



TSH NEWS BULLETIN

TSH Resources Berhad

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TSH Unveils Its New Corporate Building

We are proud to announce that TSH would soon have its very own corporate building. This RM 30 million, 11 storey headquarters would be situated along Jalan Semantan, Damansara Heights, Kuala Lumpur.

To be known as Menara TSH, the building would have a built up area of 125,000 sq ft and is expected to be completed by Oct 2006.

The unveiling of the building model was done by our Second Finance Minister Tan Sri Nor Mohamed Yakcop in a special function held at

the Hilton Hotel, KL Sentral on the 8th of Oct, 2004. Besides the Second Finance Minister, many well known corporate figures, businessmen, potential investors, TSH Group management and staff attended this function.

Datuk Kelvin Tan, our Group MD informed that the group's headquarters would mark yet another milestone in our corporate journey, with plans firmly in place to centralize our operations for greater efficiency and productivity.

According to him, this strategic move will also further support the ongoing development of what is considered our primary growth engines—palm oil and wood—which have been the largest contributors to our operating profits to date.



Tan Sri Nor Md Yakcop signing on the glass plaque witnessed by our Executive Deputy Chairman, Datuk Azizan and our Group MD, Datuk Kelvin Tan



Group photograph - Board of Directors of TSH Resources Berhad and Ekowood International Berhad



Group photograph involving management and staffs of TSH Group who attended the function



Close up view of the plaque

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TSH Extraordinary General Meeting

TSH Resources Berhad held an Extraordinary General Meeting at Eastin Hotel, Petaling Jaya on 4th of September 2004. The meeting commenced at 9.30am with an opening speech by Datuk Azizan Abd Rahman our Executive Deputy Chairman who thanked his fellow members of the Board of Directors for their support and commitment. He also thanked the members for their continuous support to TSH Group and expressed his hope that the members will continue to support the Group's activities. After confirmation of quorum by the Group Secretary, the meeting proceeded with the calling of approval of the resolutions by Datuk Kelvin Tan, our Group MD. All resolutions were ap-

proved by the shareholders. After a word of thanks from Datuk Kelvin, a press briefing was held. This was followed by a presentation by our Director for Operations and Planning, Mr Frederick Tan on the half year financial performance for TSH, Updates on the corporate development activities such as bonus issues, share splits and listing of Ekowood International Berhad and also a brief description about Ekowood's products, business and its financial performance. The EGM concluded with a vote of thanks to all members for making this event a success.



Datuk Kelvin Tan calling out the approval of the resolutions



A show of hands in support of the resolutions passed



Group photograph involving Board of Directors of TSH Resources Berhad



Mr Fred Tan explaining corporate development plans of TSH Resources to members of the press



Shareholders and guests being treated to some light refreshments



TSH & Ekowood Msia Staff Get Together

On 10th of December 2004, TSH and Ekowood Msia Sdn Bhd staffs and management got together at Neway Karaoke Box in Berjaya Times Square and partied all night long. The function started with a buffet dinner with a mixture of Western, Oriental and Local delights. Datuk Kelvin Tan, our Group MD provided a short speech by stressing the need for everyone to be united as one family and gave this function as a good example for everyone to mingle amongst themselves and get to know everyone much better. He added that this function although held in a small scale was also to show apprecia-

tion towards all staffs of TSH corporate office and Ekowood Malaysia Sdn Bhd who had contributed to the growth of the company for the year 2004.

The night ended with a lengthy karaoke session and it was quite evident that everyone enjoyed the function.



Mr Tan Aik Sim belting out a Western song



Staffs with Michelle, our Accounts Clerk who happened to celebrate her birthday as well that night.



Everyone seemed to be having a very good time!



Mr Fred and his secretary, Ms Hazel belting out a Mandarin number



And not forgetting a Christmas song by Christine and Daniel



Ekowood International Berhad Underwriting Ceremony

An underwriting agreement signing ceremony in conjunction with the Listing of Ekowood International Berhad on the Main Board of Bursa Malaysia Securities Berhad was held on the 20th of September 2004 at the Eastin Hotel, Petaling Jaya.

Representatives to the ceremony included Avenue Securities Sdn Bhd (as managing underwriter) along with other underwriters such as ECM Libra Securities Sdn Bhd, Affin Securities Sdn Bhd, Aseambankers Malaysia Bhd, Mayban Securities Sdn Bhd, PM Securities Sdn Bhd and Southern Investment Bank Bhd. The underwriting involved 13.5

million ordinary shares of RM 0.50 each at an offer price of RM 1.05 per share. The signing ceremony was witnessed by Ekowood International Berhad's Chairman, Datuk Kalimullah Masheerul Hassan.



A good handshake between all parties after the agreement had been signed



Ekowood's Deputy Chairman Dato Hj Abdul Latif arriving for the ceremony



Datuk Kelvin and other members of Board answering questions from the press and media



Datuk Kelvin explaining about the various species of Ekowood flooring to Tengku Zafrul, Group MD of Avenue Securities



Mr Tan Aik Sim briefing on the future strategies of Ekowood International Berhad



Ekowood International Berhad Is Listed !

Ekowood International Berhad was listed under the Main Board of the Bursa Malaysia Securities Sdn Bhd on the 8th of November 2004. The price made a sterling debut at RM 1.43 over its initial offer price of RM 1.05. The counter touched an intra-day high of RM 1.70 before ending the day at RM 1.45 on volume of 11.6 million shares. Chairman Datuk Kalimullah Hassan said that the board was happy with the first day performance of the company's shares. He added that the strong opening premium of the shares is a reflection of the investor's confidence in the Company.

Ekowood's Executive Director and Chief Executive Officer, Mr Tan Aik Sim said that the company would aggressively pursue its strategy to further promote its products in China, the Middle East and New Zealand. Mr Tan added that the growing affluent of the Chinese people and the Beijing 2008 Olympic Games would underpin demand for the Company's flooring products. As of now, the China market contributes to about 2 percent of the Company's revenue. He said the Company would invest RM 15 million to increase the production capacity by 60% to 22 million sq feet. This expansion

will enable us to allocate more production capacity to meet the increasing demand for our high end products, such as the single strip engineered solid hardwood flooring, the Winchester collection, EkoMarina and the newly launched Ekoloc, which uses a glueless wood locking system.



Signage at hotel lobby showing function area



TSH chairman and founder, Mr Tan Soon Hong and his wife, Madam Ong Yah Ho



Datuk Kalimullah, Chairman of Ekowood International Berhad sounding the gong to commemorate the listing



Computer screen showing the up to date transactions of Ekowood shares



Group photograph of Board of Directors of Ekowood International Berhad

Ekowood International Berhad Annual Dinner

The Annual Dinner for Ekowood International Berhad was held on 4th December 2004 at the Syuen Hotel, Ipoh Perak. A total of 220 employees attended the function which was themed as "WILD WILD WEST". Speeches were given by both Datuk Azizan, Deputy Executive Chairman of TSH Resources Berhad and Director of Ekowood International Berhad followed by Mr Tan Aik Sim, the CEO of Ekowood International Berhad. The speeches were followed by a Line Dance, a corporate video of Ekowood International Berhad, some live band performances, a best dress employee competition and also a lucky draw. The grand prize of the draw was a motorcycle which was won by Mr Nagaraja, the Technical Development Manager.



Mr Tan Aik Sim giving a speech



Datuk Azizan giving a speech



Grand prize winner of the lucky draw, Mr Nagaraja



Employees enjoying a sumptuous dinner



Cake cutting ceremony to celebrate the 9th anniversary of Ekowood International



Employees strutting off to a Western beat for the Line Dance



A toast to the future of Ekowood International Berhad



Ekowood International Berhad Football Competition

On the 1st of May 2004, Ekowood International Berhad organized a football competition in conjunction with the Labour Day celebration. A total of 6 teams participated in the knock-out competition. The competition started at about 9.00am and ended at approximately 2.30pm. The players were extremely tired but what was important was that everyone had a good time. The prizes were given away by Mr Gunasegaran (Inventory Exec) to the eventual winners from the Maintenance Dept. The Bangladeshi , Indonesian and Nepalese team finished 2nd, 3rd and 4th respectively.



The Nepalese and Indonesian teams posing for photograph



A member of the Indonesian team with the 3rd prize

Ekowood International Berhad 5S Competition



Mr Tan Ek Huat presenting the award to the monthly winner



Mr Tan Aik Sim presenting the award to the yearly winner

Ekowood International Berhad has been organizing a monthly inter department 5S competition ever since April 2004. 5S is actually a Japanese industrial culture of housekeeping which means SEIRI (sorting), SEITON (simplifying), SEISO (sweeping), SEIKETSU (standardizing) and SHITSUKE (self discipline). The overall grand winner for the year 2004 went to the Maintenance Department. Marks were given and judged by members of the 5S committee.

Hari Ekowood



A recipient of one of the prizes for lucky draw

On 31st of August 2004, Ekowood International Berhad organized an event with the theme Hari Ekowood. At Dewan Kopisam, Gopeng The foreign workers namely from Bangladesh and Indonesia performed some stage and cultural shows from their respective countries. The heads of each foreign worker group then proceeded to give a speech which stressed the importance of good housekeeping, productivity and quality.



Managers waiting for food to be served



Participants showing off their singing talent



THE POWER OF PRAISE

Some managers claim the best way to motivate staff is through the wallet : increase pay, raise allowance, give more cash incentives. But while money is useful , it is not the only key to human motivation. Sincere recognition can mean a lot more to your staff than just a dollar in the bank. A genuine pat on the back , given at the right time, in the right way, for the right reasons, and in front of the right people; can boost staff morale and commitment in ways that money never will. Here are four key steps to help you build the long-term morale of your all important-team

1. Learn from Everyone's Mistakes

In an environment of challenge and growth , people must be encouraged to learn from mistakes , then quickly regroup and rebuild. Managers might ask aloud : " What can be learned from this mistake ? What processes can be improved ? Who else in the company should we tell about this error so they, too will benefit from the learning ?"Many companies have rituals for sharing success and achievements , and that's good. But it's the mistake no one hears about, and others blindly repeat , that can pull your ship to the bottom. Lead by example : Start your next management meeting by sharing your biggest mistake you've made in the past two weeks. Explain what you learned from the experience. Then ask others for ideas and input, listen for feedback, and thank those who offer their opinions. You will demonstrate a willingness to learn together, and encourage an open culture of sharing and communication.

2. Make Appraisal Criteria Clear

Make sure your staff understand how they are being appraised for increments, bonuses and promotions. Whether you evaluate yearly or monthly , openly or behind closed doors, in writing or in dialogue, staff must understand the criteria for their evaluation. Introduce your standards for appraisal during the initial hiring process, explain it further during new employee orientation, and clarify the process consistently through staff meetings, newsletter and executive forums. After you have published these "rules of the game", keep the playing field fair. Meritocracy demands unprejudiced assessment. Nothing dooms staff morale faster than watching an incompetent who "takes care of the boss" move forward, while capable staff who don't "polish shoes" languish in mediocre positions. Ask your self : "Are the criteria for staff evaluation made clear ? Are they openly explained and discussed so that all parties can achieve and succeed ? Is the process of evaluation fair-minded ? . If your answer is yes, keep moving forward. If your answer is no or maybe, tackle this crucial issue, now. If you are not sure of the answer, check with those whose opinion really counts : your staff. Take a survey, run a poll, ask for immediate feedback. But be forewarned: If the staff says your system of appraisal is unclear or less than fair, you'd better be ready to change. Even more demotivating than an unfair process of evaluation is an unfair process of evaluation that persists, even after staff have given you their honest opinion.

3. Encourage Career Development

Make sure the conversation of career development is always open. Provide staff with a boss, mentor, counselor or personnel officer who cares about their growth and professional well-being. Show you care about future possibilities and potential, not just current results or past achievements. Help staff understand those competencies required for a successful future. Help your team chart career progressions that are sustainable and realistic. Provide access to relevant courses, seminars and conferences. Subscribe to appropriate publications and circulate articles of interest. Build a library of books, tapes and other useful resources. Keep everyone in the company aware of changes and trends in your industry so they, and you are not caught flat-footed.. You can provide many opportunities for new learning without spending money outside your organization. Start by cross-training one another . Use attachment schemes to integrate neighboring departments, and designate good mentors to show each other the ropes. Launch cross-departmental teams to work on cross-functional projects. Put all these plans into action and your staff's confidence, and competence will grow.

4. Create Powerful Rewards and Meaningful Recognition

Tailor in-house reward and recognition programs to fortify your company culture. Most rewards are handed down from the top. Management praises staff, superior recognizes subordinate, boss applauds the workers. Why stop there ? You can encourage recognition in all directions. Create a "Bottom Up" award for staff to recognize and compliment their leaders. You determine the frequency and budget for this scheme, but allow staff themselves to select the winners, the reasons for winning, and the appropriate awards. Transform "peer pressure" into "peer pleasure" on a group and individual basis. Have each department or work team select and publicly recognize a different team for their notable efforts and improvements. This encourages cross-functional understanding and cooperation.



What , When , Where , How and Why ?

What should you highlight with your tributes and commendations ? What gets rewarded gets done, so recognize and reward a lot. Cover all traditional categories : targets met, sales accomplished, savings gained, customer compliments received. Then add some spice : celebrate the first account opened in each industry, first repeat order from every account, under-budget completion of important projects , innovations that save the company money. Acknowledge system and process improvements : fastest cycle time to date, shortest time to respond, most productive shift of the month, and most consistent performance every quarter. Applaud improvement efforts in groups, sections and teams. Celebrate two or more departments ..at the same time for their progress in team work and communication. The end of the month is a natural time to give rewards for targets and goals achieved. The end of the quarter aligns with financial accomplishments. The end of the year is an expected time for bonus, increments and promotions. To build an encouraging culture, make the recognition widely known. Give praise at staff meetings, team meetings, management meetings and executive forums. Award prizes at the company picnic or family day. Bestow special honors at the annual dinner and dance. Highlight your awards in the company newsletter. Notify the local newspapers. Send press releases with photos to your industry publications. Create a Wall of Fame in your plant, office or building. Take down some of the impersonal decorations and put up visual reminders of your most successful projects and praise-deserving teams. How can you provide staff with meaningful recognition ? By making the awards something your staff will appreciate and remember. For example, when the recipient is an outgoing type, throw a party, make a big fuss, go for all the publicity you can muster. If the winner is shy, however, consider providing praise in a more personal way : special meeting, a thoughtful letter, a handwritten note on their desk. If you are going to award a prize, try to make the honor reminiscent of the achievement. For the fastest production team, buy running shoes. For the engineer who devises a better way, go out and bronze a spanner wrench. For sales teams that hit the target, host a party with a tournament of darts. You can give useful work tools as practical reinforcements. A new workstation can be a major motivator for a technically minded professional. A direct telephone line can mean success to the salesperson starting out. New business cards mean a lot to junior staff : give them a premium for good performance.

Here are some simple ways to recognize people when they have done a good job

Praise them immediately. Talk about their achievement spontaneously. Tell people what exactly they did right. Let them know what they do really makes a difference. Give the individual a pat on the back. A personal note to congratulate their performance. Send him a letter of recognition which later can be used as testimonial. E mail acknowledgement. Care about them on a personal , day to day basis. A meeting specially called to recognize performance of a group. A party organized to publicly celebrate success. If it is a collective achievement, make sure everyone in the group gets recognition regardless of their position. Put up the employees' photos and their achievement on a notice board .Post a thank you note on the employee's door. A sincere word of thanks from the right person conveyed at the right time. Grant an afternoon free upon completion of a project. When employees work late or come to work on off day, compensate them, let them come late or go back early the next day. Continuous and supportive communication to make him feel good. Write some notes to acknowledge their accomplishment on the pay cheque envelope. Lend or buy him a book that you are sure will interest him. A meal with the very important top official. Reward people who are creative and contribute ideas. Tell him his value, let him know he is the most important asset in the company. View compensation as a right, and recognition as a gift. Think of everyone behind a success, and acknowledge each of them. Let employees have an impact on the company products or policies. Focus on things that they do right, forgive tolerable mistakes. Share with employees their personal problems. Be sympathetic if employees are unable to deliver results. Listen to the employees' problem from time to time.



WORKPLACE STRESS TEST

Select the answer that suits you best for each question. After you are done, sum-up the total score. Refer to the stress test results on the next page to determine your stress level.

No	Question	Never	Seldom	Often	Always
1	Are you dissatisfied with your job ?	0	1	2	3
2	Are you dissatisfied with your social life ?	0	1	2	3
3	Do you have problems sleeping ?	0	1	2	3
4	Do you drink too much tea or coffee ?	0	1	2	3
5	Do you race around feeling you are getting nowhere ?	0	1	2	3
6	Is time management a problem ?	0	1	2	3
7	Do you feel your workload is unfair ?	0	1	2	3
8	Is your training sufficient for your job function ?	0	1	2	3
9	Do you eat a lot of fatty or sugary food ?	0	1	2	3
10	Are you missing meals ?	0	1	2	3
11	Do you work on PC's all day ?	0	1	2	3
12	Are requests for time off for family requirements given ?	0	1	2	3
13	Do you worry about money ?	0	1	2	3
14	Do you smoke ?	0	1	2	3
15	Do you drink after work ?	0	1	2	3
16	Do you spend a lot of time on the phone ?	0	1	2	3
17	Are you encouraged to work from home or outside normal office hours ?	0	1	2	3
18	Do you get overlooked for promotion ?	0	1	2	3
19	Do you fear for the company being taken over ?	0	1	2	3
20	Do you argue with your partner about your work ?	0	1	2	3
21	Do you often argue with your boss ?	0	1	2	3
22	Do you find yourself suffering from depression ?	0	1	2	3
23	How often do you think about a change of career ?	0	1	2	3

GRAND TOTAL _____

Score & Stress Level

More than 45 : RED ALERT ! You need to look at a Stress Management Programme and / or seek medical advice

35 - 44 : You need to review your work / life balance

25 - 34 : You are coping with your stress level but could benefit from additional relaxation

Below 25 : CONGRATULATIONS ! You have the balance right. But don't become complacent



WORKPLACE STRESS

By now, some of you have already completed the workplace stress test in the preceding section of this bulletin, without having actual understanding of its terminology and concept. Stress, a clear and present hazard to an organization, can be defined as the physical and emotional response that occurs when job requirements do not match capabilities, resources or needs of the workers. Its negative effects on a corporation include business disruption, poor performance and productivity, absenteeism and high turnover. Conversely, the symptoms on the employees range from physiological, emotional to behavioral transformation as shown in the table below.

Physiological	Emotional	Behavioral
Increased blood pressure	Increased tension	Over / under eating
Fatigue	Anxiety	Misuse of alcohol and other drugs
Stomach ulcers	Depression	Interpersonal difficulties
Digestive disorders such as indigestion,	Frustration	Insomnia
Weight loss or gain	Feelings of emptiness	Aggressive or passive behaviour
Headaches		Workplace conflict
Muscle cramps		Absenteeism

Into the bargain, researches found that job stress may increase the risk of cardiovascular disease, musculoskeletal and psychological disorders as well as workplace injuries. There are also notions, yet to be scientifically proven, that it may lead to cancer, ulcer, impaired immune function and suicidal

Threats	Pressure	Frustration
Due to :	To :	Due to :
Working in unsafe conditions	Meet unreasonable deadlines	Poor workplace communication and consultation
Possibility of dismissal	Adapt to certain management styles	Lack of acknowledgement of the individual's achievement
Ever changing environment	Accept new goals and targets	Being passed over for promotion
Poor interpersonal relationships	Comply with unreasonable requirements	Not being suited or properly trained for a job
Harassment		
Discrimination		

intentions. Correspondingly, probable derivation of workplace stress can be divided into three main categories :

In the gender dimension, stress effects both men and women. But studies indicated that women are more at risk as they are burdened with both family and work responsibilities as well as work segregation and other forms of social discrimination. By and large, employers play a pivotal role in eliminating and reducing the workplace stress factors. Nevertheless , as an employee, we should adopt the following stress-relief efforts in dealing with our daily occupational pressures :

1. Laughing and sharing light moments with colleagues
2. Relaxing by taking several deep breaths throughout the day
3. Have regular stretch breaks and exercises
4. Start the morning by organizing and planning your day
5. Eat a balanced diet
6. Build a strong relationship with family and friends
7. Plan and control your expenditure
8. Share your problem with others

REMEMBER , " AN OUNCE OF PREVENTION IS WORTH A POUND OF CURE "

PT Andalas Agro Industri

PT Andalas Agro Industri, is a company established through a joint venture collaboration between TSH Resources Berhad and Bapak Garibaldi Thohir of Indonesia. We were invited by the West Sumatera government to invest in palm oil milling as well as planting of oil palm.

Palm Oil Mill

The 60-tonne per hour palm oil mill is in the course of construction and is expected to be commissioned in early March 2005. It is located at Pasaman Barat, West Sumatera, about 145 km from the capital city of Padang.



Oil room and Press station



Kernel plant



Sterilising Station & electrical work



Threshing station

Oil Palm Plantation

We have obtained a jungle land area of 16800 hectares at Dharmasraya of West Sumatera, 204 km from Padang. The investment arm for this project is PT Andalas Wahana Berjaya, a subsidiary of PT Andalas Agro Industri. This project is in line with the Indonesian plantation development concept of INTI/PLASMA model whereby INTI is fully owned by the investor and PLASMA is developed into a "Malaysian FELDA" model of plantation project. The terrains, soil type, rainfall, locality and logistic facilities at this area were found to be quite suitable for oil palm planting.





NO.	STATE	FEDERAL	PUBLIC HOLIDAYS 2005	DATE	MONTH	DAY	W.P. K.LUMPUR	W.P. LABUAN	W.P. PUTRAJAYA	JOHOR	KEDAH	KELANTAN	MELAKA	N.SEMBILAN	PAHANG	PERAK	PERLIS	P.PINANG	SABAH	SARAWAK	SELANGOR	TRENGGANU
1	1		New Year	1		Saturday	1	1	1													
2	1		Birthday of Sultan Kedah	16		Sunday					1											
3	1	1	Hari Raya Haji **	21	JAN	Friday	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1
4	1	1		22	JAN	Saturday					1											
5	1		Thaipusam	25		Tuesday				1												
6	1		Federal Territory Day	1		Tuesday				1												
7	1	1	Chinese New Year	9	FEB	Wednesday	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1
8	1	1		10	FEB	Thursday	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1
9	1	1	Awal Muharam	10		Thursday					1											
10	1	1	Installation Anniversary of Sultan of Terengganu	4		Friday					1											
11	1		Good Friday	25	MAC	Friday														1	1	1
12	1		Birthday of Sultan Kelantan	30	MAC	Wednesday						1										
13	1			31	MAC	Thursday						1										
14	1		Birthday of Sultan Johor	8		Friday				1												
15	1		Acknowledgment of Malacca as Historical City	15	APR	Friday							1									
16	1		Birthday of Sultan Perak	19	APR	Tuesday																
17	1	1	Prophet Muhammad's Birthday	21		Thursday	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1
18	1	1	Workers Day	1		Sunday																
19	1	1	Hari Hari for Negeri Pahang	7		Saturday	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1
20	1	1	Birthday of Tuanku Raja Peris	17	MAY	Tuesday																
21	1	1	Wesak Day	22	MAY	Sunday	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1
22	1	1	Harvest Day Festival	30		Monday																
23	1			31		Tuesday																
24	1		Gawai Festival	1	JUNE	Wednesday																
25	1			2	JUNE	Thursday																
26	1	1	Birthday of Yang Dipertuan Agung	4		Thursday																
27	1	1	Birthday of Yang Dipertuan Negeri Pulau Pinang	9		Saturday	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1
28	1	1	Birthday of Yang Dipertuan Besar Negeri Sembilan	19	JULY	Saturday																
29	1	1	Birthday of Sultan Terengganu	20	JULY	Tuesday																
30	1	1	Hari Hari Amanah Sultan of Johore	11	AUG	Wednesday																
31	1	1	Nasional Day	31	AUG	Thursday	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1
32	1		Israk and Mikraj	1		Wednesday																
33	1	1	Birthday of Yang Dipertua Negeri Sarawak	10	SEP	Thursday																
34	1	1	Birthday of Yang Dipertua Negeri Sabah & Malaysia Day	16	SEP	Saturday																
35	1	1	Awal Ramadhan **	5		Friday																
36	1	1	Birthday of Yang Dipertua Negeri of Malacca	8		Wednesday																
37	1	1	Muzai Al-Quran Day	21	OCT	Saturday							1									
38	1	1	Birthday of Sultan Pahang	24		Friday																
39	1	1	Deepavali **	1		Monday																
40	1	1	Hari Raya Aidilfitri **	3	NOV	Tuesday	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1
41	1	1		4	NOV	Wednesday																
42	1	1	Birthday of Sultan Selangor	17	DEC	Thursday	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1
43	1	1	Christmas Day	25	DEC	Friday																
TOTAL	29	14	** Subject to change				15	16	15	17	17	17	17	17	17	17	17	17	17	16	17	17

TSH's Vision For The Forest Management Unit In Ulu Tungud, Sandakan , Sabah—sustainably managed, economically viable, adding value to forest reserves and protect the environment

The total area of the FMU is 123,385 hectares divided into 325 compartments with the total number of compartments being divided into three main components comprising of natural forest management , plantation development and conservation areas. The natural forest management component of the project is in the area in which the production of timber will take place. This production will be done via natural regeneration or enrichment planting . The plantation component of the project will involve the conversion of particular compartments into industrial tree plantations and finally the conservation component of the project will involve areas which are to be professionally managed in order to ensure the protection of forest values and biodiversity within the natural forest.

Roles Within the FMU

The work which is carried out within the FMU can be divided into five major sections which are as follows

- preliminary work
- production
- plantation
- saw mill and wood working
- auxiliary functions

Preliminary Work

The preliminary work assignments carried out within the FMU will generally involve rangers and must be completed before any other operation can start in that particular area or compartment. Once these have been completed, an inspection will be carried on the particular area by members of the Sabah Forestry Department in order to obtain permission to further carry out work in the area.



Silviculture treatment



Riparian reserve and 25 degrees slope markings



Riparian reserve marked out by rangers



Production

The production roles within the FMU will generally involve the felling , transportation and selling of logs within a particular area. The role can be broken down into the following components :

- felling of trees within a particular area
- trucking of logs out of the jungle
- log grading by trained members of staff
- the preparation of logs
- the paying of log royalties
- trucking of logs to the stumping ground and application of the forest removal past
- preparation and selling of logs to prospective buyers



Transportation of logs



Transportation of logs via Barge



Preparation of logs



Use of heavy machinery during removal of logs

Sawmill and Woodworking

A sawmill has also been established within the FMU to carry out woodworking and milling on some of the logs felled in the FMU. Logs sent to the mill will then be sawn to a number of different dimensions chosen by the management. Once timber is sawn to the required dimensions, the product will be readied for shipment and sale.



Sawing of timber at mini sawmill



Front view of sawmill complex at FMU 04



Sawing of timber at mini sawmill



Sawmill complex at FMU 04



Plantation

The plantation role within the FMU is the final role before harvesting and is carried out in areas designated for Industrial Tree Plantations. The role can in turn be divided into the following components :

- Preparation of nursery grounds
- Preparation of seedlings into poly-bags
- The tending of seedlings to a suitable maturity for planting
- The clearing and preparation of land for planting
- The planting of seedlings into the field
- Preparation of jungle corridors and enrichment planting



Rubber Nursery



Establishment of Plantation at Meliau



Preparation of poly-bags at nursery



Rubber Plantation

Auxiliary Functions

Auxiliary functions which are carried out in the FMU are those activities which take place on a daily basis and ensure the smooth running of the FMU. These functions can be broken down into the following :

- establishment of new buildings as and when necessary
- maintenance of infrastructure and camps within the FMU
- environmental compliance within the FMU for both external contractors and internal staff
- environmental auditing of sites within the FMU
- compliance of environmental regulations set by the Sabah government
- compliance of FMU guidelines and regulations
- surveillance of external FMU boundary
- security of FMU
- remarking of boundaries , slopes and riparian reserves
- fire fighting and awareness



Maintenance of buildings established in FMU



Maintenance of conservation areas within the FMU



Maintenance & upgrading of roads



Management of compartments established for conservation

Minister Visits Our Bio-Integration Complex

On 4th Oct 2004, Minister of Plantation Enterprises and Commodities YB Datuk Peter Chin Fah Kui and his deputy, YB Datuk Anifah Aman were given a tour around our Bio Integration Complex which is located some 55km from Tawau town. The complex which will be completed soon, will use empty fruit bunches as fuel to generate electricity. This RM165 million bio integration project will integrate TSH's palm oil milling activities with a 14MW biomass cogeneration plant, a 30,000 mt EFB fibre pulp and paper plant and a 4MW biogas co generation plant



Datuk Kelvin explaining about the model of the plant to Datuk Peter Chin



Group photograph session



Datuk Peter Chin being briefed at the control room



Mr William Tan explaining the process flow to Datuk Peter Chin



Datuk Peter Chin being treated to a dinner

Palm and Bio Integration Project in Kunak, Sabah

The palm and bio-integration division is one of the core business divisions of TSH Group. It continues to contribute significantly to the growth of the Group and in 2003, it contributed approximately 60% to the Group pre tax profit. This division currently operates three mills in East Malaysia (Sabah) located along the Tawau-Lahad Datu-Sandakan highway also dubbed as Sabah's Oil Palm Belt, where nearly 70% of the oil palm in Sabah is planted around this area. The Group is setting up its 4th palm oil mill in Padang,, West Sumatra, Indonesia in a joint venture with co-founder of PT Astra Group. The 4th mill is tentatively scheduled to commence operation in early 2005. Spurred by the passion to minimize wastages from conventional

palm oil industry, we have formulated a comprehensive bio-integration program to add value to our resources, in this case our industrial waste , and provide a "zero waste" solution to the industry. Bio-integration assimilates conventional palm oil milling activity with green economy industries ie renewable energy from biomass and biogas, as well as paper making from palm waste. It is housed in a high technology Bio Integrated Complex together with TSH Kunak Palm Oil Mill. This fully Bio-Integrated Complex utilizes palm oil industrial wastes, ie empty fruit bunches for biomass and palm oil mill effluent for bio gas. The end products are green electricity for the grid and 30,000 ton green paper for domestic and export markets.



Front view of the power plant



Cooling tower



Transformers



Turbine



Water treatment plant



Boiler House



MESSAGE FROM OUR GROUP MANAGING DIRECTOR — DATUK KELVIN TAN



Warmest greetings to all employees of the TSH Group of Companies. It gives me great pleasure and honour to be given the opportunity to pen down a few words on this maiden issue of our TSH News Buletin. TSH's growth over the last 20 years has been truly remarkable. From a humble beginning of only 5 staffs , the Group has grown tremendously over the years and its current workforce now totals about 2000.

TSH first began its business operations in Sabah as a cocoa trading company in the mid 80's and we have since grown and transformed into a public listed industrialized resource Group with diversified businesses in oil palm plantation and milling, forest management and manufacturing of engineered solid hardwood flooring. We have also ventured into new businesses of the future such as renewable biomass energy and pulp & paper making bio gas energy at our "first of its kind" bio integration complex situated in Kunak, Sabah.

In moving forward, we must be prepared to benchmark ourselves against the best in the field. All of us must strive to work harder and be prepared to face the challenges in the globalised environment. TSH's success could not have been achieved without the dedication and support from all employees within the Group. Let me assure each and everyone of you that we value our employees enormously and have never failed to accord everyone with equal treatment and fairness without any prejudice or bias. Everyone in the Group regardless of level and position , should uphold the belief that we are all one family. The combined effort of each and everyone through team work is crucial in further transforming TSH from a good to a great company.

Lastly I would like to take this opportunity to congratulate the TSH News Buletin committee for publishing our very first newsletter. Good work and keep up the momentum ! Finally, I would like to urge all of you to enjoy your work, spend quality time with your family, take care of your health and strive for the best. Good Luck, Merry Christmas and a Happy New Year.

DATUK KELVIN TAN AIK PEN

CocoaHouse Industries / TSH Industries Sdn Bhd

CocoaHouse Industries Sdn Bhd (CHI) is one of the subsidiaries of TSH Resources Berhad. It is one of the longest established cocoa processors located in Port Klang , the main port of Malaysia. CHI started commercial production in 1989. Their products have gained international acceptance and are used by renowned bakeries, confectioneries, beverages and chocolate manufacturers in the world. The finished products are cocoa butter, cocoa cake and cocoa powder (both natural and alkalinized) . The products are exported to USA, Australia, New Zealand, Iran, Egypt, Korea, Singapore, Vietnam, Philippines, India, Sri Lanka, South Africa, Russia, Syria and Pakistan. With Good Manufacturing Practices (GMP) in place, coupled with stringent in line control program, quality is emphasized and given priority to ensure safe and consistent supply of products. As an attestation to their quality and food safety standards, Cocoa House was awarded the ISO 9001:2000 certification by SGS on 15th of December 2004 and they are in the midst of applying for certification of HACCP (Hazard Analysis Critical Control Point) .



Front view of CocoaHouse Industries Sdn Bhd

TSH Industries Sdn Bhd (TSHI) is one of the wholly owned subsidiaries of TSH Resources Berhad. It is one of the cocoa processors located in Port Klang. TSHI started commercial production in 1994. Their main activities are processing lower grade cocoa beans and illipe nuts. The finished products are deodorized expeller cocoa butter, deodorized extracted cocoa butter, neutralized and bleached illipe butter which are mainly exported.



Front view of TSH Industries Sdn Bhd