

8. BUSINESS OVERVIEW

8.1 Products and Services

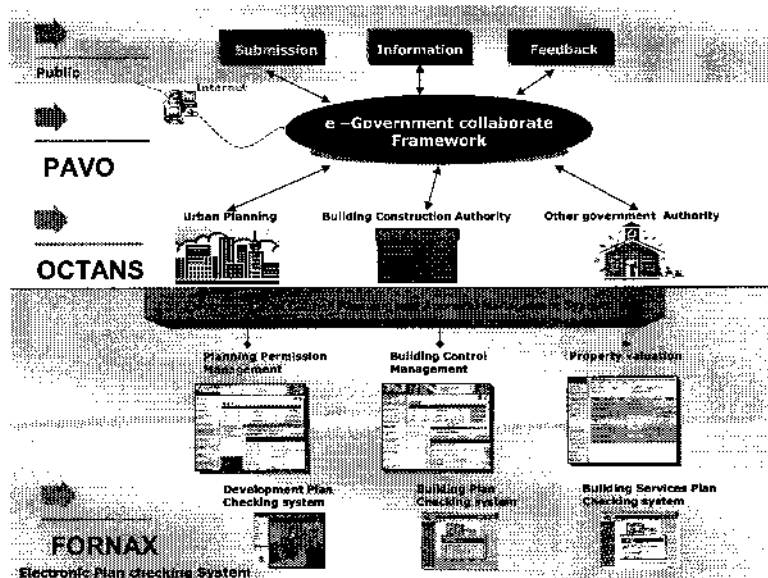
The Group is a provider of ready-to-deploy, industry-focused application software for the e-Government and healthcare industries. The Group's products are developed based on its technical knowledge and in-depth understanding of the e-Government and healthcare industries and clients' requirements. The Group's professionals also assist its clients in selecting the appropriate software and/or hardware technology which include specific functionalities and features that are tailored to meet the client's business needs and apply them to the clients' specific business processes.

The Group's application software are designed to support a large number of users. Each solution comprises a number of modules, which can be implemented separately or integrated to closely support the business processes of clients. The Group also provides a range of professional services to complement its application software such as consultancy, training and customisation of application software to cater to specific requirements.

The group's application software are developed using application development technology such as J2EE, XML, IFC, STEP, ExpressX, OpenGL, OpenCASCADE and ColdFusion. These open platform technologies allow the Group's software to integrate with other complimentary software, if required under large-scale systems.

8.1.1 e-Government

The Group provides the following e-Government software and associated services:- :



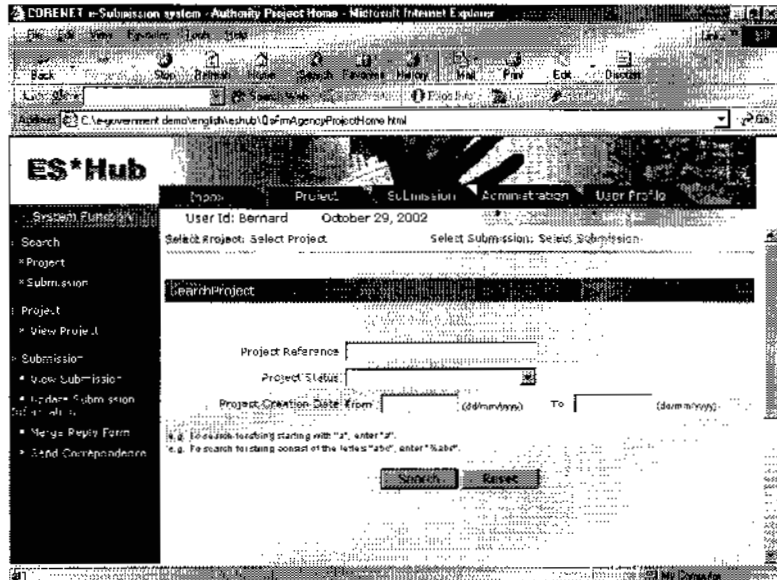
(Source: Management of NMSC)

(i) PAVO™

PAVO™ is a system that enables the government and the private sector to collaborate and carry out transactions on the Internet. Such collaborations includes interaction and transaction between government bodies and the private sector (government-to-government and business-to-government) which include, inter-alia, the following:-

- submission to the planning and building authorities for approval of development proposals;
- approval for transfer of land titles;
- application for permits and licenses; and
- application for permits in the import and export of motor vehicles.

8. BUSINESS OVERVIEW (cont'd)



(Source: Management of NMSC)

The key feature of this application product is that it facilitates and manages the abovementioned interactions and transactions.

Other than the interaction and transactions between the government and private sector, PAVO™ has a sub-system that covers user registration, verification on all methods related to application forms, auto filing and profiling of documents, notification to the respective parties, correspondence relating to all ongoing clarifications or requests, project updates and changes, application form maintenance and application enquiries.

(ii) OCTANS™

OCTANS™ is a system that supports the functions that are carried out by local government organisations such as city councils, municipal councils, and district councils in controlling and managing land planning and development. OCTANS™ was developed to support the complex processes and interaction between developers and their professional advisers and the authorities. These business processes include, amongst others, the following:-

- physical planning relating to the allocation of land for specific uses;
- processing of land development applications;
- checking the conformance of building design to existing codes and safety standards;
- valuation of properties; and
- provision of essential city services such as car parking, street lighting, refuse disposal and parks management.

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8. BUSINESS OVERVIEW (cont'd)

(Source: Management of NMSC)

OCTANS™ is a modular system that has different software modules to handle different domain-related processes. These modules are completely integrated and incorporated into a “one-stop” access environment.

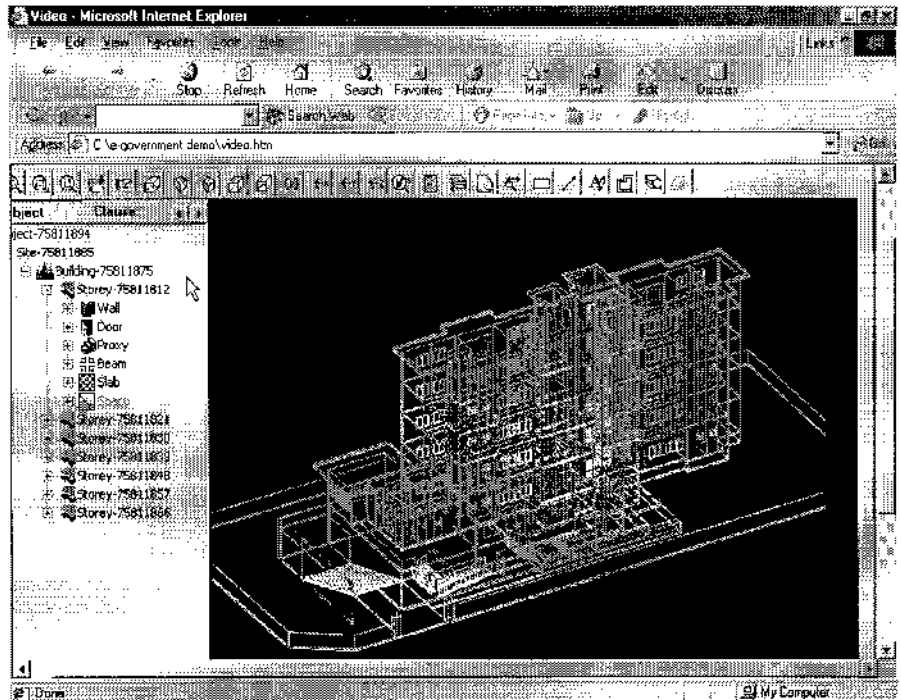
The core modules of OCTANS™ and their respective functions are set out below:-

- The **planning permission** module supports the local authorities’ business processes in approving various development applications such as erection of new buildings, change of land use, alteration and addition to buildings, sub-division and amalgamation of land;
- The **building control** module computerises the complete business process for examining and approving building plans and for monitoring the building construction process. The procedures are customised to follow the relevant building control legislation; and
- The **property valuation** module automates the business process of valuing land and buildings. It also maintains a database of the value of all properties within the local authority area. All property transactions are captured by the system, and mass valuation of properties can be performed using a number of criteria that affect the value of property.

(iii) FORNAX™

FORNAX™ is a solution developed to check electronic building and development plans. FORNAX™ allows consistent and quick assessments of land and building plan design for compliance with building regulations and land planning guidelines.

8. BUSINESS OVERVIEW (cont'd)



(Source: Management of NMSC)

FORNAX™ currently consists of two core modules, the Building Plan Module and Building Services Module:-

- The Building Plan Module checks proposals for compliance with building regulations and covers matters such as materials, ceiling heights and fire rating; and
- The Building Services Module performs compliance checks on building services components such as ventilation systems, hydraulic systems and fire protection systems.

These two modules can work independently or in a complimentary manner to perform automated evaluation and decision-making processes.

FORNAX™ reads in digital plans, performs automated evaluation of the plans against a database of codes of practice and regulations, and produces reports on compliance or otherwise. On receiving the report, the examining officer may grant a waiver for non-compliance in certain cases. The final results are then forwarded to the originator of the plans and to the authority for follow-up action.

8.1.2 Healthcare

The healthcare industry typically comprises the following three tiers of service providers:-

- general hospitals (private and public) which provide comprehensive and specialised medical care to its patients;
- district and local hospitals which provide general care and minor surgical procedures; and
- general practitioners which provide the first point of contact with the patient.

8. BUSINESS OVERVIEW *(cont'd)*

The Group observed that healthcare delivery systems have been undergoing considerable changes in recent years. There is a greater focus on improving efficiency in the medical market place and meeting patients' expectation in the quality of care. Given the demands for better patient care and the need to control rising costs without compromising on efficiency, the healthcare service providers are under tremendous pressure to balance between providing high quality service to patients and keeping a tight control on expenses.

The Group believes that its application software for healthcare can potentially assist the above service providers to maintain quality and control costs and support efficient healthcare delivery such as providing complete patient information to medical practitioners and automating administrative functions such as patient registration, scheduling and billing. Such automation of administrative functions will reduce the waiting time for patients, minimise human errors and improve efficiency.

The Group aims to provide IT solutions that will enable its clients to achieve a seamless healthcare delivery system. The Group provides a wide range of integrated application software that support the hospital administrators, physicians, surgeons, nurses, anaesthetists and specialist medical staff from a variety of disciplines in their professional tasks. Solutions developed within the Group have the capability to link general practitioners to specialists via the Internet so as to facilitate the exchange of medical information between them.

The Group's integrated application software known as VESALIUS™ THIS for the healthcare industry consists of two core systems as detailed below:

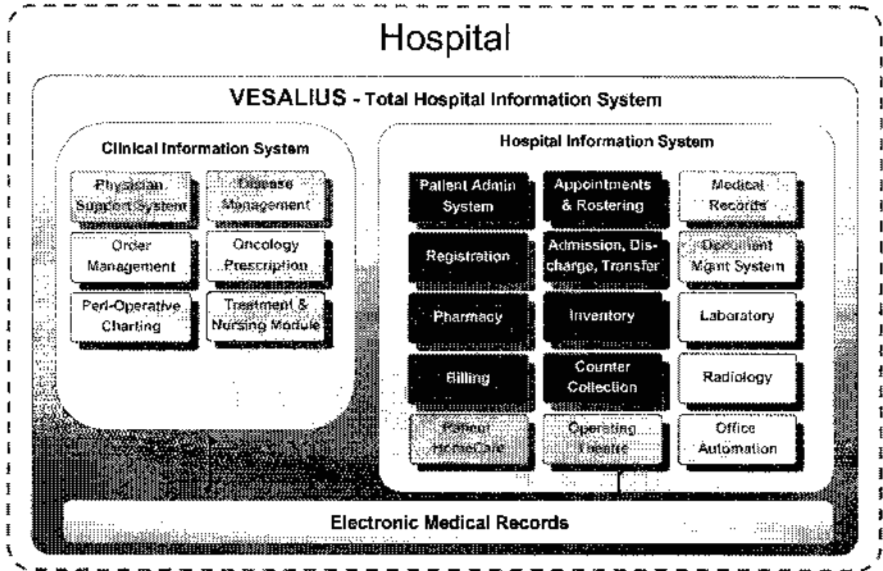
- HIS is a software that supports the administrative functions within a hospital including scheduling, patient registration, operating theater management, pharmacy, inventory and billing. HIS also includes the Patient HomeCare System which provides general practitioners and patients with medical records management system and access to health information. The Patient HomeCare System also acts as a communication channel between a patient and his general practitioner and between the general practitioner and the hospitals; and
- CIS is a software that supports the patient health management functions within a hospital including physician support systems, nursing care, disease-management, peri-operative charting and specialist modules.

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8. BUSINESS OVERVIEW (cont'd)

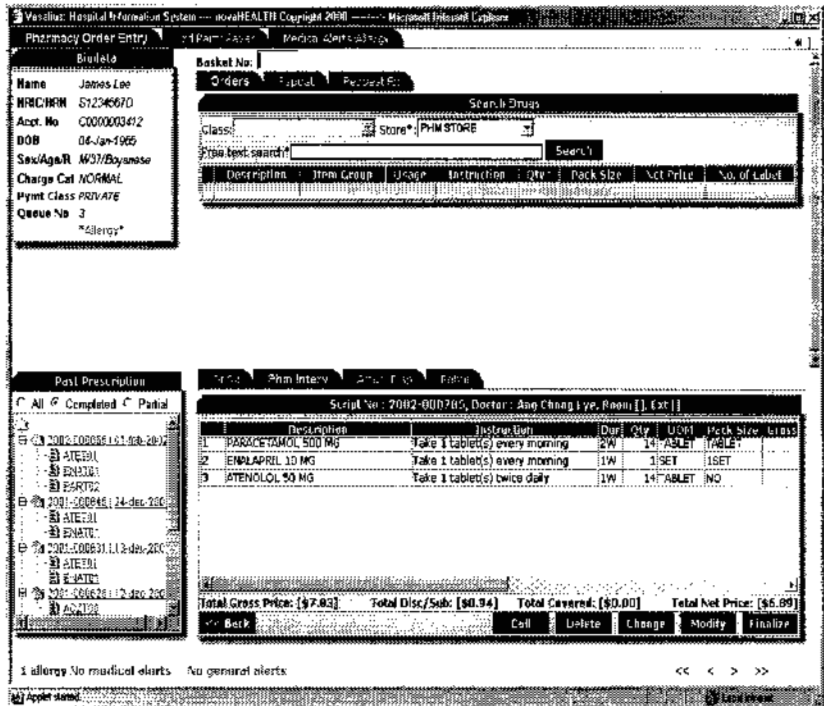
The diagram below depicts the contents of VESALIUS™ THIS: -

VESALIUS Total Hospital Information System



(Source: Management of NMSC)

(i) Hospital Information System



(Source: Management of NMSC)

HIS is a web-based system developed to integrate the functions of a hospital or hospitals within their hospital group to allow the sharing of information.

8. BUSINESS OVERVIEW (cont'd)

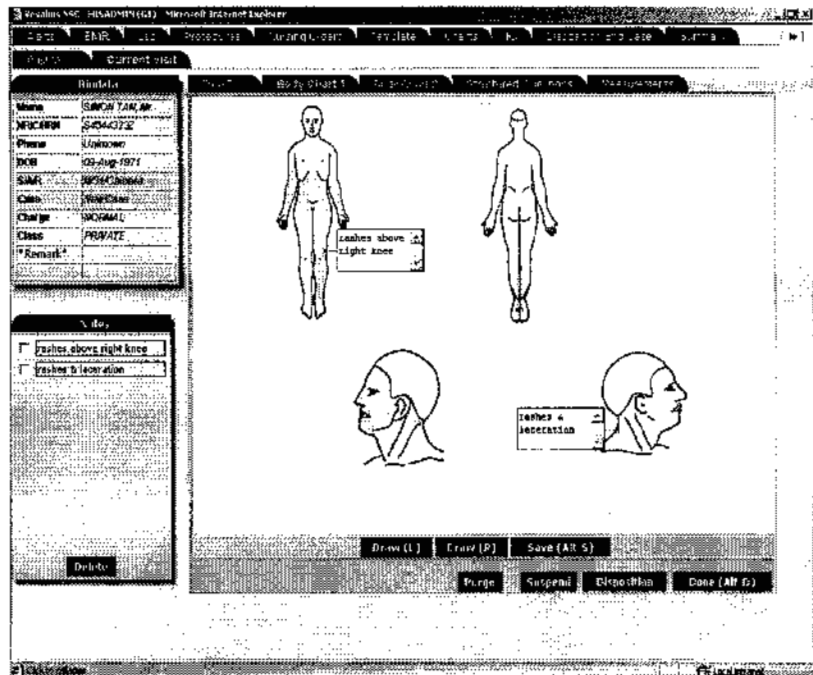
The core modules of HIS are set out below:-

- (a) Outpatient Management which comprises appointment scheduling, registration, billing and payment;
- (b) Inpatient Management which comprises registration, bed management, accidents and emergency room operations, patient billing and discharge;
- (c) Ancillary Services which comprise medical records office, pharmacy, laboratory services and radiology services; and
- (d) Patient HomeCare System that seeks to raise the patients' awareness of their health and fitness with a strong emphasis on preventative medicine through health education, health screening and information provision, hence providing hospitals with a solid foundation for client relationship management.

In HIS, the Internet is used to provide an efficient medium to:

- (a) link the hospitals within a hospital group so as to enable them to share resources such as medical specialists, operating theatres and patient databases;
- (b) provide hospital services to the general practitioners thereby widening the hospital's patient base beyond its traditional territorial boundaries; and
- (c) link suppliers, pharmacists and other healthcare specialists to a hospital or hospital group.

(ii) Clinical Information System



(Source: Management of NMSC)

8. BUSINESS OVERVIEW (cont'd)

The CIS solution was developed over the last two years using the Group's industry knowledge gained from working with a number of hospitals in Malaysia and Singapore. This solution consists of the following modules:

- (a) Physician Support module which provides functions to support their workflow in patient treatment such as past medical records, order management, graphic-based charting, diagnosis, results review, patient summary and disposition;
- (b) Peri-Operative Charting module designed to assist surgeons, anaesthetists and nurses in:-
 - recording of nursing notes taken during admission and preparation for surgery;
 - consolidation of clinical information on the surgical procedure from information provided by anaesthetists, surgeons and theatre nurses;
 - co-ordination of post-operative care instructions; and
 - autologous blood management.

This module can be extended to cover medical and surgical specialties such as endoscopy, colorectal and urology; and
- (c) Disease Management modules covering treatment guidelines and care plans for chronic diseases such as diabetes, asthma and hypertension.

8.2 Competition

The Group competes in an arena where many of its competitors are local companies and multi-national corporations. These competitors have greater sales, financial, production, distribution, and marketing resources than the NMSC Group.

The following table lists the major competitors of the Group:-

Area of business	Major competitors
e-Government	International and local IT vendors such as <ul style="list-style-type: none"> • National Computer Systems Pte. Ltd. • Singapore Computer Systems Ltd • Intergraph, Inc. • Mesiniaga Sdn. Bhd. • International Business Machines
Healthcare	International and local IT vendors such as <ul style="list-style-type: none"> • SAP AG • Cerner Corporation • SCS Computer Systems Sdn. Bhd. • Medicom Solutions (P) Ltd. • Greatcare Systems Sdn. Bhd. • IBA Ltd.

The Group believes that its products will be able to compete effectively with the abovementioned competitors considering its competitive strengths, which are discussed in more details under Section 8.3 of this Prospectus.

None of the Directors or substantial shareholders of the Company have any interest, direct or indirect, in any of the above companies.

8. BUSINESS OVERVIEW *(cont'd)*

8.3 Competitive Strengths

The Directors believe that the Group will be able to compete effectively as the Group possesses the following competitive advantages:-

(a) In-House Developed Application Software

The Group's application software in the e-Government and healthcare industry provides standard computerized functions that can be readily set up on site and thereafter customized to suit local conditions and requirements in different geographical regions. The relative ease in deploying the Group's application software reduces project risk and lead time necessary to deliver working solutions which are tailored to meet clients' specific needs.

(b) Comprehensive Depth and Breadth of Solutions

The Group's application software are provided to support the business processes of its clients. The application software have been developed over the years since the inception of the Group. They incorporate not only the latest technology but also the Group's collective knowledge of the e-Government sector and healthcare industry.

(c) Established Track Record

The Group has an established track record of over three years in providing e-Government and healthcare application software and services to organizations in the e-Government and healthcare industries. Major clients include the Building and Construction Authority of Singapore, Jurong Town Corporation of Singapore, Urban Redevelopment Authority of Singapore, Singapore General Hospital, National University Hospital of Singapore and the Perbadanan Putrajaya in Malaysia. Further details on the Group's major clients are set out in Section 8.5 of this Prospectus.

In Singapore, novaCITYNETS has achieved the S8 grade, a grading system conferred by the Expenditure and Procurement Policies Unit, Ministry of Finance, Singapore of which the highest grading awarded in this system is S10. This grading allows novaCITYNETS to bid for projects with value up to SGD10 million.

(d) Experienced and Professional Management Team

The Group has an experienced management team consisting of individuals with relevant management and professional experience in various multi-national corporations and large corporations. In addition, their management and professional experience cover a wide spectrum of functions such as business development, marketing, financial management and software development. The length and scope of their experience have provided the Group with a well-balanced management team that is key to its business.

(e) Ability to Retain Experienced Personnel

The Group believes that it is able to offer a working environment that is both challenging and rewarding to its employees. The Group's ability to retain its key employees is evidenced by the fact that the majority (>60%) of its key management staff who have joined novaCITYNETS and novaHEALTH since inception are still under the Group's employment. This has helped retain knowledge within the Group.

(f) Technological Expertise and Industry Knowledge

The Group's vast knowledge in the industries in which it operates was accumulated through the founding team's working experience. Such knowledge, which has been developed over time and is therefore not easily replicated, places the Group in a good position to offer relevant consultancy and solutions that adds value to the clients' businesses. The Group has qualified industry professionals on its team such as medical and engineering professionals, to reinforce in-depth industry knowledge and ensure that the Group's solutions remain relevant to the industries concerned.

8. BUSINESS OVERVIEW (cont'd)

(g) International Focus

The Group believes that its strengths in the e-Government and healthcare industries can be applied across borders given the similarity in practices in the e-Government and healthcare industries in different countries. The Group has developed an international focus for its application software as demonstrated by the Group's undertaking of projects internationally since its inception. The Group has projects in Malaysia, Singapore, Hong Kong, Indonesia, Thailand and Vietnam. In addition, the Group also has a network of Business Partners in countries such as Malaysia, Thailand, Indonesia, Brunei Darussalam, Hong Kong and China. The Group has been invited to make presentations in overseas countries such as Australia, Germany, Austria, the United Kingdom and the United States.

8.4 Marketing Strategy

The Group has formulated a marketing strategy to ensure it is able to deliver its products and services on a timely basis and is able to meet its expansion target. The two-pronged strategy is as follows:-

- (a) a local team for the Singapore and Malaysia markets where the Group has already established a presence. This team will ensure that existing clients continue to support the Group through subsequent orders. The team will also continue to cultivate new clients and new orders; and
- (b) an international team to initiate new sales in other countries. This team will enable the Group to widen the market for the Group's application software through identification of new markets, client-generation and closing initial sales either by itself or via Business Partners.

The international team relies on its market penetration strategy to develop its business. The Group's market penetration strategy is focused on selling selected modules of its industry-focused application software to gain market entry and then proceeding to provide a more comprehensive solution (with the remaining modules) and services through Business Partners. The three-phased market penetration strategy involves, inter-alia, assess market potential, seek pilot clients and establish reseller network.

8.5 Major Clients

The Group provides services mainly to clients in Singapore, Malaysia, other ASEAN countries and the United Kingdom. The Group's major clients based on the Group proforma results for the 10 months ended 31 January 2003 are as follows:-

Name of customer	Length of relationship (years)
Building And Construction Authority of Singapore*	3
Perbadanan Putrajaya (JT-Mega) *	2
Urban Redevelopment Authority & Housing Development Board (Siemens Business Services Pte Ltd)*	3
Land Transport Authority	2
Singapore Land Authority	1
National Skin Centre	3
Rumah Sakit Pondok Indah (PT Novasprint.com)	1
Jurong Town Corporation	3
Penang Adventist Hospital	1
Urban Redevelopment Authority	3

Note:-

* Contributes more than 10% of the audited turnover for the 10 month period ended 31 January 2003

8. BUSINESS OVERVIEW *(cont'd)*

The Group's business is project-based. As a result, revenue derived from a particular customer may fluctuate from year to year. While Building and Construction Authority of Singapore, Perbadanan Putrajaya (IT-Mega) and Urban Redevelopment Authority and Housing Development Board (Siemens Business Services Pte Ltd) each contributes more than 10% of the total turnover for the 10 months ended 31 January 2003, in light of the timing, nature and extent of the Group's business, the Group's business is not dependent on any single customer or group of companies.

8.6 Major Suppliers

In addition to the Group's in-house developed application software, the Group also purchases hardware, software and services from its suppliers to provide solutions to its clients. The Group sources supplies from multiple vendors to avoid being overly dependent on a single supplier.

The Group's major vendors based on the Group proforma results for the 10 months ended 31 January 2003, are as follows:-

Supplier's name	Length of relationship (years)
ACA Pacific Technology (S) Pte Ltd*	1
AEC3 Limited*	3
Dataone (Asia) Pte Ltd	2
Graphisoft R & D RT.	2
SED Technology Sdn Bhd	1
Pesik International Co Ltd	2
Software AG (Singapore) Pte Ltd	2
Ingram Micro Asia Ltd	2
Oracle Corporation Singapore Pte Ltd	3
ECS Computers (Asia) Pte Ltd	3

Note:-

* Contributes more than 10% of the audited purchases for the 10 month period ended 31 January 2003

The suppliers provide the Group with hardware, software and/or services. The Group procures its supplies on a just-in-time basis. The Group is not reliant on any particular supplier for its supplies.

8.7 Research and Development

The Group's policy on R&D is to innovate and create products that will give the Group a competitive advantage in the market. The Group adopted a strategy to create its own intellectual property and to move away from the highly manpower-dependent services business. The Group has established a R&D programme to continuously innovate and improve the Group's application software as well as to create new modules to ensure relevance to the ever-changing business requirements and to keep abreast of the rapid advancements in the IT arena. The Group's in-house R&D programme has successfully developed advanced and practical solutions that provide value-added features to its clients.

The Group's R&D programme also ensures continuous product development. As at 30 June 2003, the Group has 26 professionals who are fully engaged in R&D.

It is the Group's strategic intent to achieve growth by capitalizing on NMSC, being the Group's Global Software Development and Service Centre within the MSC in Malaysia. This is to fully utilise the cost-efficient skilled labour and good infrastructure to support the R&D activities with the objective of enhancing the range of software products and also to provide technical support to its growing list of worldwide clients.

8. BUSINESS OVERVIEW (cont'd)

The Group has incurred approximately RM13.9 million in R&D expenditure over two financial years ended 31 March 2002 and ten (10) month period ended 31 January 2003 as follows:-

	FY 2001 (RM'000)	% of turnover	FY 2002 (RM'000)	% of turnover	10 month period ended 31 January 2003	% of turnover
Research and development costs	4,638	49	5,616	28	3,613	18

Part of this R&D expenditure was supported by a grant equivalent to RM1.2 million from the Agency for Science, Technology and Research or A*STAR of Singapore.

Under this R&D programme, the Group has:-

- (a) acquired new technological skills to enhance competencies in the area of multi-tier distributed systems (systems where tasks are performed by a network of computers, each performing a part of the task in a collaborative manner), Internet and wireless computing to enhance application software to keep pace with demands from clients for accessible, intuitive and intelligent software;
- (b) developed application software in the e-Government and healthcare industries; and
- (c) improved application software with additional modules and consultancy packages to support clients and assist agents to market and deploy the Group's solutions.

Concurrent with the above programme, the Group went on to develop its in-house software applications. At present, the Group believes that its application software has reached a "critical mass" through its R&D efforts. The next step is to package them in a form and manner suited to international sales. This "packaging" includes language conversion, adaptation of application functions to local practices and streamlined technical support. The Group intends to focus initially on application software modules that have been identified by its international team to gain market entry into targeted markets.

8.8 Growth Strategy

The Group's aim is to be a leading application software provider specialising in the e-Government and the healthcare industries. To maintain competitive strengths, the Group has adopted the following key business strategies:

- (a) R&D and Innovation

The Group adopted a strategy to create its own intellectual property and to move away from the highly manpower-dependent services business. The Group has established an R&D programme to continuously innovate and improve the Group's application software as well as create new modules to ensure relevance to the ever-changing business requirements and to keep abreast of the rapid advancements in the IT arena.

Besides having competent IT professionals, the Group also has qualified industry specialists such as medical practitioners and engineers to ensure that the Group's technology solutions continue to remain relevant to its clients' business needs and keep up with new development in the industry. These industry specialists also enhance the Group's consultancy services to Business Partners and clients during the implementation of application software by contributing their professional knowledge and experience to the Group's projects.

8. BUSINESS OVERVIEW (cont'd)

(b) Strategic Alliances and Acquisitions

The Group is actively seeking strategic alliances and joint ventures with key industry players, and acquisitions of synergistic businesses. Such alliances comprise distributorship and partnership arrangements with selected industry players for the Group's application software, enabling the Group to rapidly reach out to a wider market. These alliances will enhance the Group's ability to market and distribute its products over a wider geographical reach and at the same time, minimise the cost of market penetration.

(c) International Expansion

The Group intends to expand its business internationally by establishing strategic alliances with industry players in the targeted markets or undertaking joint ventures depending on the existing business environment. This expansion will be driven by the Group's application software.

In the past year, the Group has also taken proactive steps in identifying new market opportunities overseas. A network of local Business Partners has been established in Malaysia, Thailand, Indonesia, Brunei, Hong Kong and China. The Group has been invited to make presentations in overseas countries such as Australia, Germany, Austria, the United Kingdom and the United States.

8.9 Employees

As at 30 June 2003, the Group had a total of 136 full-time employees. Ninety-nine per cent (99)% of its employees have tertiary qualification. The relationship and cooperation between the management and employees have been good and are expected to continue. There have not been any work stoppages or labour disputes affecting the Group's business nor has the Group experienced any significant seasonal fluctuations in the number of employees. The employees of the Group do not belong to any organised union.

The table below summarises the staff composition and their highest qualification achieved as at 30 June 2003:

Educational qualifications	Number of staff	As a percentage of the total number of staff (%)
Postgraduate	16	11
Degree	83	61
Diploma	36	27
Others	1	1
Total	136	100

The number of full-time employees in the various categories as at 30 June 2003 are as follows:-

Category	Number of employees
Senior Management	4
Research and Development	26
Business Development	9
Software Services	86
Finance and Administration	11
Total	136

The Group's training mission is to develop its employees' potential and team spirit in all aspects of its business operations. In order to remain competitive, the Group continuously upgrades the skills of its employees to optimise their potential and minimise the skills gap. The Group's employees attend internal and external courses to upgrade their management as well as their technical skills.

8. BUSINESS OVERVIEW (cont'd)

8.10 Technology and Intellectual Property

Save as disclosed below, the Group does not use or own any other patents, trade marks or intellectual property rights which are material to its business.

In order to protect the Group's trademarks in Singapore, the Group has registered the following trademarks in Class 9 (as classified under the International Classification of Goods and Services (for the purpose of registration of marks) issued by the Intellectual Property Office of Singapore), in respect of its software products.

Trade mark	Date of registration
novaCITYNETS	29 May 2000
novaHEALTH	29 May 2000
OCTANS	21 May 2002
FORNAX	21 May 2002
PAVO	21 May 2002
VESALIUS	17 October 2002

Similarly, applications have been made for the above trademarks from the relevant authorities in Malaysia. Details of the trademark applications in Malaysia are as follows:

Trade mark	Date of filing
novaCITYNETS	28 October 2002
novaHEALTH	25 October 2002
OCTANS	28 October 2002
FORNAX	28 October 2002
PAVO	28 October 2002
VESALIUS	25 October 2002

8.11 Key Achievements / Awards

The Group has obtained awards and recognition for its products and services from various organisations. The Group's key achievements are set out as follows:-

Date	Business segment	Accreditation/Awards	Awarded by	Country	Product/Area
18 March 2003	Healthcare	Strategic Partnership Award	SUN Microsystems Pte. Ltd.	Singapore	Solution partner
17 June 2002	e-Government	14 th International Construction Award	Editorial OFICE, publisher for Mercado Mundial, a European magazine for the construction and transportation industry	Spain	Value-added IT contribution to the building and construction industry
27 July 2001	e-Government	ISO 9000:2000	Bureau Veritas Quality International	-	Quality objectives in ensuring highest quality of products and services are provided to clients
27 July 2001	Healthcare	ISO 9000:2000	Bureau Veritas Quality International	-	Quality objectives in ensuring highest quality of products and services are provided to clients
5 Mar 2001	e-Government and Healthcare	Solution Partner of the year FY2000	Oracle Corporations Singapore Pte. Ltd.	Singapore	Solution partner of the year 2000

8. BUSINESS OVERVIEW (cont'd)

Date	Business segment	Accreditation/Awards	Awarded by	Country	Product/Area
7 Feb 2002	e-Government	Significant revenue contribution to BEA system ASEAN 2001	BEA Systems Singapore Pte. Ltd. ("BEA")	ASEAN	Significant revenue contribution to BEA's product in the year of 2001
16 Feb 2000*	e-Government	Best Performance target account 1999	Autodesk Asia Pte. Ltd.	Singapore	Best Performance of the target account in the year 1999 for Autodesk's products
6 Oct 1999*	e-Government	Development of National IT standard	Building and Construction Authority, National Computer Board, Productivity Board	Singapore	Contribution to the development of national IT standards for the construction industry 1999

Note:-

- * These awards/achievements were awarded to novaSPRINT for its achievements/contributions in the e-Government sector. novaCITYNETS was only incorporated on 11 May 2000.

8.12 Operating Licenses

The Group's business activities do not presently require any special permit or licence from any authorities.

8.13 Approvals and Conditions

NMSC's proposed listing is subject to the approval of the following authorities:-

- KLSE (approval obtained on 27 May 2003)
- SC (approval obtained on 26 May 2003)

The approvals were subject to the following conditions, amongst others:-

Name of authority	Conditions	Status of compliance
SC	The status of utilisation of proceeds from the Public Issue must be disclosed in NMSC's quarterly and annual report until the said proceeds have been fully utilised.	Will be complied.
KLSE	(i) All existing contracts between novaSPRINT Group and their customers, of which work is performed by the NMSC Group, with the exception of the National Skin Centre, is to be novated to novaHEALTH and novaCITYNETS, as the case may be prior to the issuance of the Prospectus;	Complied.
	(ii) All payments of commission to the novaSPRINT Group be discontinued effective from the date of approval of the listing proposal;	Complied.
	(iii) novaCITYNETS to recover the amounts owing by Building Gateway and IT-Mega which have exceeded the credit period, prior to the issuance of the Prospectus and OSK to furnish the KLSE a confirmation letter that the said balances have been fully settled;	Complied.

8. BUSINESS OVERVIEW (cont'd)

Name of authority	Conditions	Status of compliance
	(iv) NMSC to furnish to the KLSE a letter from novaSPRINT Systems confirming that novaSPRINT Systems has agreed to contra the amounts owing by the NMSC Group to novaSPRINT Systems against the amount owing by novaSPRINT Systems. This is to be completed prior to the issuance of the Prospectus;	Complied.
	(v) NMSC to provide a written confirmation to the KLSE that the business arrangement between the NMSC Group and the novaSPRINT Group are at arm's length basis and on terms not more favourable to the related parties than those extended to the general public, and the same is to be disclosed in the Prospectus;	Complied. Please refer to Section 6.6 of this Prospectus.
	(vi) NMSC to disclose in the Prospectus in detail the business relationship between the NMSC Group and the novaSPRINT Group does not compete with the existing business of the NMSC Group;	Complied. Please refer to Section 6.6, 6.6.1 and 14.9 of this Prospectus.
	(vii) NMSC to disclose in the Prospectus that salient terms of the marketing agreements, reseller agreements and Master Reseller Agreement between the NMSC Group and the novaSPRINT Group;	Complied. Please refer to Section 14.9.1 of this Prospectus.
	(viii) NMSC to disclose in the Prospectus the following:-	
	(a) the principal activity and the board of directors of the novaSPRINT Group	Complied. Please refer to Section 6.6.1 of this Prospectus.
	(b) the equity interest held by the shareholders of NMSC in novaSPRINT; and	Complied. Please refer to Section 6.6.2 of this Prospectus.
	(c) nature of business transactions between the NMSC Group and the novaSPRINT Group	Complied. Please refer to Section 6.6 and 6.6.1 of this Prospectus.
	(ix) NMSC to inform the KLSE on the appointment of independent directors and to provide confirmation that they qualify as independent directors under the Listing Requirements of the KLSE for the MESDQ Market; and	Complied.
	(x) NMSC to include a negative statement in its Prospectus on the exclusion of profit forecast and projections from the prospectus and the reasons thereof.	Complied. Please refer to Section 5.6 of this Prospectus.