

5. INFORMATION ON THE SUBSTANTIAL SHAREHOLDERS, PROMOTERS, DIRECTORS AND KEY MANAGEMENT

5.1 Promoters and Substantial Shareholders

5.1.1 Promoters

The Promoters of ARB and its shareholding in the Company after the Public Issue and full conversion of the ICPS are as follows:-

After the Public Issue

Name	Nationality/ Place of Incorporation	<---Direct --->		<--Indirect --->	
		No. of ARB Shares	%	No. of ARB Shares	%
Datuk Yeo Wang Seng	Malaysian	50,000 *	0.10	22,664,184 ⁽¹⁾	44.35
Yeo Wang Ting	Malaysian	1,050,169 *	2.06	19,518,471 ⁽²⁾	38.20
Aspirasi Puspita Sdn Bhd	Malaysia	11,276,471	22.07	-	-
Affinity Gateway Sdn Bhd	Malaysia	6,168,250	12.07	-	-

After Full Conversion of the ICPS

Name	Nationality/ Place of Incorporation	<---Direct --->		<-- Indirect -->	
		No. of ARB Shares	%	No. of ARB Shares	%
Datuk Yeo Wang Seng	Malaysian	50,000 *	0.08	27,960,940 ⁽¹⁾	45.76
Yeo Wang Ting	Malaysian	1,284,950 *	2.10	24,088,534 ⁽²⁾	39.42
Aspirasi Puspita Sdn Bhd	Malaysia	13,923,530	22.79	-	-
Affinity Gateway Sdn Bhd	Malaysia	7,616,195	12.47	-	-

Notes:-

- (1) *Deemed interested through direct shareholdings of his spouse, brother, sister-in-law and son and his substantial shareholdings in Aspirasi Puspita Sdn Bhd and Affinity Gateway Sdn Bhd*
 - (2) *Deemed interested through direct shareholdings of his spouse, brother and sister-in-law and his substantial shareholdings in Aspirasi Puspita Sdn Bhd and Affinity Gateway Sdn Bhd*
- * *The shareholding includes allocation of 50,000 ARB Shares each to the Executive Directors of ARB under employees shares allocation*

5. INFORMATION ON THE SUBSTANTIAL SHAREHOLDERS, PROMOTERS, DIRECTORS AND KEY MANAGEMENT (Cont'd)

5.1.2 Substantial Shareholders

The substantial shareholders of ARB and its shareholding in the Company after the Public Issue and full conversion of the ICPS are as follows:-

After the Public Issue

Name	Nationality/ Place of Incorporation	<---Direct --->		<--Indirect --->	
		No. of ARB Shares	%	No. of ARB Shares	%
Datuk Yeo Wang Seng	Malaysian	50,000 *	0.10	22,664,184 ⁽¹⁾	44.35
Yeo Wang Ting	Malaysian	1,050,169 *	2.06	19,518,471 ⁽²⁾	38.20
Yeo Gee Kuan	Malaysian	2,145,544 *	4.20	1,271,868 ⁽³⁾	2.49
Datin Yap Que Chun	Malaysian	1,221,868	2.39	2,195,544 ⁽⁴⁾	4.30
Aspirasi Puspita Sdn Bhd	Malaysia	11,276,471	22.07	-	-
Affinity Gateway Sdn Bhd	Malaysia	6,168,250	12.07	-	-
Abdul Rahman b. Ahmad Mahidin	Malaysian	3,758,823	7.36	-	-
Datin Fadzilah Binti Saad	Malaysian	3,457,764	6.77	-	-

After Full Conversion of the ICPS

Name	Nationality/ Place of Incorporation	<---Direct --->		<-- Indirect --->	
		No. of ARB Shares	%	No. of ARB Shares	%
Datuk Yeo Wang Seng	Malaysian	50,000 *	0.08	27,960,940 ⁽¹⁾	45.76
Yeo Wang Ting	Malaysian	1,284,950 *	2.10	24,088,534 ⁽²⁾	39.42
Yeo Gee Kuan	Malaysian	2,637,456 *	4.32	1,558,692 ⁽³⁾	2.55
Datin Yap Que Chun	Malaysian	1,508,692	2.47	2,687,456 ⁽⁴⁾	4.40
Aspirasi Puspita Sdn Bhd	Malaysia	13,923,530	22.79	-	-
Affinity Gateway Sdn Bhd	Malaysia	7,616,195	12.47	-	-
Abdul Rahman b. Ahmad Mahidin	Malaysian	4,641,176	7.60	-	-
Datin Fadzilah Binti Saad	Malaysian	4,634,234	7.58	-	-

Notes:-

- (1) Deemed interested through direct shareholdings of his spouse, brother, sister-in-law and son and by virtue of his substantial shareholdings in Aspirasi Puspita Sdn Bhd and Affinity Gateway Sdn Bhd
 - (2) Deemed interested through direct shareholdings of his spouse, brother and sister-in-law and by virtue of his substantial shareholdings in Aspirasi Puspita Sdn Bhd and Affinity Gateway Sdn Bhd
 - (3) Deemed interested through direct shareholdings of his parents
 - (4) Deemed interested through direct shareholdings of her spouse and son
- * The shareholding includes allocation of 50,000 ARB Shares each to the Executive Directors of ARB under employees shares allocation

5. INFORMATION ON THE SUBSTANTIAL SHAREHOLDERS, PROMOTERS, DIRECTORS AND KEY MANAGEMENT (Cont'd)

5.1.2.1 Profile of Aspirasi Puspita Sdn Bhd

Aspirasi Puspita Sdn Bhd (Company No. 430272-M) is a company incorporated in Malaysia under the Companies Act, 1965 on 6 May 1997, having an authorised share capital of RM100,000 comprising 100,000 ordinary shares of RM1.00 and an issued and paid-up capital of RM1,000 comprising 1,000 ordinary shares of RM1.00 each. Aspirasi Puspita Sdn Bhd's principal activity is investment holding company.

The directors and their respective shareholdings in Aspirasi Puspita Sdn Bhd as at 7 January 2004 are as follows:-

Name of Directors	Nationality	Direct		Indirect	
		No. of Ordinary Shares	%	No. of Ordinary Shares	%
Datuk Yeo Wang Seng	Malaysian	820	82	140 ⁽¹⁾	14
Lim Yun Nyen	Malaysian	-	-	-	-

Note:

(1) Deemed interested through direct shareholding of his brother, Yeo Wang Ting

Aspirasi Puspita Sdn Bhd will pledge a total of 10,700,000 ARB shares and 2,200,000 ICPS to Danaharta Managers Sdn Bhd as consideration to discharge the three (3) corporate guarantees granted by AHSB, details of which is provided under Section 9.5(iii) of this Prospectus.

5.1.2.2 Profile of Affinity Gateway Sdn Bhd

Affinity Gateway Sdn Bhd (Company No. 425661-W) is a company incorporated in Malaysia under the Companies Act, 1965 on 2 April 1997, having an authorised share capital of RM100,000 comprising 100,000 ordinary shares of RM1.00 and an issued and paid-up capital of RM2 comprising 2 ordinary shares of RM1.00 each. Affinity Gateway Sdn Bhd's principal activity is investment holding company.

The directors and their respective shareholdings in Affinity Gateway Sdn Bhd as at 7 January 2004 are as follows:-

Name of Directors	Nationality	Direct		Indirect	
		No. of Ordinary Shares	%	No. of Ordinary Shares	%
Datuk Yeo Wang Seng	Malaysian	1	50	1 ⁽¹⁾	50
Yeo Wang Ting	Malaysian	1	50	1 ⁽¹⁾	50

Note:-

(1) Deemed interested through direct shareholding of their brother

5. INFORMATION ON THE SUBSTANTIAL SHAREHOLDERS, PROMOTERS, DIRECTORS AND KEY MANAGEMENT (Cont'd)

5.1.3 Directorships and Substantial Shareholdings in Other Public Corporation for the Past Two (2) Years

Save as disclosed below, none of the promoters and /or substantial shareholders has any directorships or substantial shareholdings in other local and/or foreign public corporations for the past 2 years.

Name of Substantial Shareholders	Name of Company	Date of appointment	No. of Shares Held				Principal Activities
			Direct	%	Indirect	%	
Datin Fadzilah Binti Saad	SEG International Berhad	27.8.2002	-	-	-	-	Educational services

5.1.4 Changes in Promoters/Substantial Shareholders of ARB and their Shareholdings for the Past Three (3) Years

Save as disclosed below and in Section 13.3(f) of this Prospectus, there has been no other change in the promoters and/or substantial shareholders of ARB for the past three (3) years.

Substantial Shareholders	Date	Addition / (Disposal)	No. of ARB Shares Held			
			Direct	%	Indirect	%
Katherine Chung Mei Lin	3.10.97	1	1	50	-	-
	26.2.2003	(1)	-	-	-	-
Lin Kui Mee	3.10.97	1	1	50	-	-
	26.2.2003	(1)	-	-	-	-
Siti Marisah Binti Mohamad Nawi	26.2.2003	1	1	50	-	-
Sepekar Zanidah Binti Hussin	26.2.2003	1	1	50	-	-

5. INFORMATION ON THE SUBSTANTIAL SHAREHOLDERS, PROMOTERS, DIRECTORS AND KEY MANAGEMENT (Cont'd)

5.2 Directors

5.2.1 Directors and their Shareholdings in ARB

The Directors of ARB and its shareholding in the Company after the Public Issue and full conversion of the ICPS are as follows:-

After the Public Issue

Name	Designation	<---Direct --->		<--Indirect --->	
		No. of ARB Shares	%	No. of ARB Shares	%
Abdul Rahman b. Ahmad Mahidin	Chairman	3,758,823	7.36	-	-
Datuk Yeo Wang Seng	Managing Director	50,000 *	0.10	22,664,184 ⁽¹⁾	44.35
Yeo Wang Ting	Executive Director	1,050,169 *	2.06	19,518,471 ⁽²⁾	38.20
Lim Yun Nyen	Executive Director	300,588 *	0.59	-	-
Yeo Gee Kuan	Executive Director	2,145,544 *	4.20	1,271,868 ⁽³⁾	2.49
Tan Choon Hwa (JP)	Director	1,127,647	2.21	-	-
Wong Nyuk Pin	Independent Non-Executive Director	-	-	-	-
Kong Sau Kian	Independent Non-Executive Director	-	-	-	-
Tracy Voo Vun Sim	Independent Non-Executive Director	-	-	-	-

After Full Conversion of the ICPS

Name	Designation	<---Direct --->		<-- Indirect -->	
		No. of ARB Shares	%	No. of ARB Shares	%
Abdul Rahman b. Ahmad Mahidin	Chairman	4,641,176	7.60	-	-
Datuk Yeo Wang Seng	Managing Director	50,000 *	0.08	27,960,940 ⁽¹⁾	45.76
Yeo Wang Ting	Executive Director	1,284,950 *	2.10	24,088,534 ⁽²⁾	39.42
Lim Yun Nyen	Executive Director	359,412 *	0.59	-	-
Yeo Gee Kuan	Executive Director	2,637,456 *	4.32	1,558,692 *	2.55
Tan Choon Hwa (JP)	Director	1,392,353	2.28	-	-
Wong Nyuk Pin	Independent Non-Executive Director	-	-	-	-
Kong Sau Kian	Independent Non-Executive Director	-	-	-	-
Tracy Voo Vun Sim	Independent Non-Executive Director	-	-	-	-

5. INFORMATION ON THE SUBSTANTIAL SHAREHOLDERS, PROMOTERS, DIRECTORS AND KEY MANAGEMENT (*Cont'd*)

Notes:-

- (1) *Deemed interested through direct shareholdings of his spouse, brother, sister-in-law and son and by virtue of his substantial shareholdings in Aspirasi Puspita Sdn Bhd and Affinity Gateway Sdn Bhd*
 - (2) *Deemed interested through direct shareholdings of his spouse, brother and sister-in-law and by virtue of his substantial shareholdings in Aspirasi Puspita Sdn Bhd and Affinity Gateway Sdn Bhd*
 - (3) *Deemed interested through direct shareholdings of his parents*
- * *The shareholdings includes allocation of 50,000 ARB Shares to the Executive Directors of ARB under employees shares allocation*

None of the Executive Directors of ARB is involved full time in their private businesses of their own.

5.2.2 Directors' Profiles

Profiles of the Directors are as follows:-

Abdul Rahman b. Ahmad Mahidin, aged 34, was appointed as the Director and Chairman of ARB on 1 November 2003.

He graduated from International Islamic University with a Bachelor of Laws (Hons) and started his career as a legal assistant in Harun Idris, Yeoh & Partner from 1993 to 1995 before he joined Yadim Holdings Sdn Bhd as a General Manager in year 1996 and assumed the position there for 4 years. He is also the Director of Natoil Resources Sdn Bhd, Natoil Holding Sdn Bhd, and El Qaswa Travel Services Sdn Bhd.

Datuk Yeo Wang Seng, aged 53, was appointed as the Managing Director of ARB on 1 November 2003. He oversees the sourcing of logs including marketing of woods products and financial management of the Group's operations.

He started his career in the wood industry in 1968, working as a trainee in a sawmill in Johor. Subsequently, in 1970, he worked as a sawing contractor for a sawmill based in Kuantan. In 1978, he was employed as a manager in a sawmill based in Terengganu before he moved to Sabah in 1980. He started his operation in Sabah as a sawing contractor and in 1983 he was made the Managing Director of a well-established sawmill company based in Tawau until 1986. In 1987 to 1989, he commenced timber logging operations in Tawau and in 1989, he together with some business associates established AHSB as a sawmilling company which was subsequently expanded into timber logging and plywood and related down stream products operating and barging.

He has more than 35 years of experience in the timber industry and has established very good rapport with the buyers of woods products. This has placed him in an advantageous role in the marketing of woods products.

Yeo Wang Ting, aged 54, was appointed as an Executive Director of ARB on 1 November 2003. He started his career as an apprentice in carpentry works in furniture making in 1972 to 1975 in Singapore. In 1976, he moved to Kuantan and operated as a sawmill contractor until he came to Sabah in 1982 and continued his sawmill contracting operation for Sri Langgas Kilang Papan Sdn. Bhd, a sizeable sawmill located in Kunak, Sabah. In 1986, he started to work as a logging contractor in the Tawau area until 1989 when he was appointed as an Executive Director of AHSB. He is principally in-charge of the raw material supplies of AHSB.

5. INFORMATION ON THE SUBSTANTIAL SHAREHOLDERS, PROMOTERS, DIRECTORS AND KEY MANAGEMENT (Cont'd)

Lim Yun Nyen, age 32, was appointed as the Director of ARB on 1 November 2003. He is an Operational Director of AHSB. He holds a Diploma in Business Studies in year 1990 before joining Ernst & Young as an Audit Assistant for 4 years. In 1995, he joined AHSB as an Accounts Supervisor and subsequently promoted to Finance and Administrative Manager in 1997. He is very involved in the co-ordination and day-to-day operations of the mills and assumed his current position in year 2000.

Yeo Gee Kuan, aged 27, was appointed as the Director of ARB on 1 November 2003. He holds a Business Certificate from Tafe College, Australia. Upon his return from Australia, he was appointed as Sawmill Manager by AHSB and subsequently appointed as Director of operations of the AHSB on 18 July 2001.

Tan Choon Hwa (JP), aged 46, was appointed as the Director of ARB on 1 November 2003. He is a businessman who has involved himself in various industries such as timber extraction, main contractor, housing and land development. He devoted himself to charity and social work in Kelantan which resulted in him being awarded Pingat Bakti (P.B) in year 1992 and subsequently Justice of Peace (JP) in year 1994. He is also one of the members for Board of Visitors of Federal Prison in Kelantan since 1991 and holds other chairmanship in many other associations, namely Teo Chew Association, Persatuan Pendidikan AKLAH Kelantan/Sabah, etc.

Wong Nyuk Pin, aged 58, was appointed as the Director of ARB on 1 November 2003. He is a pensioner who presently also the School Committee Member for SRJK Yuk Chin primary school.

He has been in the educational line for more than 30 years. He obtained his Cambridge School Certificate and Sijil Pelajaran Malaysia way back in year 1963 before he attend the Teacher Training College and start his career as a teacher at a primary school namely SK Andrassy in year 1966. In 1981, he served as a School Supervisor at Education Dept of Tawau for almost 8 years and was subsequently appointed as the principal of a primary school namely SRJK Yuk Chin till his retirement in year 2000.

Kong Sau Kian, aged 39, was appointed as the Director of ARB on 1 November 2003. He is a member of the Malaysian Institute of Accountants. He graduated with a bachelor of Accounting (Honours) degree from University of Malaya in 1988. Subsequently, he joined KPMG Peat Marwick, an international accounting firm until 1992, where his exposure include audit of wide range of industries, corporate restructuring, acquisition audit and other special assignments. Currently, he is a General Manager of an investment holdings company which has diversified businesses. He also sits on the Board of LBS Bina Group Bhd, Audrey International (M) Bhd and as alternate director in Rumpun Hijau Capital Berhad.

Tracy Voo Vun Sim, aged 25, was appointed as the Director of ARB on 1 November 2003. She is a lawyer graduated from Kemayan ATC Kuala Lumpur in year 2000 holding an LLB from University of London. She obtained her Certificate In Legal Practice in year 2001 and currently she is a practicing lawyer attached to Shim, Pang & Co. in Tawau. She was called to the Bar at High Court of Malaya at Kuala Lumpur and at High Court of Sabah at Kota Kinabalu.

5. INFORMATION ON THE SUBSTANTIAL SHAREHOLDERS, PROMOTERS, DIRECTORS AND KEY MANAGEMENT (Cont'd)

5.2.3 Aggregate Remuneration and Benefits of Directors

For the financial year ended 31 December 2002, the remuneration and benefits paid to the Directors for services rendered to the Company and its subsidiary company was RM0.453 million. For the financial years ended/ending 31 December 2003 and 31 December 2004, the amount of remuneration and benefits proposed to be paid to the Directors for services to the Company and its subsidiary company is estimated to be RM0.441 million and RM0.545 million respectively.

The brief details of the aggregate remuneration are as follows:-

(RM)	No. of Directors	
	Financial Year Ended 31 December 2003	Financial Year Ending 31 December 2004
RM100,000 and below	8	8
RM100,001 to RM200,000	-	-
RM200,001 to RM300,000	1	1

5.2.4 Directorships and Substantial Shareholdings in Other Public Corporation for the Past Two (2) Years are as follows:

Save as disclosed below, none of the directors has any directorships or substantial shareholdings in other local and/or foreign public corporations for the past 2 years.

Name of Directors	Name of Company	Date of appointment	No. of Ordinary Shares Held				Principal Activities
			Direct	%	Indirect	%	
Kong Sau Kian	LBS Bina Group Bhd	6.12.2001	-	-	-	-	Management and investment holding
	Audrey International (M) Bhd	27.3.2003	-	-	-	-	Investment holding and provision of management services to subsidiary companies
	Rumpun Hijau Capital Berhad (alternate Director)	14.10.2000	-	-	-	-	Investment holding
Datin Fadzilah Binti Saad	SEG International Berhad	27.8.2002	-	-	-	-	Educational services

5. INFORMATION ON THE SUBSTANTIAL SHAREHOLDERS, PROMOTERS, DIRECTORS AND KEY MANAGEMENT (Cont'd)

5.3 Audit Committee

Details on the members of the audit committee are as follows:

Name	Responsibility	Directorship
Wong Nyuk Pin	Chairman	Independent Non-Executive Director
Kong Sau Kian	Member	Independent Non-Executive Director
Datuk Yeo Wang Seng	Member	Managing Director

5.4 Key Management

5.4.1 Shareholdings of Key Management

The key management of the Group and its shareholding in the Company after the Public Issue and full conversion of the ICPS are as follows:-

After the Public Issue

Name	Designation (Nationality)	<---Direct --->		<--Indirect --->	
		No. of ARB Shares	%	No. of ARB Shares	%
Datuk Yeo Wang Seng	Managing Director (Malaysian)	50,000 *	0.10	22,664,184 ⁽¹⁾	44.35
Yeo Wang Ting	Executive Director (Malaysian)	1,050,169 *	2.06	19,518,471 ⁽²⁾	38.20
Lim Yun Nyen	Executive Director (Malaysian)	300,588 *	0.59	-	-
Yeo Gee Kuan	Executive Director (Malaysian)	2,145,544 *	4.20	1,271,868 ⁽³⁾	2.49
Hsieh Chin San	Group Factory Manager (Taiwanese)	541,176 ^	1.06	-	-
Chong Yau Yin	Financial Controller (Malaysian)	40,000 ^	0.08	-	-
Tong Mun Kok	Assistant Factory Manager (Malaysian)	40,000 ^	0.08	-	-
Hasan Lim King Guan	Factory Manager - Downstream (Indonesian)	40,000 ^	0.08	-	-
Tee Kah Leong	Factory Manager – Sawmill (Malaysian)	40,000 ^	0.08	-	-

5. INFORMATION ON THE SUBSTANTIAL SHAREHOLDERS, PROMOTERS, DIRECTORS AND KEY MANAGEMENT (Cont'd)

After Full Conversion of the ICPS

Name	Designation (Nationality)	<---Direct --->		<---Indirect --->	
		No. of ARB Shares	%	No. of ARB Shares	%
Datuk Yeo Wang Seng	Managing Director (Malaysian)	50,000 *	0.08	27,960,940 ⁽¹⁾	45.76
Yeo Wang Ting	Executive Director (Malaysian)	1,284,950 *	2.10	24,088,534 ⁽²⁾	39.42
Lim Yun Nyen	Executive Director (Malaysian)	359,412 *	0.59	-	-
Yeo Gee Kuan	Executive Director (Malaysian)	2,637,456 *	4.32	1,558,692 *	2.55
Hsieh Chin San	Group Factory Manager (Taiwanese)	658,823 ^	1.08	-	-
Chong Yau Yin	Financial Controller (Malaysian)	40,000 ^	0.07	-	-
Tong Mun Kok	Assistant Factory Manager (Malaysian)	40,000 ^	0.07	-	-
Hasan Lim King Guan	Factory Manager - Downstream (Indonesian)	40,000 ^	0.07	-	-
Tee Kah Leong	Factory Manager – Sawmill (Malaysian)	40,000 ^	0.07	-	-

Notes:-

- (1) Deemed interested through direct shareholdings of his spouse, brother, sister-in-law and son and by virtue of his substantial shareholdings in Aspirasi Puspita Sdn Bhd and Affinity Gateway Sdn Bhd
 - (2) Deemed interested through direct shareholdings of his spouse, brother and sister-in-law and by virtue of his substantial shareholdings in Aspirasi Puspita Sdn Bhd and Affinity Gateway Sdn Bhd
 - (3) Deemed interested through direct shareholdings of his parents
- * The shareholdings includes allocation of 50,000 ARB Shares to Directors of ARB under employees shares allocation
- ^ The shareholdings includes allocation of 40,000 ARB Shares to senior management of ARB under employees shares allocation

The key management hereafter disclosed are involved full time in the management of ARB Group and is not involved in the management of any other operations outside the Group.

5. INFORMATION ON THE SUBSTANTIAL SHAREHOLDERS, PROMOTERS, DIRECTORS AND KEY MANAGEMENT (Cont'd)

5.4.2 Profiles of the Key Management/Technical Personnel

Profiles of **Datuk Yeo Wang Seng, Yeo Wang Ting, Lim Yun Nyen and Yeo Gee Kuan** can be found in Section 5.2.2 of this Prospectus.

Hsieh Chin San, aged 55, is the plywood and downstream Group Factory Manager. He has in total 37 years of experience in the plywood manufacturing industry. He started his career in Taiwan Plywood Industry Co Ltd in Kaohsiung as a trainee and by the time he left Taiwan Plywood after fifteen years of service, he was promoted as an Assistant Factory Manager.

He then went to Alas Plywood Company in Indonesia for two years as production manager. He worked for P.T. Punca Eka in Indonesia for a further six years as factory manager before he moved to mainland China and worked for Nanyang Plywood Company as factory manager for two years. Mr. Hsieh was then invited to Tawau to work for Veramax Sdn Bhd as the Factory Manager where he was in charge of the design and construction of the entire mill and ensured the smooth operation of the Mill. He then joined AHSB in September 1994 as factory manager and is in charge of the overall production of plywood and downstream products. He also assists in the marketing of the wood products by leveraging on contacts gained from his extensive work experience.

Chong Yau Yin, aged 30, is the Financial Controller of AHSB. He is a MACPA finalist and prior to joining AHSB, he was attached to Ernst & Young, Tawau as an Audit Semi Senior from 1993 to 1997. After spending four (4) years in the audit line, he was invited to join Comsa Farms Berhad as an Assistant Group Accountant and subsequently was promoted to Group Accounts Manager in August 2001. Armed with auditing and commercial experience, he then joined AHSB and assumed his current position in September 2001.

Tong Mun Kok, aged 33, is the Assistant Plywood Factory Manager of AHSB. He started his career in the wood processing industry as a Trainer Supervisor in Rotary Section in Kalabakan Plywood Sdn Bhd based in Tawau. He then worked in Veramax Sdn Bhd, Tawau for two years in the post of factory supervisor. He worked for another one year in Wei Mau Plywood Sdn Bhd in Miri, Sarawak as the Factory Supervisor. He joined AHSB as Technician Supervisor in November 1995 and was promoted to Assistant Factory Manager in 1999.

Hasan Lim King Guan, aged 48, an Indonesia Chinese, is the downstream factory manager and is responsible for the management and operation of the downstream mill for the production of Blockboard, Polyester Plywood and Tego Plywood. He has more than 15 years working experience in the downstream wood processing industry. He started his career as a supervisor in P.T. Punca Eka Bina Plywood Indonesia in 1983 and subsequently joined P.T. Raja Garuda Mas Panel as polyester / plywood supervisor-in-charge in 1994. He then joined P.T. Pertivi Prima Plywood Indonesia as manager from September 1994 to January 1997, overseeing the operation of the entire a plywood mill before he moved to Tawau to work for AHSB in May 1997.

Tee Kah Leong, aged 31, is the sawmill factory manager of AHSB. He started his sawmill career in 1991 when he worked for Kaya United Sawmill as a Bundling Supervisor until 1996. He joined another two sawmill companies namely Utan Sawmill based in Keningau and Asiatic Sawmilling based in Tawau respectively from year 1996 to 1998 before he joined AHSB in September 1998 as a assistant factory manager. He was subsequently promoted as the sawmill factory manager in 2000.

5. INFORMATION ON THE SUBSTANTIAL SHAREHOLDERS, PROMOTERS, DIRECTORS AND KEY MANAGEMENT (Cont'd)

5.5 Declaration From The Directors And Key Management

No Director, senior executive officer or person nominated to become a director or senior executive officer is or has been involved in any of the following events: -

- (a) a petition under any bankruptcy or insolvency laws was filed (and not struck out) against such person or any partnership in which he was a partner or any corporation of which he was a director or senior executive officer;
- (b) a conviction in a criminal proceeding or is a named subject of a pending criminal proceeding; or
- (c) being the subject of any order, judgement or ruling of any court of competent jurisdiction temporarily enjoining him 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.

5.6 Relationship Between Substantial Shareholders, Promoter, Directors and Key Management

Saved as disclosed below, there is no relationship between the substantial shareholders, promoters, Directors and key management.

- (a) Yeo Wang Ting, who is a Director of ARB, is the elder brother of Datuk Yeo Wang Seng, who is the Managing Director of ARB;
- (b) Yeo Gee Kuan, who is a Director of ARB, is the son of Datuk Yeo Wang Seng;
- (c) Datin Yap Que Chun, who is a substantial shareholder of ARB, is the spouse of Datuk Yeo Wang Seng;
- (d) Aspirasi Puspita Sdn Bhd is deemed related company as Datuk Yeo Wang Seng is a director and he together with Yeo Wang Ting are substantial shareholders in this company; and
- (e) Afinity Gateway Sdn Bhd is deemed related party company as Datuk Yeo Wang Seng and Yeo Wang Ting are directors and substantial shareholders of this company.

In addition to the above, Soh Poh Choo, who is a shareholder of ARB, is the spouse of Yeo Wang Ting.

5.7 Service Contract

None of the existing Directors or key management/technical personnel of the Company has any current or proposed service contract with the Company or its subsidiary.

5. INFORMATION ON THE SUBSTANTIAL SHAREHOLDERS, PROMOTERS, DIRECTORS AND KEY MANAGEMENT (Cont'd)

5.8 Employees

As at 7 January 2004, ARB Group has a total workforce of 637 staffs, of which 130 staffs are contract workers. None of the employees of the ARB Group are members of any labour union.

		< ----- Full Time Workers ----- >				
	Average Number of Years of Service	Malaysians	Foreigner	Contract/ Temporary Workers	Total	
1.	Management and Professional	8	3	2	-	5
2.	Executives	8	6	-	-	6
3.	Technical and Supervisory	6	24	-	-	24
4.	Clerical and Related Occupastions	5	28	-	-	28
5.	Operational / General Workers	3	158	286	130	574
Total			219	288	130	637

Internal training is held once a month at the factory site whereby the personnel in-charge will brief his subordinates on new development and possible improvements for discussion. Most of the time, training is given while on the job where supervisory staff can provide clearer and practical explanation. All training programmes are conducted externally, due to the location of the factories. The Director and senior management of the Group have attended external courses, some of which are conducted by MATRADE. Apart from classroom based training, on-the-job training also plays an important role in developing the personnel of ARB. There is no formal training plan for the Group, rather, all department heads will review the training courses available and recommend their staff for training.

5.9 Management Succession Plan

The Group is headed by its Managing Director, Datuk Yeo Wang Seng and is supported by other Executive Directors. The directors in turn are supported by a team of senior management with some of them having approximately more than 20 years of experience within the wood processing industry. Most of these personnel have been with the Group since the establishment of the Group's business. Therefore, the Company's future success will also depend upon its ability to attract and retain skilled personnel.

While the present owners are still actively involved in the management of the Group, the next generation of management has already been identified and is currently being groomed to manage the business. The Group is committed in providing its personnel with the opportunity for training and career advancement. The junior members and experienced personnel will be groomed to complement the senior members to ensure the continuity and the competency of the management team. The management of ARB believes that with the listing of the Company, the ARB Group would have an added advantage to attract, retain and motivate key executives or professionals to work with the Group.

6. APPROVALS AND CONDITIONS

6.1 Approvals of Relevant Authorities

The SC approved the Public Issue and Offer for Sale on 19 September 2003 and 8 December 2003. The MITI approved the Public Issue and Offer for Sale on 31 July 2003. Under the provision of the FIC Guidelines, the SC has vide its letter dated 19 September 2003 has no objection on the equity structure of ARB after the Listing. The conditions imposed by all authorities and the status of compliance are as follows:-

Authorities	Conditions	Status of Compliance
SC	<p>(i) Moratorium shall be imposed on 22,995,000 ordinary shares of RM1.00 each in ARB representing 45% of the enlarged issued and paid-up capital of ARB, held by the Promoters/ shareholders of ARB as detailed in Section 6.2 below, whereby they are not allowed to sell, transfer or assign the right of their shareholdings which are under moratorium for one (1) year from the date of admission of ARB on the Official List of the Second Board of the MSEB.</p> <p>Thereafter, the restriction to sell, transfer or assign these shares shall cease to apply in accordance with the implementation of the final phase of the disclosure-based regulation</p> <p>In connection to this, each shareholder of Aspirasi Puspita Sdn Bhd, Affinity Sdn Bhd and Kenangan Cergas (M) Sdn Bhd (if the shareholder is individual) or each ultimate individual shareholder (if the shareholder is a private company) must provide a written undertaking to the SC that they will not sell, transfer or assign their respective shareholdings in the companies during the moratorium period;</p>	<p>To be complied as detailed out in Section 6.2 of this Prospectus.</p>
	<p>(ii) ARB is not allowed to venture into any new businesses that are not related to its core business for a period of three (3) years from the date of admission to the Second Board;</p>	<p>Complied. The effected parties have vide their letters to SC dated 1 November 2003 undertake not to sell, transfer or assign their respective shareholdings in the respective companies during the moratorium.</p> <p>ARB has vide its letter dated 1 November 2003 undertook that ARB Group will ensure that it will not venture into any new businesses that are not related to its core business for a period of three (3) years from the date of admission to the Second Board.</p>

6. APPROVALS AND CONDITIONS (Cont'd)

Authorities	Conditions	Status of Compliance
<i>SC (cont'd)</i>	<p>(iii) The substantial shareholders, Promoters and Directors of ARB are not allowed to be involved in any new business ventures that will give rise to competition or conflict of interest with the current business operations of the ARB Group. Therefore, the substantial shareholders, promoters and Directors of ARB should provide a declaration letter to the SC that they will not be involved in any business that will give rise to similar to or in competition with ARB Group's current business;</p> <p>(iv) The substantial shareholders, Promoters and Directors of ARB who are involved full time in the operations/ management of the ARB Group are not allowed to be involved full time in the operations/ management of their other private businesses;</p> <p>(v) Any business transactions in future between the ARB Group and its substantial shareholders, Promoters and Directors or companies related to them must be on arm's-length basis and do not include special terms that are beyond normal commercial terms which could result in losses to ARB Group. In connection to this, the Audit Committee of ARB has to monitor and the Board of Directors has to report such transactions, if any, in the Annual Reports of ARB;</p>	<p>Noted and will be complied. The substantial shareholders, promoters and Directors of ARB have vide their letters to SC dated 1 November 2003 declare that they will not be involved in any business that will give rise to similar to or in competition with ARB Group's current business.</p> <p>Complied. The substantial shareholders, Promoters and Directors of ARB who are involved full time in the operations/ management of ARB Group have vide their letters dated 1 November 2003 to SC gave their undertaking that they will not be involved full time in the operations/management of their other private businesses.</p> <p>Noted and will be complied. The Audit Committee and the Board of Director have resolved that they will monitor and to report such transactions, if any, in the Annual Reports of ARB.</p>

6. APPROVALS AND CONDITIONS (Cont'd)

Authorities	Conditions	Status of Compliance
SC (cont'd)	(vi) ARB is required to comply with the following conditions in relation to its trade debtors:	
	(a) Full disclosure is required to be made in the prospectus on the status of the trade debtors, the ageing analysis of the trade debtors and comments/statements from the board of directors of ARB on the recoverability of the amount overdue by the respective trade debtors;	Complied. Disclosed in Section 9.3 of this Prospectus.
	(b) Full provision is required to be made on all trade debtors which have exceeded its normal credit period, of which there are disputes on the amount owed, legal actions have commenced/are to be taken or are more than 6 months old. The Directors of ARB is required to confirm in writing to the SC that all conditions stated above has been met prior to the implementation of the proposed listing of ARB; and	Noted and to be complied. The Directors of ARB have vide their letter dated 1 November 2003 confirmed to SC that all conditions with regard to the trade debtor has been met prior to the implementation of the proposed listing of ARB.
	(c) The Directors of ARB are required to confirm in writing to the SC that the overdue trade debts are collectible and full provision for doubtful debts and bad debts has been made in the financial statements and financial forecast/projections of ARB. The written confirmation should be formed before the issuance of ARB's prospectus;	Complied. Disclosed in Section 9.3 of this Prospectus. The Directors of ARB have vide their letters dated 1 November 2003 confirmed to SC that the overdue trade debts are collectible and full provision for doubtful debts and bad debts has been made in the financial statement and financial estimate/forecast of ARB.

6. APPROVALS AND CONDITIONS (Cont'd)

Authorities	Conditions	Status of Compliance
SC (cont'd)	(vii) Aseambankers/ARB is required to comply with the following conditions for the private placement of public issue shares:	
	(a) At least 30% of the ARB shares under the private placement should be reserved, where possible, to the Bumiputera investors;	Noted and to be complied
	(b) The placement of ARB shares to the public investors should be made via an independent placement agent (i.e. merchant bankers or stock broking firm), and the said public investors should be identified and nominated by the said independent placement agents; and	Noted and to be complied
	(c) The Advisers or independent placement agents, wherever applicable, should furnish the final list of the investors and a written confirmation to the SC that the private placement fully complies with the conditions stated in the SC's Guidelines pursuant to the completion of the private placement;	Noted and to be complied
	(viii) The Directors and/or substantial shareholders must settle their debts before the listing of ARB;	Complied. The debts owing to the Group by the Directors and/or substantial shareholders and/or companies related to them have been settled prior to the issuance of this Prospectus.

6. APPROVALS AND CONDITIONS (Cont'd)

Authorities	Conditions	Status of Compliance
<i>SC (cont'd)</i>	(ix) Aseambankers/ ARB is required to make detailed disclosure of the following in the prospectus;	
	(a) Log supply agreement, which includes the principle terms and conditions, including price, total supplies, agreement period and events for discharge of suppliers' obligations. In addition, disclosure must also be made of log supply agreement between the supplier and other companies;	Complied. Disclosed in Section 4.5.3 of this Prospectus
	(b) ARB should mitigate any risks related to the log supply raw material. ARB also should disclose whether the raw material is sufficient for their production in future;	Complied. Disclosed in Sections 3.3 and Section 4.5.3 of this Prospectus
	(c) Comments by the Directors of ARB on whether ARB has sufficient supplies of logs for its operations for at least for next ten (10) years;	Complied. Disclosed in Sections 3.3 and 4.5.3 of this Prospectus
	(d) Basis of pricing for ARB's products especially plywood and logs as well and the effects of the price changes to ARB's profit margins;	Complied. Disclosed in Section 9.9 of this Prospectus
	(e) Independent Market Research Report by Messrs ACNielsen;	Complied. Disclosed in Section 11 of this Prospectus
	(f) Risk management plan for ARB to mitigate any risk in relation to the business operation in ARB Group including fire risk, electric power risk and other risks which could interrupt the operations and financial performance of ARB Group;	Complied. Disclosed in Section 3.2 and Section 3.6 of this Prospectus
	(g) Management succession plan of ARB Group. Hence, ARB is required to form a precedent plan before the issuance of the prospectus;	Complied. Disclosed in Section 5.9 of this Prospectus

6. APPROVALS AND CONDITIONS (Cont'd)

Authorities	Conditions	Status of Compliance
	(h) All interests, involvement and transactions between ARB Group and other companies that are related with the Promoters/Directors/substantial shareholders and the steps taken to mitigate the conflicts of interest, if any;	Complied. Disclosed in Section 7 of this Prospectus
	(x) The Directors of ARB Group are required to furnish a written confirmation to SC that they have sufficient logs raw material for the operation at least for ten (10) years; and	Complied. The Board of Directors of ARB has vide its letter dated 6 November 2003 confirm to SC that the Group has sufficient logs raw material for the operation at least for ten (10) years
	(xi) Aseambankers/ARB should follow all other requirements for the listing of companies as stated in the SC's Guidelines.	Noted and will be complied
MITI	(a) The allocation of 7,554,000 shares allocated to MITI under the Public Issue and Offer for Sale will be decided after obtaining approval from the SC for the Listing	MITI has vide its letter dated 12 December 2003 provided the list of the Bumiputera investors
	(b) To obtain SC and FIC approvals	Complied
	(c) 30% of the total recognised bumiputera shareholdings are allowed to be disposed within 3 months after the Company has been listed and the remaining 70% to be disposed progressively, subject to prior approval from MITI is obtained	Noted and will be complied

6.2 Moratorium On Disposal Of Shares

It is a condition of the SC's approval that the following shareholders of ARB will not be allowed to sell, transfer or assign their shareholdings amounting to 45% of the nominal issue and paid-up capital of ARB within one (1) year from the date of admission of ARB on the Official List of the Second Board of the MSEB.

The moratorium means that certain shareholders of ARB are not allowed to sell, transfer or assign the shares under moratorium within one (1) year from the date of admission of ARB to the Official List of the Second Board of the MSEB. Such restriction to sell, transfer or assign shall cease to apply upon expiry of the first year after the date of admission of ARB to the Official List of the Second Board of the MSEB.

6. APPROVALS AND CONDITIONS (Cont'd)

The restriction, which is fully accepted by the aforesaid shareholders, is specifically endorsed on the share certificates representing the respective shareholdings of the aforesaid shareholders which are under moratorium to ensure that ARB's registrar do not register any transfer not in compliance with the restriction imposed by the SC and MSEB.

	No. Of Ordinary Shares Under Moratorium	% Of The Enlarged Issued And Paid-up Share Capital
Aspirasi Puspita Sdn Bhd	6,993,366	13.69
Affinity Gateway Sdn Bhd	6,168,250	12.07
Yeo Gee Kuan	2,095,544	4.10
Yeo Wang Ting	1,000,169	1.96
Kenangan Cergas (M) Sdn Bhd	1,252,941	2.45
Tan Choon Hwa (JP)	563,824	1.10
Datin Yap Que Chun	1,221,868	2.39
Soh Chin Heng	720,891	1.41
Soh Poh Choo	801,882	1.57
Soh Lion Gih	450,833	0.88
Hsieh Chin San	501,176	0.98
Phung Tze Thiam @ John Phung	501,176	0.98
Teh Bee Chean	286,673	0.56
Lim Yun Nyen	250,588	0.49
Soh Kim Hoo	135,701	0.27
Hiew Yun Onn	50,118	0.10
Total	22,995,000	45.00

The remarks to be endorsed on these share certificates are as follows: -

"The shares comprised herein are not capable of being sold, transferred or assigned for a period as determined by the Securities Commission ("Moratorium Period"). The shares comprised herein will not constitute good delivery pursuant to the Rules of the Exchange during the Moratorium Period. No share certificate or certificates will be issued to replace this certificate during the Moratorium Period unless the same shall be endorsed with this restriction."

Part of the ARB Shares to be pledged to Danaharta Managers Sdn Bhd by Aspirasi Puspita Sdn Bhd will include the shares to be placed under moratorium, details of which are as follows:-

	After Proposed Public Issue		Shares Placed Under Moratorium	Securities to be Pledged with Danaharta Managers Sdn Bhd	
	No. of ARB Shares	No. of ICPS	No. of ARB Shares	No. of ARB Shares	No. of ICPS
Aspirasi Puspita Sdn Bhd	11,276,471	3,176,471	6,993,366	10,700,000	2,200,000