiple (times)	
(i) based on the Offer Price of RM1.05 per share	7.36
(ii) based on the Offer Price of RM1.15 per share	8.07
- Net PE multiple (times)	
(i) based on the Offer Price of RM1.05 per share	8.13
(ii) based on the Offer Price of RM1.15 per share	8.91

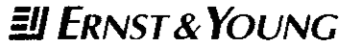
The principal bases and assumptions upon which the above consolidated profit forecast have been made are set out in Section 10.3.2 of this Prospectus.

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10. FINANCIAL INFORMATION *(Cont'd)*

10.3.2 Reporting Accountants' Letter on the Consolidated Profit Forecast

(Prepared for the inclusion in this Prospectus)



AF: 0039

■ Chartered Accountants
21 & 23 Jalan Hussein
30250 Ipoh, Perak, Malaysia

■ Phone : (605) 255-6393
Fax : (605) 254-1572
www.ey.com/my

Mail Address:
P.O. Box 212
30720 Ipoh, Perak, Malaysia

Reporting Accountants' Report on the Consolidated Profit Forecast

(Prepared for inclusion in the Prospectus to be dated 30 September 2004)

17 September 2004

The Board of Directors
Ekowood International Berhad
(formerly known as TSH Ekowood Berhad)
Suite 702, Block E,
Pusat Dagangan Phileo Damansara 1,
No. 9, Jalan 16/11,
Off Jalan Damansara,
46350 Petaling Jaya,
Selangor Darul Ehsan

Dear Sirs

**EKOWOOD INTERNATIONAL BERHAD
(FORMERLY KNOWN AS TSH EKOWOOD BERHAD) ("EKOWOOD")
CONSOLIDATED PROFIT FORECAST FOR THE YEAR ENDING 31 DECEMBER 2004**

We have reviewed the forecast of consolidated profit after taxation of Ekowood and its subsidiaries ("Ekowood Group") for the year ending 31 December 2004 as set out in section 10.3.1 of the Prospectus to be dated 30 September 2004, in accordance with the professional standard in Malaysia applicable to the review of forecasts, AI 810. The forecast has been prepared in connection with the following proposals:

- (a) Proposed offer for sale of 58,800,012 ordinary shares of RM0.50 each in Ekowood ("Ekowood Shares") by TSH Resources Berhad ("TSH") in the following manner:
- (i) 24,106,412 Ekowood Shares to all the existing shareholders and/or warrant holders of TSH based on their respective shareholdings and/or warrant holdings in TSH at an indicative offer price of RM1.05 per Ekowood Share at a date to be determined later;
 - (ii) 4,200,000 Ekowood Shares to the Eligible Executives of Ekowood Group at an indicative offer price of RM1.05 per Ekowood Share via the Proposed Executive Share Scheme;
 - (iii) 4,200,000 Ekowood Shares to the eligible directors and eligible Malaysian employees of the Ekowood Group and TSH at an indicative offer price of RM1.05 per Ekowood Share by way of "pink form" allocation;

10. FINANCIAL INFORMATION (Cont'd)



...2/-

- (a) (iv) 24,259,200 Ekowood Shares to identified Bumiputera investors approved by the Ministry of International Trade and Industry at an indicative offer price of RM1.05 per Ekowood Share by way of placement; and
- (v) 2,034,400 Ekowood Shares to identified public investors at an indicative offer price of RM1.15 per Ekowood Share by way of placement.
- (b) Proposed 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 Chief Executive Officer ("CEO") of Ekowood.
- (c) Proposed listing of and quotation for the entire paid-up share capital of Ekowood on the Main Board of Bursa Malaysia Securities Berhad ("Bursa Securities") ("Proposed Listing and Quotation").

Our review has been undertaken to enable us to form an opinion as to whether the forecast, in all material respects, is properly prepared on the basis of the assumptions made by the directors as set out in the accompanying statement (which we have stamped for the purpose of identification) and is presented on a basis consistent with the accounting policies adopted and disclosed by the Ekowood Group in its audited financial statements for the period ended 30 June 2004. The directors of Ekowood are solely responsible for the preparation and presentation of the forecast and the assumptions on which the forecast is based.

A forecast, in this context, means prospective financial information prepared on the basis of assumptions as to future events which management expects to take place and the actions which management expects to take as of the date the information is prepared (best-estimate assumptions). While information may be available to support the assumptions on which the forecast is based, such information is generally future oriented and therefore uncertain. Thus, actual results are likely to be different from the forecast since anticipated events frequently do not occur as expected and the variations could be material.

Subject to the matters stated in the preceding paragraphs:

- (a) nothing has come to our attention which causes us to believe that the assumptions made by the directors, as set out in the accompanying statement, do not provide a reasonable basis for the preparation of the forecast of the consolidated profit after taxation; and
- (b) in our opinion, the forecast of consolidated profit after taxation, so far as the calculations are concerned, is properly prepared on the basis of the assumptions made by the directors and is presented on a basis consistent with the accounting policies adopted and disclosed by the Ekowood Group in the audited financial statements for the period ended 30 June 2004.

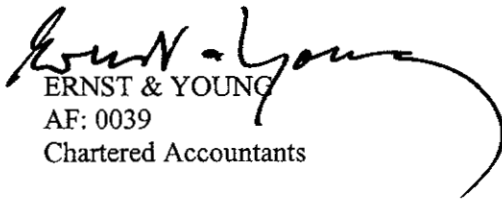
10. FINANCIAL INFORMATION (Cont'd)



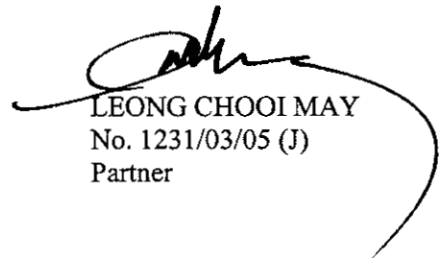
...3/-

The accompanying forecast and this letter have been prepared solely for inclusion in the Prospectus in connection with the aforementioned proposals. This letter is not to be reproduced, referred to in any other document, or used for any other purpose without our prior written consent.

Yours faithfully



ERNST & YOUNG
AF: 0039
Chartered Accountants



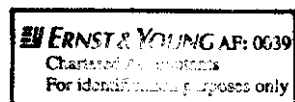
LEONG CHOOI MAY
No. 1231/03/05 (J)
Partner

Ipoh, Malaysia

10. FINANCIAL INFORMATION (Cont'd)



AF: 0039



Appendix
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**EKOWOOD INTERNATIONAL BERHAD
(FORMERLY KNOWN AS TSH EKOWOOD BERHAD) ("EKOWOOD")
CONSOLIDATED PROFIT FORECAST
FOR THE YEAR ENDING 31 DECEMBER 2004**

The directors of Ekowood Group forecast that the consolidated profit after taxation for the financial year ending 31 December 2004 will be approximately RM21.6 million.

The principal bases and assumptions upon which the forecast consolidated profit after taxation have been prepared are as follows:

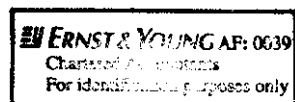
1. There will be no significant changes in the structure and activities of the Ekowood Group.
2. There will be no significant variations in the forecast average selling prices and sales volume of the Ekowood Group's engineered solid hardwood flooring products which will adversely affect the performance of the Ekowood Group:

	Average Selling Price RM/m ²	Sales Volume m ²
Engineered solid hardwood flooring	98.49	1,105,000

3. There will be no significant changes to the prevailing market conditions or demand for the Ekowood Group's products in local and overseas markets, directly or indirectly, which may have an adverse effect on the Ekowood Group's performance.
4. The Ekowood Group will be able to secure the following volume of raw materials at the forecast average purchase prices for its production requirements during the forecast year and there shall be no significant variations which will adversely affect the performance of the Ekowood Group:

	Average Purchase Price RM/m ³	Purchase Volume m ³
Veneer	1,520	2,232
Face material sawn timber	2,931	9,188
Rubber wood logs	87	29,088
Pine wood	750	3,657
Rubber wood sawn timber	350	11,025

10. FINANCIAL INFORMATION (Cont'd)



Appendix
Page 2 of 3

**EKOWOOD INTERNATIONAL BERHAD
(FORMERLY KNOWN AS TSH EKOWOOD BERHAD) ("EKOWOOD")
CONSOLIDATED PROFIT FORECAST
FOR THE YEAR ENDING 31 DECEMBER 2004**

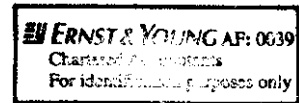
5. There will be no major breakdown or disruption in the production facilities and equipment, major industrial disputes, disruption in the supply and quality of raw materials, disruption in transportation services or other abnormal factors, both domestic and overseas, which will adversely affect the operations of the Ekowood Group.
6. The Ekowood Group shall be able to achieve the estimated recovery rates for the production of its engineered solid hardwood flooring products and there shall be no significant variations that will adversely affect the performance of the Ekowood Group.
7. There will be no material increase in wages, overheads, raw materials and operating expenses. Any increase is expected to be in line with inflation and will not fluctuate significantly from present levels.
8. There will be no significant changes in the present legislation or Government regulations or structure of direct or indirect taxation or environmental factors affecting the Ekowood Group's activities or the market in which it operates.
9. There will be no significant fluctuations in the exchange rate of foreign currencies from their forecast levels, which are based on the prevailing exchange rates of:

Foreign currency	31.12.2004 RM
1 AUD	2.90
1 USD	3.80
1 Euro	4.64

that will adversely affect the performance of the Ekowood Group.

10. Existing financing facilities will remain available to the Ekowood Group at current interest rates. The Ekowood Group will be able to obtain additional financing facilities, if required, at interest rates approximate to those currently available to the Group. Surplus funds available will be utilized for repayment of short term borrowings whenever possible.

10. FINANCIAL INFORMATION (Cont'd)



Appendix
Page 3 of 3

**EKOWOOD INTERNATIONAL BERHAD
(FORMERLY KNOWN AS TSH EKOWOOD BERHAD) ("EKOWOOD")
CONSOLIDATED PROFIT FORECAST
FOR THE YEAR ENDING 31 DECEMBER 2004**

11. There will be no abnormal circumstances including exceptional bad debts that will adversely affect the operations of the Ekowood Group other than those already provided for in the financial statements and forecast.
12. There will be no material changes in the management, operation, marketing and accounting policies adopted by the Ekowood Group that will adversely affect the performance of the Ekowood Group.
13. There will be no major changes in the existing key personnel and management of the Ekowood Group that will adversely affect the marketing and operational capability of the Ekowood Group.
14. Capital expenditure programs will be implemented and incurred on schedule and there will be no material acquisitions or disposals of fixed assets other than those planned.
15. The estimated expenses in relation to the proposals will be set-off against the share premium account where applicable.

10. FINANCIAL INFORMATION (Cont'd)

10.4 Directors' Analysis Of The Consolidated Profit Forecast

The directors of Ekowood have reviewed and analysed the reasonableness of the bases and assumptions stated herein after due and careful inquiry in arriving at the consolidated profit forecast for the financial year ending 31 December 2004. The consolidated profit forecast for the financial year ending 31 December 2004 has been prepared on the bases and accounting principles consistent with those previously adopted in the preparation of the audited financial statements. The Directors of Ekowood are of the opinion that the consolidated profit forecast is reasonable and fair in the light of future prospects of the engineered solid hardwood flooring industry, future plans and strategies to be adopted by Ekowood and after taking into consideration of the forecast level of gearing, liquidity and working capital requirements of the Ekowood Group.

Consolidated Profit Forecast For The Financial Year Ending 31 December 2004

The Ekowood Group's revenue is forecasted to grow by 14.6% or RM16.23 million for the financial year ending 31 December 2004 to RM126.90 million. The forecasted increase in revenue is due to the expected increase in sales volume, both local and export. As a result of the increase in revenue, the consolidated PBT is forecasted to increase by 28.3% to RM23.95 million in the financial year ending 31 December 2004 as compared to RM18.69 million for the previous financial year ended 31 December 2003. PAT after MI is forecasted to increase to RM21.69 million for the financial year ending 31 December 2004 (financial year ended 31 December 2003 : RM14.83 million), a 46.4% increase. This is mainly due to a lower forecasted tax rate. A lower tax rate in the financial year ending 31 December 2004 was due to the exemption of higher pioneer profits from tax enjoyed by the Group, as a result of pioneer status granted to the Group.

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10. FINANCIAL INFORMATION (Cont'd)**10.5 Sensitivity Analysis**

The following sensitivity analysis is prepared by the management of the Ekowood Group. The sensitivity analysis is prepared based on the forecast assumptions as set out in Section 10.3.1 herein and assuming all other things remain unchanged except for the 5% and 10% upward and downward variations in the selling price, sales volume and cost of raw materials. Notwithstanding the impact of the variations in selling price, sales volume and cost of raw material, there may exist other factors which have not been taken into account, which variations may have a significant impact, either positively or negatively, on the financials of the Ekowood Group. The sensitivity analysis is as follows:

10.5.1 Variation In Revenue (Due To Variation In Selling Price)

Forecast for the financial year ending 31 December 2004

Variation In Selling Price	Revenue		PBT & Minority Interest		PAT but before Minority Interest	
	RM	%	RM	%	RM	%
As forecasted	126,904,474		23,952,345		21,686,043	
Up 10%	137,238,772	8%	33,482,261	40%	30,170,827	39%
Up 5%	132,071,623	4%	28,727,122	20%	25,939,929	20%
Down 5%	121,737,324	-4%	19,222,428	-20%	17,482,041	-19%
Down 10%	116,570,175	-8%	14,478,455	-40%	13,209,773	-39%

All other factors remaining equal, an increase in selling price by 5% and 10% will result in an increase in revenue by 4% and 8%, PBT by 20% and 40% and PAT by 20% and 39% respectively. Similarly, a decrease in selling prices by 5% and 10% will result in a decrease in revenue by 4% and 8%, PBT by 20% and 40% and PAT by 19% and 39% respectively.

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10. FINANCIAL INFORMATION (Cont'd)**10.5.2 Variation In Revenue (Due To Variation In Sales Volume)***Forecast for the financial year ending 31 December 2004*

Variation In Sales Volume	Revenue		PBT & Minority Interest		PAT but before Minority Interest	
	RM	%	RM	%	RM	%
As forecasted	126,904,474		23,952,345		21,686,043	
Up 10%	139,583,843	10%	28,680,998	20%	26,008,201	20%
Up 5%	133,574,690	5%	26,417,941	10%	23,953,416	10%
Down 5%	120,234,257	-5%	21,537,052	-10%	19,473,998	-10%
Down 10%	113,564,041	-11%	19,114,054	-20%	17,200,036	-21%

All other factors remaining equal, an increase in sales volume by 5% and 10% will result in an increase in revenue by 5% and 10%, PBT by 10% and 20% and PAT by 10% and 20% respectively. Similarly, a decrease in sales volume by 5% and 10% will result in a decrease in revenue by 5% and 10%, PBT by 10% and 20% and PAT by 10% and 21% respectively.

10.5.3 Variations In Cost Of Raw Materials*Forecast for the financial year ending 31 December 2004*

Variation In Cost	Cost of Sales		PBT & Minority Interest		PAT but before Minority Interest	
	RM	%	RM	%	RM	%
As forecasted	76,775,766		23,952,345		21,686,043	
Up 10%	80,783,615	5%	19,955,660	-17%	18,162,190	-16%
Up 5%	78,764,288	3%	21,963,822	-8%	19,935,611	-8%
Down 5%	74,725,634	-3%	26,002,476	9%	23,498,083	8%
Down 10%	72,706,307	-5%	28,021,803	17%	25,279,319	17%

All other factors remaining equal, an increase in the cost of raw materials by 5% and 10% will result in a decrease in PBT by 8% and 17% and profit after taxation by 8% and 16% respectively. Similarly, a decrease in the cost of raw materials by 5% and 10% will result in an increase in PBT by 9% and 17% and profit after taxation by 8% and 17% respectively.

10. FINANCIAL INFORMATION (Cont'd)

10.6 Dividend Forecast And Policy

It is the policy of the directors of Ekowood in recommending dividends to allow shareholders to participate in the profits of the Company as well as maintaining adequate reserves for the future growth of the Ekowood Group.

The directors of Ekowood will be proposing a final dividend as detailed below in respect of the financial year ending 31 December 2004 at the forthcoming AGM in 2005 for shareholders' approval.

The profit forecast do not reflect this proposal as such dividend, if approved by the shareholders, will be accounted for in shareholders' equity as an appropriation of retained profits in the financial year ending 31 December 2005.

Tax-exempt dividend per share (sen)	2.5
Tax-exempt dividend per share (%)	5.0
Tax-exempt dividend yield based on the Offer Price of (%)	
- Based on offer price of RM1.05 per share	2.38
- Based on offer price of RM1.15 per share	2.17
Net dividend cover (times)	5.16

The directors of Ekowood will take into consideration the retained profits, cash flow as well as the funding requirements of the Ekowood Group before recommending any future dividends.

Notwithstanding the above, the Directors have full discretion not to propose any future dividend payment as and when necessary, if it is in the best interests of the Company.

Future dividends may be waived in the event of the following circumstances:

- (i) insufficient retained profits to declare as dividends;
- (ii) insufficient tax exempt profits to declare as dividends and/or insufficient tax credits to frank its dividends; or
- (iii) insufficient cash flows to pay dividends.

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10. FINANCIAL INFORMATION (Cont'd)**10.7 Proforma Consolidated Balance Sheets As At 30 June 2004 And The Reporting Accountants' Letter Thereon**

The following table sets out the summary of proforma consolidated balance sheets of the Ekowood Group as at 30 June 2004 as if the Offer For Sale and the Listing And Quotation had been effected on that date:

	Audited As At 30 June 2004 RM	Proforma I RM	Proforma II RM
PROPERTY, PLANT AND EQUIPMENT	56,614,995	56,614,995	56,614,995
OTHER INVESTMENT	25,000	25,000	25,000
INTANGIBLE ASSETS	426,667	426,667	426,667
GOODWILL ON CONSOLIDATION	131,783	131,783	131,783
	<u>57,198,445</u>	<u>57,198,445</u>	<u>57,198,445</u>
CURRENT ASSETS			
Inventories	59,007,248	59,007,248	59,007,248
Trade receivables	27,760,172	27,760,172	27,760,172
Other receivables	6,633,174	6,099,970	6,099,970
Amount due from customers on contracts	946,420	946,420	946,420
Amount due from related companies	47	47	47
Tax recoverable	125,540	125,540	125,540
Cash and bank balances	3,303,038	3,303,038	3,303,038
	<u>97,775,639</u>	<u>97,242,435</u>	<u>97,242,435</u>
CURRENT LIABILITIES			
Trade payables	2,005,265	2,005,265	2,005,265
Other payables	14,101,696	15,368,492	15,368,492
Due to customer on contracts	296,997	296,997	296,997
Bank borrowings	11,888,995	11,888,995	11,888,995
Tax payable	99,840	99,840	99,840
	<u>28,392,793</u>	<u>29,659,589</u>	<u>29,659,589</u>
NET CURRENT ASSETS	69,382,846	67,582,846	67,582,846
	<u>126,581,291</u>	<u>124,781,291</u>	<u>124,781,291</u>

10. FINANCIAL INFORMATION (Cont'd)

	Audited As At 30 June 2004 RM	Proforma I RM	Proforma II RM
Financed by:			
SHARE CAPITAL	84,000,000	84,000,000	84,000,000
SHARE PREMIUM	5,094,104	3,294,104	3,294,104
EXCHANGE RESERVE	(729,274)	(729,274)	(729,274)
RETAINED PROFITS	25,921,947	25,921,947	25,921,947
SHAREHOLDERS' FUNDS	114,286,777	112,486,777	112,486,777
MINORITY INTEREST	130,113	130,113	130,113
	114,416,890	112,616,890	112,616,890
DEFERRED TAX LIABILITIES	6,404,851	6,404,851	6,404,851
AMOUNT OWING TO HOLDING COMPANY	5,759,550	5,759,550	5,759,550
	12,164,401	12,164,401	12,164,401
	126,581,291	124,781,291	124,781,291
NTA PER SHARE	0.68	0.67	0.67

Notes to the proforma consolidated balance sheets:

(A) Basis of preparation

- The proforma consolidated balance sheets of Ekowood have been prepared for illustrative purposes only to show the effects on the audited balance sheet as at 30 June 2004 of the transactions as stated in the notes below, had the transactions been implemented and completed on that date, and on the basis which are consistent with the accounting policies of Ekowood Group as disclosed in its audited financial statements:

A. Proforma I - Offer For Sale

Proforma I is stated after incorporating the effects of the following:

The estimated listing expenses of approximately RM1.8 million will be set-off against the share premium account.

B. Proforma II – CEO Scheme

This has no impact on the balance sheet of Ekowood.

10. FINANCIAL INFORMATION (Cont'd)

C. Others

Share premium is arrived at as follows:-

	RM
As at 30 June 2004	5,094,104
Less : Estimated listing expenses	<u>(1,800,000)</u>
	<u>3,294,104</u>

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10. FINANCIAL INFORMATION (Cont'd)

10.7.1 Reporting Accountants' Letter On The Proforma Consolidated Balance Sheets As At 30 June 2004

(Prepared for the inclusion in this Prospectus)



■ Chartered Accountants
21 & 23 Jalan Hussein
30250 Ipoh, Perak, Malaysia

■ Phone : (605) 255-6393
Fax : (605) 254-1572
www.ey.com/my

Mail Address:
P.O. Box 212
30720 Ipoh, Perak, Malaysia

Reporting Accountants' Report on Proforma Consolidated Balance Sheets

(Prepared for inclusion in the Prospectus to be dated 30 September 2004)

17 September 2004

The Board of Directors
Ekowood International Berhad
(formerly known as TSH Ekowood Berhad)
Suite 702, Block E,
Pusat Dagangan Phileo Damansara 1,
No. 9, Jalan 16/11,
Off Jalan Damansara,
46350 Petaling Jaya,
Selangor Darul Ehsan

Dear Sirs

**EKOWOOD INTERNATIONAL BERHAD
(FORMERLY KNOWN AS TSH EKOWOOD BERHAD)("EKOWOOD")
PROFORMA CONSOLIDATED BALANCE SHEETS AS AT 30 JUNE 2004**

We report on the proforma consolidated balance sheets set out in section 10.7 of the Prospectus to be dated 30 September 2004, which have been prepared for illustrative purposes only, to provide information about how the consolidated balance sheet of Ekowood and its subsidiaries as at 30 June 2004 that has been presented might have been affected by the following proposals had the proposals been completed on that date:

- (a) Proposed offer for sale of 58,800,012 ordinary shares of RM0.50 each in Ekowood ("Ekowood Shares") by TSH Resources Berhad ("TSH") in the following manner:
- (i) 24,106,412 Ekowood Shares to all the existing shareholders and/or warrant holders of TSH based on their respective shareholdings and/or warrant holdings in TSH at an indicative offer price of RM1.05 per Ekowood Share at a date to be determined later;
 - (ii) 4,200,000 Ekowood Shares to the Eligible Executives of Ekowood Group at an indicative offer price of RM1.05 per Ekowood Share via the Proposed Executive Share Scheme;
 - (iii) 4,200,000 Ekowood Shares to the eligible directors and eligible Malaysian employees of the Ekowood Group and TSH at an indicative offer price of RM1.05 per Ekowood Share by way of "pink form" allocation;

10. FINANCIAL INFORMATION *(Cont'd)*



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- (a) (iv) 24,259,200 Ekowood Shares to identified Bumiputera investors approved by the Ministry of International Trade and Industry at an indicative offer price of RM1.05 per Ekowood Share by way of placement; and
 - (v) 2,034,400 Ekowood Shares to identified public investors at an indicative offer price of RM1.15 per Ekowood Share by way of placement.
- (b) Proposed 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 Chief Executive Officer ("CEO") of Ekowood.
- (c) Proposed listing of and quotation for the entire paid-up share capital of Ekowood on the Main Board of Bursa Malaysia Securities Berhad ("Bursa Securities") ("Proposed Listing and Quotation").

It is the sole responsibility of the directors of Ekowood to prepare the proforma consolidated balance sheets in accordance with the requirements of the Guidelines on Prospectus issued by the Securities Commission in respect of Public Offerings ("the Guidelines").

It is our responsibility to form an opinion, as required by the Guidelines, and to report our opinion to you. Our work consisted primarily of comparing the unadjusted financial information presented with their original form, considering the adjustments and discussing the proforma consolidated balance sheets with the responsible officers of Ekowood. Our work involved no independent examination of any of the underlying financial information other than our audit of the consolidated financial statements that included the audited consolidated balance sheet as at 30 June 2004.

In our opinion:

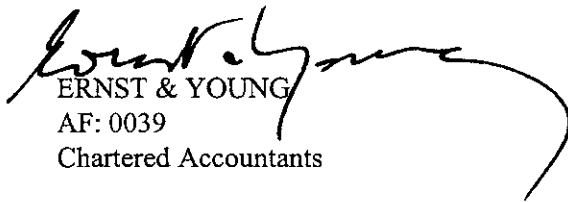
- (a) the proforma consolidated balance sheets have been properly compiled on the bases stated; and
- (b) within the context of the assumed date of the abovementioned proposals:
 - (i) such bases are consistent with the accounting policies of Ekowood; and
 - (ii) the adjustments set out are appropriate for the purposes of the proforma consolidated balance sheets pursuant to the Guidelines.

10. FINANCIAL INFORMATION *(Cont'd)*



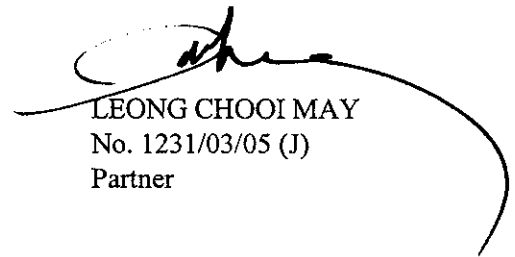
The accompanying proforma balance sheets and this letter have been prepared for inclusion in the Prospectus in connection with the aforementioned proposals. This letter is not to be reproduced, referred to in any other document, or used for any other purpose without our prior written consent.

Yours faithfully



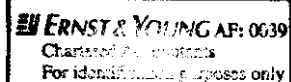
ERNST & YOUNG
AF: 0039
Chartered Accountants

Ipoh, Malaysia



LEONG CHOOI MAY
No. 1231/03/05 (J)
Partner

10. FINANCIAL INFORMATION (Cont'd)

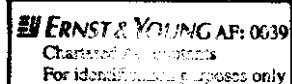


**EKOWOOD INTERNATIONAL BERHAD
(FORMERLY KNOWN AS TSH EKOWOOD BERHAD) ("EKOWOOD")
PROFORMA CONSOLIDATED BALANCE SHEETS**

The proforma consolidated balance sheets of Ekowood as at 30 June 2004 as set out below are provided for illustrative purposes only and have been prepared based on the audited financial statements as at 30 June 2004 and the accounting policies and bases consistent with those previously adopted in the preparation of the audited financial statements, under the assumption that the Offer for Sale and CEO Scheme have been effected on 30 June 2004:-

	Audited as at 30.6.2004 RM	Proforma I RM	Proforma II RM
PROPERTY, PLANT AND EQUIPMENT	56,614,995	56,614,995	56,614,995
OTHER INVESTMENT	25,000	25,000	25,000
INTANGIBLE ASSETS	426,667	426,667	426,667
GOODWILL ON CONSOLIDATION	131,783	131,783	131,783
	<u>57,198,445</u>	<u>57,198,445</u>	<u>57,198,445</u>
CURRENT ASSETS			
Inventories	59,007,248	59,007,248	59,007,248
Trade receivables	27,760,172	27,760,172	27,760,172
Other receivables	6,633,174	6,099,970	6,099,970
Amount due from customers on contracts	946,420	946,420	946,420
Amount due from related companies	47	47	47
Tax recoverable	125,540	125,540	125,540
Cash and bank balances	3,303,038	3,303,038	3,303,038
	<u>97,775,639</u>	<u>97,242,435</u>	<u>97,242,435</u>
CURRENT LIABILITIES			
Trade payables	2,005,265	2,005,265	2,005,265
Other payables	14,101,696	15,368,492	15,368,492
Due to customer on contracts	296,997	296,997	296,997
Bank borrowings	11,888,995	11,888,995	11,888,995
Tax payable	99,840	99,840	99,840
	<u>28,392,793</u>	<u>29,659,589</u>	<u>29,659,589</u>
NET CURRENT ASSETS	69,382,846	67,582,846	67,582,846
	<u>126,581,291</u>	<u>124,781,291</u>	<u>124,781,291</u>

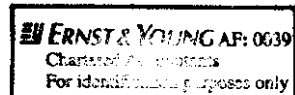
10. FINANCIAL INFORMATION (Cont'd)



**EKOWOOD INTERNATIONAL BERHAD
(FORMERLY KNOWN AS TSH EKOWOOD BERHAD) ("EKOWOOD")
PROFORMA CONSOLIDATED BALANCE SHEETS**

	Audited as at 30.6.2004 RM	Proforma I RM	Proforma II RM
Financed by:			
SHARE CAPITAL	84,000,000	84,000,000	84,000,000
SHARE PREMIUM	5,094,104	3,294,104	3,294,104
EXCHANGE RESERVE	(729,274)	(729,274)	(729,274)
RETAINED PROFITS	25,921,947	25,921,947	25,921,947
SHAREHOLDERS' FUNDS	<u>114,286,777</u>	<u>112,486,777</u>	<u>112,486,777</u>
MINORITY INTEREST	130,113	130,113	130,113
	<u>114,416,890</u>	<u>112,616,890</u>	<u>112,616,890</u>
DEFERRED TAX LIABILITIES	6,404,851	6,404,851	6,404,851
AMOUNT OWING TO HOLDING COMPANY	5,759,550	5,759,550	5,759,550
	<u>12,164,401</u>	<u>12,164,401</u>	<u>12,164,401</u>
	<u>126,581,291</u>	<u>124,781,291</u>	<u>124,781,291</u>
NET TANGIBLE ASSETS PER SHARE	0.68	0.67	0.67

10. FINANCIAL INFORMATION (Cont'd)



**EKOWOOD INTERNATIONAL BERHAD
(FORMERLY KNOWN AS TSH EKOWOOD BERHAD) ("EKOWOOD")
NOTES TO PROFORMA CONSOLIDATED BALANCE SHEETS**

1. The proforma consolidated balance sheets of Ekowood have been prepared for illustrative purposes only to show the effects on the audited balance sheet as at 30 June 2004 of the transactions as stated in the notes below, had the transactions been implemented and completed on that date, and on the bases which are consistent with the accounting policies of Ekowood Group as disclosed in its audited financial statements:-

A. Proforma I - Offer for Sale

Proforma I is stated after incorporating the effects of the following:

The estimated listing expenses of approximately RM1.8 million will be set-off against the share premium account.

B. Proforma II - CEO Scheme

This has no impact on the balance sheet of Ekowood

C. Others

Share premium is arrived at as follows:-

	RM
As at 30 June 2004	5,094,104
Less : Estimated listing expenses	(1,800,000)
	3,294,104