

TSH GROUP – COMPANY PROFILE

TSH Resources Berhad, an industrial resource based company based in Malaysia was founded in 1963 by our current Chairman, Mr Tan Soon Hong. The Company started its business in coconut and cocoa trading. Over the years, TSH Group grew and evolved dynamically. It initially expanded its businesses into oil palm plantation, palm oil milling, timber flooring and subsequently into bio-energy generation. TSH Group is now an established public listed Company in Malaysia with its core business in resource industrialization, with emphasis on oil palm and wood.

Building on its resource industrialization expertise, TSH has embarked on green economy industries namely bio-integration, comprising renewable energy from biomass and biogas, palm pulp and paper turning palm waste into valuable paper, sustainable forestry and other certified green products like Ekowood.

TSH obtained its listing status and was listed in the Second Board of Bursa Malaysia (then called Kuala Lumpur Stock Exchange) in 1994. TSH graduated from the Second Board to the Main Board in year 2000. Since its listing in 1994, TSH has been growing rapidly at the rate of nearly 25% per annum for the past 10 years.

TSH Group's business interests in greater details are as follows :

a) Palm and Bio Integration Business

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 now contributes approximately 60% to the Group's pre-tax profit.

The division has about 20,000 hectares of fully planted oil palm estates in both East Malaysia and Indonesia (Sumatera Barat, Kalimantan Tengah and Kalimantan Timur) as well as 60,000 hectares of land bank in Indonesia. In addition, TSH Group currently operates three (3) mills in East Malaysia and one (1) in Padang, Sumatera Barat (joint venture with co-founder of PT Astra Group) with another one more currently under construction in Kalimantan Tengah.

Spurred by the passion to minimise wastages from conventional palm oil industry, TSH has formulated a comprehensive bio-integration program to add value to its resources, in this case its industrial wastes, 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.

This Complex utilises palm oil industrial wastes ie empty fruit bunches for biomass and palm oil mill effluent for biogas. The end products are green electricity for the grid and 30,000 tonnes of green paper for domestic and export markets.

b) Wood Products Business

TSH has a sustainable forest management license from the state government of Sabah to manage 300,000 acres of forest for 100 years.

This sustainable forest is a home to some 172 bird species, the magnificent guitar-shaped bugs and the rare but beautiful Rafflesiana. With its marvellous bio-diversity of flora and fauna, it is natural for TSH to continue its stringent conservational policy. This forestry conservation is in line with TSH Group's involvement in green economy industries.

In addition to conservation, TSH has embarked on an afforestation of about 10% or 30,000 acres of sustainable forest land with 5.5 million tropical trees, providing better quality air to the environment.

Ekowood International Berhad (also listed on the Main Board of the Bursa Malaysia) a subsidiary under the TSH Group, spearheads the Group's wood flooring business and exports its home grown global brand Ekowood to 35 countries worldwide

A member of the National Wood Flooring Association of the United States, Ekowood international has marketing subsidiaries and offices internationally from the US to Spain, and France to China and Hong Kong enlisting more than 1,000 showrooms and distributions outlets internationally to strengthen its global presence.

Ekowood International has received a number of awards in recognition of their achievements. In addition, Ekowood International has a manufacturing capacity of 27 million sq ft per annum and produces world class engineered solid hardwood flooring. Its manufacturing process is certified by ISO9001:2000 UKAS for quality management. Export markets make up about 95% of Ekowood's production.

c) Cocoa and Vegetable Fat Business

The cocoa processing division once served as a core business division of the TSH Group. Despite its relative low contribution, cocoa business continues to generate satisfactory return.