



# ADVENTA BERHAD

(Company No.: 618533-M)

(Incorporated in Malaysia under Companies Act, 1965)

PUBLIC ISSUE OF 67,500,000 NEW ORDINARY SHARES OF RM0.10 EACH AT AN ISSUE PRICE OF RM0.30 PER NEW ORDINARY SHARE PAYABLE IN FULL UPON APPLICATION, COMPRISING:

- I. 11,000,000 NEW ORDINARY SHARES OF RM0.10 EACH AVAILABLE FOR APPLICATION BY ELIGIBLE DIRECTORS, EMPLOYEES, CUSTOMERS AND SUPPLIERS OF ADVENTA GROUP;
- II. 30,000,000 NEW ORDINARY SHARES OF RM0.10 EACH AVAILABLE FOR APPLICATION BY THE MALAYSIAN PUBLIC; AND
- III. 26,500,000 NEW ORDINARY SHARES OF RM0.10 EACH AVAILABLE FOR PLACEMENT TO SELECTED INVESTORS

PLACEMENT OF 122,500,000 NEW ORDINARY SHARES OF RM0.10 EACH AND OFFER FOR SALE OF 12,500,000 EXISTING ORDINARY SHARES OF RM0.10 EACH TO BUMIPUTERA INVESTORS APPROVED BY THE MINISTRY OF INTERNATIONAL TRADE AND INDUSTRY AT AN ISSUE/OFFER PRICE OF RM0.30 PER ORDINARY SHARE PAYABLE IN FULL UPON APPLICATION

PURSUANT TO THE LISTING OF ADVENTA BERHAD ON THE SECOND BOARD OF BURSA MALAYSIA SECURITIES BERHAD (FORMERLY KNOWN AS MALAYSIA SECURITIES EXCHANGE BERHAD)

FOR INFORMATION CONCERNING CERTAIN RISK FACTORS WHICH SHOULD BE CONSIDERED BY PROSPECTIVE INVESTORS, SEE "RISK FACTORS" COMMENCING ON PAGE 28 HEREOF

Adviser and Managing Underwriter, Underwriter and Placement Agent



This Prospectus is dated 9 June 2004

## PROSPECTUS

THIS PROSPECTUS HAS BEEN SEEN AND APPROVED BY THE DIRECTORS AND PROMOTER OF ADVENTA BERHAD ("THE COMPANY") AND THE OFFERORS AND THEY COLLECTIVELY AND INDIVIDUALLY ACCEPT FULL RESPONSIBILITY FOR THE ACCURACY OF THE INFORMATION CONTAINED HEREIN AND CONFIRM THAT AFTER HAVING MADE ALL REASONABLE ENQUIRIES, AND TO THE BEST OF THEIR KNOWLEDGE AND BELIEF, THERE ARE NO FALSE OR MISLEADING STATEMENT OR OTHER FACTS, THE OMISSION OF WHICH WOULD MAKE ANY STATEMENTS HEREIN FALSE OR MISLEADING. THE DIRECTORS HEREBY ACCEPT FULL RESPONSIBILITY FOR THE PROFIT FORECAST INCLUDED IN THIS PROSPECTUS AND CONFIRM THAT THE PROFIT FORECAST HAVE BEEN PREPARED BASED ON ASSUMPTIONS MADE.

AFFIN MERCHANT BANK BERHAD, BEING THE ADVISER, ACKNOWLEDGES THAT, BASED ON ALL AVAILABLE INFORMATION, AND TO THE BEST OF ITS KNOWLEDGE AND BELIEF, THIS PROSPECTUS CONSTITUTES A FULL AND TRUE DISCLOSURE OF ALL MATERIAL FACTS CONCERNING THE PUBLIC OFFERING AND IS SATISFIED THAT ANY PROFIT FORECAST (FOR WHICH THE DIRECTORS OF THE COMPANY ARE FULLY RESPONSIBLE), PREPARED FOR INCLUSION IN THE PROSPECTUS HAVE BEEN STATED BY THE DIRECTORS AFTER DUE AND CAREFUL ENQUIRY AND HAVE BEEN DULY REVIEWED BY THE REPORTING ACCOUNTANTS.

THE SECURITIES COMMISSION HAS APPROVED THE ISSUE, OFFER OR INVITATION IN RESPECT OF THE PUBLIC OFFERING AND THAT THE APPROVAL SHALL NOT BE TAKEN TO INDICATE THAT THE SECURITIES COMMISSION RECOMMENDS THE PUBLIC OFFERING.

THE SECURITIES COMMISSION SHALL NOT BE LIABLE FOR ANY NON-DISCLOSURE ON THE PART OF THE COMPANY AND TAKES NO RESPONSIBILITY FOR THE CONTENTS OF THIS PROSPECTUS, MAKES NO REPRESENTATION AS TO ITS ACCURACY OR COMPLETENESS AND EXPRESSLY DISCLAIMS ANY LIABILITY WHATSOEVER FOR ANY LOSS HOWSOEVER ARISING FROM OR IN RELIANCE UPON THE WHOLE OR ANY PART OF THE CONTENTS OF THIS PROSPECTUS. **INVESTORS SHOULD RELY ON THEIR OWN EVALUATION TO ASSESS THE MERITS AND RISKS OF THE INVESTMENT. IN CONSIDERING THE INVESTMENT, INVESTORS WHO ARE IN ANY DOUBT AS TO THE ACTION TO BE TAKEN SHOULD CONSULT THEIR STOCKBROKER, BANK MANAGER, SOLICITOR, ACCOUNTANT OR OTHER PROFESSIONAL ADVISER IMMEDIATELY.**

BURSA MALAYSIA SECURITIES BERHAD (*FORMERLY KNOWN AS MALAYSIA SECURITIES EXCHANGE BERHAD*) SHALL NOT BE LIABLE FOR ANY NON-DISCLOSURE ON THE PART OF THE COMPANY AND TAKES NO RESPONSIBILITY FOR THE CONTENTS OF THIS PROSPECTUS, MAKES NO REPRESENTATION AS TO ITS CORRECTNESS OR COMPLETENESS AND EXPRESSLY DISCLAIMS ANY LIABILITY WHATSOEVER FOR ANY LOSS HOWSOEVER ARISING FROM OR IN RELIANCE UPON THE WHOLE OR ANY PART OF THE CONTENTS OF THIS PROSPECTUS. ADMISSION TO THE OFFICIAL LIST IS NOT TO BE TAKEN AS AN INDICATION OF THE MERITS OF THE INVITATION, THE COMPANY OR OF ITS SECURITIES.

A COPY OF THIS PROSPECTUS HAS BEEN REGISTERED WITH THE SECURITIES COMMISSION. A COPY OF THIS PROSPECTUS, TOGETHER WITH THE FORM OF APPLICATION, HAS ALSO BEEN LODGED WITH THE REGISTRAR OF COMPANIES WHO TAKE NO RESPONSIBILITY FOR ITS CONTENTS.

**INDICATIVE TIMETABLE**

The indicative timing of events leading up to the listing of and quotation for Adventa Berhad's entire enlarged issued and paid-up share capital on the Second Board of Bursa Malaysia is set out below:

<b>Event</b>	<b>Tentative Date</b>
OPENING OF APPLICATION	9 June 2004
CLOSING OF APPLICATION	15 June 2004
TENTATIVE BALLOTING DATE	17 June 2004
TENTATIVE ALLOTMENT DATE	23 June 2004
TENTATIVE LISTING DATE	25 June 2004

**THIS TIMETABLE IS TENTATIVE AND IS SUBJECT TO CHANGES WHICH MAY BE NECESSARY TO FACILITATE IMPLEMENTATION PROCEDURES. THE APPLICATION PERIOD WILL REMAIN OPEN UNTIL 5.00 P.M. ON 15 JUNE 2004 OR FOR SUCH FURTHER PERIOD(S) THAT THE DIRECTORS AND/OR OFFERORS OF ADVENTA BERHAD TOGETHER WITH THE MANAGING UNDERWRITER IN THEIR ABSOLUTE DISCRETION MAY DECIDE. SHOULD THERE BE AN EXTENSION OF THE CLOSING DATE, THE BALLOTING, ALLOTMENT AND LISTING DATES WILL BE EXTENDED ACCORDINGLY.**

**WHERE THE CLOSING DATE OF THE APPLICATION FOR THE INITIAL PUBLIC OFFERING IS EXTENDED FROM THE ORIGINAL CLOSING DATE, THE NOTICE OF SUCH EXTENSION(S) WILL BE ADVERTISED IN A WIDELY CIRCULATED NEWSPAPER.**

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**DEFINITIONS**

In this Prospectus, unless the context otherwise requires, the following words and abbreviations shall have the following meaning:

Act	: Companies Act, 1965 or any statutory modifications, amendments or re-enactments thereof
Acquisitions	: Acquisition of PPM, Acquisition of Ulma, Acquisition of TNSB, Acquisition of AHSB and Acquisition of Nusaco, collectively
Acquisition of AHSB	: Acquisition by Adventa of 5 ordinary shares of RM1.00 each in AHSB representing the entire issued and paid-up share capital of AHSB for a purchase consideration of RM599,998 satisfied by the issuance of 5,999,980 new Adventa Shares at an issue price of RM0.10 per Share
Acquisition of Nusaco	: Acquisition by Adventa of 200,000 ordinary shares of RM1.00 each in Nusaco representing the entire issued and paid-up share capital of Nusaco for a purchase consideration of RM170,000 satisfied by cash
Acquisition of TNSB	: Acquisition by Adventa of 2,000,000 ordinary shares of RM1.00 each in TNSB representing the entire issued and paid-up share capital of TNSB for a purchase consideration of RM25,400,000 satisfied by the issuance of 254,000,000 new Adventa Shares at an issue price of RM0.10 per Share
Acquisition of PPM	: Acquisition by Adventa from TNSB of 5,000,000 ordinary shares of RM1.00 each in PPM representing the entire issued and paid-up share capital of PPM for a cash consideration of RM3,838,000
Acquisition of Ulma	: Acquisition by Adventa from TNSB of 1 ordinary share of Euro 25,000 in Ulma representing the entire issued and paid-up share capital of Ulma for a cash consideration of RM100,000
Adventa or Company	: Adventa Berhad (618533-M)
Adventa Group or Group	: Adventa and its subsidiary companies
ADA	: Authorised Depository Agent
ADA Code	: ADA (Broker) Code
Affin Merchant	: Affin Merchant Bank Berhad (9999-V)
AHSB	: American Healthcare (Malaysia) Sdn Bhd (224197-U)
Application(s)	: Application(s) for the IPO Shares by way of Application Forms or Electronic Share Application
Application Form(s)	: Printed form(s) for the application of the IPO Shares accompanying this Prospectus
ATM	: Automated teller machine(s)
Board	: Board of Directors of Adventa

**DEFINITIONS (cont'd)**

Bursa Malaysia	:	Bursa Malaysia Securities Berhad ( <i>formerly known as Malaysia Securities Exchange Berhad</i> ) (635998-W)
By-Laws	:	By-Laws of the Proposed ESOS, which is currently in draft form
CDS	:	Central Depository System
CDS Account	:	An account established by MCD for a depositor, for the recording of deposits or withdrawals of securities and for dealings in such securities by the depositor
Central Depositories Act	:	Securities Industry (Central Depositories) Act, 1991 or any statutory modifications, amendments or re-enactments thereof
Committee	:	Committee appointed by the Board to administer the ESOS
Date of Offer	:	Date on which an offer is made by the Option Committee to Entitlee in the manner provided in By-Law 7
EBITDA	:	Earnings before interest, tax, depreciation and amortisation
Electronic Share Application	:	Application for the IPO Shares through a Participating Financial Institutions ATM
Employee(s)	:	Any person who is employed by and on the payroll of any company in the Group and who fulfils the conditions of eligibility stipulated in By-Law 5.2. Employees include Executive Directors.
Entitlee	:	A natural person who is entitled to participate in the Scheme
EPS	:	Earnings per share
ESOS	:	Employees' share option scheme
FIC	:	Foreign Investment Committee
Maximum Entitlement	:	Maximum number of Options that can be offered and allotted to an Entitlee as provided under Clause 6 of the By-Laws
Listing Requirements	:	Listing Requirements of Bursa Malaysia, as amended from time to time
IPO	:	Initial public offering of Adventa on the Second Board of Bursa Malaysia comprising the Public Issue, Placement and Offer for Sale
IPO Shares	:	Public Issue Shares, Placement Shares and Offer Shares respectively
MCD	:	Malaysian Central Depository Sdn Bhd (165570-W)
MITI	:	Ministry of International Trade and Industry
MIDFCCS	:	MIDF Consultancy and Corporate Services Sdn Bhd (11324-H)
NTA	:	Net tangible assets

**DEFINITIONS (cont'd)**

Nusaco	:	Nusaco Sdn Bhd (186327-D)						
Offer	:	Offer made in writing by the Option Committee on behalf of the Company in accordance with the provisions or in the manner indicated in By-Law 7 to Eligible Employees						
Offer for Sale	:	Offer for sale of 12,500,000 existing Adventa Shares by the Offerors to Bumiputera investors approved by MITI at an offer price of RM0.30 per Share						
Offer Shares	:	12,500,000 existing Adventa Shares to be offered by the Offerors pursuant to the Offer for Sale						
Offerors	:	Shareholders of Adventa making the Offer for Sale. The number of Offer Shares pursuant thereto are as follows:						
		<table border="0"> <thead> <tr> <th style="text-align: left;"><b>Shareholder</b></th> <th style="text-align: right;"><b>No. of Offer Shares</b></th> </tr> </thead> <tbody> <tr> <td>Low Chin Guan</td> <td style="text-align: right;">5,500,000</td> </tr> <tr> <td>Wong Koon Mei @ Wong Kwan Mooi</td> <td style="text-align: right;">7,000,000</td> </tr> </tbody> </table>	<b>Shareholder</b>	<b>No. of Offer Shares</b>	Low Chin Guan	5,500,000	Wong Koon Mei @ Wong Kwan Mooi	7,000,000
<b>Shareholder</b>	<b>No. of Offer Shares</b>							
Low Chin Guan	5,500,000							
Wong Koon Mei @ Wong Kwan Mooi	7,000,000							
Option Period	:	Period commencing from the Date of Offer and expiring three (3) years there from, subject to an extension of Scheme as provided in By-Law 19.1						
Option(s)	:	Rights to subscribe for new shares upon acceptance of an offer under the ESOS						
Participating Financial Institution(s)	:	Participating financial institutions for the Electronic Share Application as listed in Section 17.5 of this Prospectus						
PAT	:	Profit after taxation						
PBT	:	Profit before taxation						
PE Multiple	:	Price earnings multiple						
Pink Form Shares	:	11,000,000 new ordinary shares of RM0.10 each in Adventa available for application by eligible Directors, employees, customers and suppliers of Adventa Group at an issue price of RM0.30 per share						
Placement	:	Placement of 122,500,000 new Adventa Shares to Bumiputera investors approved by MITI at an issue price of RM0.30 per Share						
Placement Shares	:	122,500,000 new Adventa Shares to be issued pursuant to the Placement						
PPM	:	Profit Point Manufacturing Sdn Bhd (175303-H)						
Promoter	:	Low Chin Guan						
Proposed ESOS or Scheme	:	Proposed establishment of an employees' share option scheme (ESOS) for the granting of Options to the Directors and Employees of Adventa Group to subscribe for new shares amounting up to 15% of the issued and paid-up share capital of Adventa at any point in time during the subsistence of the scheme, based on the terms and conditions of the By-Laws constituting the scheme						

**DEFINITIONS (cont'd)**

Public Issue	:	Public issue of 67,500,000 new Adventa Shares at an offer price of RM0.30 per Share comprising the following:
		(i) 11,000,000 new ordinary shares of RM0.10 each in Adventa available for application by eligible Directors, employees, customers and suppliers of Adventa Group;
		(ii) 30,000,000 new ordinary shares of RM0.10 each in Adventa available for application by the Malaysian public; and
		(iii) 26,500,000 new ordinary shares of RM0.10 each in Adventa available for placement to selected investors
Public Issue Shares	:	67,500,000 new Adventa Shares to be issued pursuant to the Public Issue
RM and sen	:	Ringgit Malaysia and sen respectively
R&D	:	Research & development
SC	:	Securities Commission
Share(s) or Adventa Share(s)	:	Ordinary share(s) of RM0.10 each in Adventa
TNSB	:	Terang Nusa Sdn Bhd (164501-X)
Ulma	:	Ulma International GmbH (HRB-4865)
Underwriting Agreement	:	Underwriting agreement dated 14 May 2004 between Adventa and the Managing Underwriter and Underwriters, for the underwriting of 41,000,000 Public Issue Shares for an underwriting commission of 2.5% of the IPO price
USA	:	United States of America
USD	:	United States Dollars

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**1. CORPORATE INFORMATION****BOARD OF DIRECTORS**

<b>Name</b>	<b>Address</b>	<b>Designation</b>	<b>Nationality</b>
Low Chin Guan	1807 D&E, Paya Bemban Jalan Hospital 15000 Kota Bharu Kelantan	Managing Director	Malaysian
Kwek Siew Leng	594-K, Jalan Hospital 15200 Kota Bharu Kelantan	Executive Director	Malaysian
Toh Seng Thong	3085 P, Jalan Air Jernih 20300 Kuala Terengganu Terengganu	Independent Non- Executive Director	Malaysian
Abdul Aziz bin Derashid	Lot 1331, Kampung Beris Baru Pengkalan Chepa 16100 Kota Bharu Kelantan	Independent Non- Executive Director	Malaysian

**AUDIT COMMITTEE**

<b>Name</b>	<b>Designation</b>	<b>Directorship</b>
Toh Seng Thong	Chairman	Independent Non-Executive Director
Abdul Aziz bin Derashid	Member	Independent Non-Executive Director
Low Chin Guan	Member	Managing Director

**COMPANY SECRETARY** : Chua Siew Chuan (MAICSA 0777689)  
No. 6, Jalan SS 14/8E  
47500 Subang Jaya  
Selangor

**REGISTERED OFFICE** : 1, Jalan 8, Pengkalan Chepa 2 Industrial Zone  
16100 Kota Bharu, Kelantan  
Phone: (09) 7744332  
Fax: (09) 7713072  
E-mail: info@adventa.com.my

**HEAD / MANAGEMENT OFFICE** : 1, Jalan 8, Pengkalan Chepa 2 Industrial Zone  
16100 Kota Bharu, Kelantan  
Phone: (09) 7744332  
Fax: (09) 7713072  
Website: www.terangnusa.com

**AUDITORS AND REPORTING  
ACCOUNTANTS** : **Yeng & Co (AF0551)**  
53A & 53B, Jalan SS15/4  
47500 Subang Jaya  
Selangor  
Phone : (03) 56318100  
Fax : (03) 56318099

**I. CORPORATE INFORMATION (cont'd)**

- SOLICITORS** : **Fatimah Kei & Leong**  
B-16-3A, 16<sup>th</sup> Floor, Block B  
Megan Phileo Avenue  
12, Jalan Yap Kwan Seng  
50450 Kuala Lumpur  
Phone: (03) 21662803  
Fax: (03) 21616731
- PRINCIPAL BANKERS** : **Alliance Bank Malaysia Berhad (88103-W)**  
Ground Floor  
No 3, Jalan Imbi  
55100 Kuala Lumpur  
Phone : (03) 21485155  
Fax : (03) 21421531
- Bumiputra Commerce Bank Berhad (13491-P)**  
4585-K, Wisma Ibrahim & Sons  
Jalan Sultan Yahya Petra  
Wakaf Siku, 15200 Kota Bharu  
Kelantan  
Phone: (09) 7484303  
Fax : (09) 7444364
- ISSUING HOUSE** : **MIDF Consultancy and Corporate Services Sdn Bhd**  
(11324-H)  
12<sup>th</sup> Floor, MIDF Building  
195A, Jalan Tun Razak  
50400 Kuala Lumpur  
Phone : (03) 21613355  
Fax : (03) 21647995
- REGISTRAR** : **Securities Services (Holdings) Sdn Bhd (36869-T)**  
Level 7, Menara Milenium  
Jalan Damanlela, Pusat Bandar Damansara  
Damansara Heights  
50490 Kuala Lumpur  
Phone: (03) 20849000  
Fax: (03) 20949944
- ADVISER AND MANAGING UNDERWRITER** : **Affin Merchant Bank Berhad (9999-V)**  
27<sup>th</sup> Floor, Menara Boustead  
69 Jalan Raja Chulan  
50200 Kuala Lumpur  
Phone : (03) 21423700  
Fax : (03) 21417701
- UNDERWRITERS** : **Affin Merchant Bank Berhad (9999-V)**  
27<sup>th</sup> Floor, Menara Boustead  
69 Jalan Raja Chulan  
50200 Kuala Lumpur  
Phone : (03) 21423700  
Fax : (03) 21417701

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**1. CORPORATE INFORMATION (cont'd)**

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- UNDERWRITERS (cont'd)** : **Affin Securities Sdn Bhd (431338-P)**  
Level 3, Menara Keck Seng  
203 Jalan Bukit Bintang  
55100 Kuala Lumpur  
Phone : (03) 2143 8668  
Fax : (03) 2143 3663
- PLACEMENT AGENT** : **Affin Merchant Bank Berhad (9999-V)**  
27<sup>th</sup> Floor, Menara Boustead  
69 Jalan Raja Chulan  
50200 Kuala Lumpur  
Phone : (03) 21423700  
Fax : (03) 2141 7701
- INDEPENDENT BUSINESS AND  
INDUSTRY CONSULTANT** : **Frost & Sullivan (M) Sdn Bhd (522293-W)**  
Suite E-08-15, Block E, Plaza Mont' Kiara  
2, Jalan 1/70C, Mont' Kiara  
50480 Kuala Lumpur  
Phone: (03) 62045800  
Fax: (03) 62017402
- LISTING SOUGHT** : Second Board of Bursa Malaysia

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## 2. INFORMATION SUMMARY

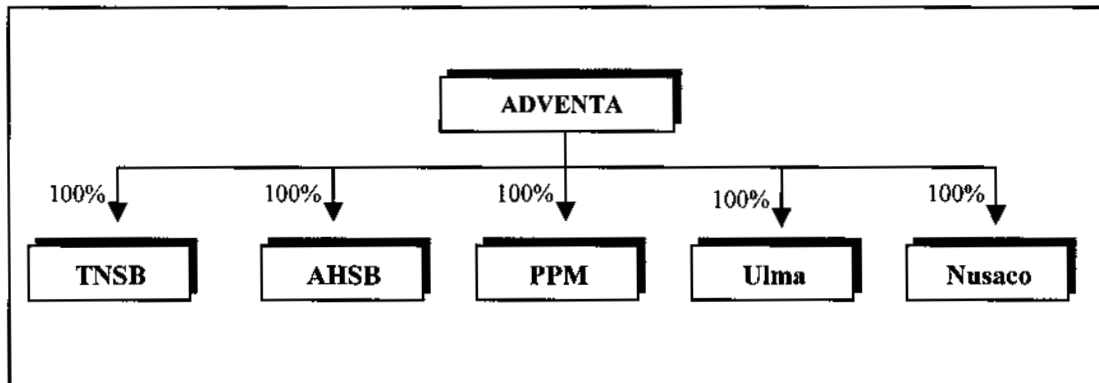
THE FOLLOWING INFORMATION SUMMARY IS ONLY A SUMMARY OF THE SALIENT INFORMATION ABOUT ADVENTA AND INVESTORS ARE STRONGLY ADVISED TO READ AND UNDERSTAND THE WHOLE PROSPECTUS PRIOR TO DECIDING WHETHER TO INVEST. THE FOLLOWING INFORMATION SUMMARY IS QUALIFIED IN ITS ENTIRETY AND SHOULD BE READ IN CONJUNCTION WITH THE MORE DETAILED INFORMATION INCLUDING THE FINANCIAL INFORMATION IN THIS PROSPECTUS.

### 2.1 HISTORY AND BUSINESS

Adventa was incorporated in Malaysia under the Companies Act, 1965 as a private limited company on 16 June 2003 under the name Adventa Sdn Bhd. The Company was subsequently converted into a public limited company and assumed its present name on 21 July 2003.

The Company is principally an investment holding company with the principal activities of its subsidiaries being manufacturing and distribution of sterile surgical gloves, manufacturing and distribution of medical examination gloves, distribution of medical and other hospital related products as well as generation and supply of energy and electricity using biomass technology.

The Company's group structure is set out below.



The Company's subsidiaries together with their principal activities are summarised below (kindly refer to Section 6.5 for further details).

Name of subsidiary	Date and place of incorporation	Issued and paid-up capital	Effective equity interest	Principal activities
TNSB	18 September 1987 Malaysia	RM2,000,000	100%	Manufacturing and distribution of sterile surgical gloves and medical examination gloves
AHSB	2 September 1991 Malaysia	RM5	100%	Manufacturing and distribution of sterile surgical gloves
PPM	27 October 1988 Malaysia	RM5,000,000	100%	Manufacturing and distribution of medical examination gloves



**2. INFORMATION SUMMARY (cont'd)**

Name of subsidiary	Date and place of incorporation	Issued and paid-up capital	Effective equity interest	Principal activities
Ulma	15 January 2003 Germany	Euro 25,000	100%	Distribution of medical and other hospital related products
Nusaco	7 September 1989 Malaysia	RM200,000	100%	Generation and supply of energy and electricity using biomass technology

**2.2 SUBSTANTIAL SHAREHOLDERS/ PROMOTER, DIRECTORS, KEY MANAGEMENT AND KEY TECHNICAL PERSONNEL****Substantial shareholders/Promoter**

The direct and indirect shareholdings of the substantial shareholders/Promoter of the Company after the IPO are as follows:

Substantial shareholder / Promoter	After IPO			
	Direct interest		Indirect interest	
	No. of shares	%	No. of shares	%
Low Chin Guan <sup>#</sup> (as Promoter)	202,500,000	45.0	45,000,000 <sup>^</sup>	10.0
Wong Koon Mei @ Wong Kwan Mooi <sup>#</sup>	45,000,000	10.0	202,500,000 <sup>^</sup>	45.0

**Notes:**

<sup>^</sup> Deemed interested by virtue of family relationship between Low Chin Guan and Wong Koon Mei @ Wong Kwan Mooi, who is his mother, pursuant to Section 6A of the Act

<sup>#</sup> Substantial shareholder

**Directors**

The direct and indirect shareholdings of the Directors of the Company after the IPO are as follows:

Director	Designation	After IPO			
		Direct interest		Indirect interest	
		No. of shares	%	No. of shares	%
Low Chin Guan	Managing Director	202,500,000	45.00	45,000,000 <sup>^</sup>	10.00
Kwek Siew Leng <sup>#</sup>	Executive Director	600,000	0.13	-	-
Toh Seng Thong <sup>#</sup>	Independent Non-Executive Director	-	-	-	-
Abdul Aziz bin Derashid <sup>#</sup>	Independent Non-Executive Director	300,000	0.07	-	-

**Notes:**

<sup>^</sup> Deemed interested by virtue of family relationship between Low Chin Guan and Wong Koon Mei @ Wong Kwan Mooi, who is his mother, pursuant to Section 6A of the Act

<sup>#</sup> Assuming full subscription of the Pink Form Shares allocation pursuant to the IPO

**2. INFORMATION SUMMARY (cont'd)****Key management and key technical personnel**

The direct and indirect shareholdings of the key management and key technical personnel of the Company after the IPO are as follows:

Key management/ Key technical personnel	Designation	After IPO			
		Direct interest		Indirect interest	
		No. of shares	%	No. of shares	%
<b>Key Management</b>					
Low Chin Guan	Managing Director	202,500,000	45.00	45,000,000 <sup>^</sup>	10.00
Kwek Siew Leng	Group Finance Manager	600,000 <sup>#</sup>	0.13	-	-
Dr. Peter Schwaderer	Regional Sales Manager	600,000 <sup>#</sup>	0.13	-	-
Michel Max Amrein	Regional Sales Manager	400,000 <sup>#</sup>	0.09	-	-
Noor Azman bin Awang	Group Human Resource Manager	300,000 <sup>#</sup>	0.07	-	-
Kang Jin Kiat	Group Purchasing Manager	500,000 <sup>#</sup>	0.11	-	-
<b>Key Technical Personnel</b>					
Rahayu binti Mat Zin	Group QA Manager	300,000 <sup>#</sup>	0.07	-	-
Kang Geok Shien	R&D Manager	200,000 <sup>#</sup>	0.04	-	-
Seow Hoi Ben	Group Production Manager	500,000 <sup>#</sup>	0.11	-	-
Lim Weng Heng	General Manager for PPM	300,000 <sup>#</sup>	0.07	-	-

*Notes:*

<sup>^</sup> Deemed interested by virtue of family relationship between Low Chin Guan and Wong Koon Mei @ Wong Kwan Mooi, who is his mother, pursuant to Section 6A of the Act

<sup>#</sup> Assuming full subscription of the Pink Form Shares allocation pursuant to the IPO

Further details relating to the directors, substantial shareholders/Promoter, key management and key technical personnel of the Group are set out in Section 7 of this Prospectus.

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**2. INFORMATION SUMMARY (cont'd)****2.3 FINANCIAL HIGHLIGHTS**

The following table has been extracted from the Accountants' Report in Section 11 of this Prospectus and should be read in conjunction with the accompanying notes and assumptions thereto.

The summary of the proforma consolidated audited results of Adventa for the five (5) financial years ended 31 January 2000 to 2004 below has been prepared for illustrative purposes only based on the audited financial statements of the Adventa Group and on the assumption that the current structure of the Group had been in existence throughout the period under review:

	← Financial Year Ended →				
	31.1. 2000	31.1.2001	31.1.2002	31.1. 2003	31.1.2004
	RM'000	RM'000	RM'000	RM'000	RM'000
Revenue	39,585	43,945	51,513	63,548	92,116
Profit before amortisation, depreciation, interest and R&D	8,136	6,925	5,917	7,586	11,295
Depreciation	(1,436)	(1,510)	(1,755)	(1,662)	(1,802)
Interest expense	(467)	(764)	(976)	(1,040)	(1,625)
Interest income	70	63	66	27	7
R&D expense	(129)	(357)	(430)	(422)	(484)
PBT before exceptional item	6,174	4,357	2,822	4,489	7,391
Exceptional item	-	-	-	-	(2,135)
PBT after exceptional item	6,174	4,357	2,822	4,489	5,256
Taxation	(616)	(534)	(579)	(675)	(159)
<b>PAT</b>	<b>5,558</b>	<b>3,823</b>	<b>2,243</b>	<b>3,814</b>	<b>5,097</b>
Number of shares ('000) <sup>#</sup>	260,000	260,000	260,000	260,000	260,000
Gross EPS (sen)	2.37	1.68	1.09	1.73	2.02
Net EPS (sen)	2.14	1.47	0.86	1.47	1.96

Notes:

<sup>#</sup> Number of shares assumed in issue after Acquisitions but prior to IPO.

- The proforma consolidated income statement of Adventa Group is presented for illustrative purposes only and is prepared on the basis that the acquisitions of the subsidiary companies had been effected throughout the five (5) year period to 31 January 2004 under review. As some of the subsidiary companies have different financial year ends from 31 January, the income statement of the subsidiary companies concerned have been time-apportioned to financial year ended 31 January for inclusion in the proforma consolidated income statement of Adventa Group.

**2. INFORMATION SUMMARY (cont'd)**

2. *The summarised proforma consolidated income statement is prepared based on the following:*
- *audited financial statements of TSB for the five (5) years ended 31 January 2004;*
  - *audited financial statements of PPM for four (4) years ended 31 December 2002 and 13 months ended 31 January 2004;*
  - *audited financial statements of Nusaco for the four years ended 28 February 2003 and 11 months ended 31 January 2004;*
  - *audited financial statements of AHSB for the three (3) years ended 31 December 2001, 13 months ended 31 January 2003 and year ended 31 January 2004; and*
  - *audited financial statements of Ulma for the period from 15th January 2003 to 31st December 2003.*
3. *The gross and net earnings per share of Adventa Group are calculated based on the profit before taxation and profit after taxation to the existing issued share capital of 260,000,000 ordinary shares of RM0.10 each, after Acquisitions, but before Placement and Public Issue.*
4. *The effective tax rates are calculated based on taxation to profit before taxation. The effective tax rates for the period under review were lower than the statutory tax rate due principally to the pioneer status incentive enjoyed and the reinvestment allowances claimed by the Group.*
5. *Revenue growth from 11% to 45% is mainly due to higher sales of surgical gloves, a result of the Group's continuous efforts to increase production capacity and the continuing growth in demand from overseas market. Although the Group achieved increasing revenue growth, the reported gross profit margin and pre-tax margin declined mainly due to substantial increase of fuel oil and latex prices and a dip in glove prices since year 2001. The gross profit margin and pre-tax and exceptional item profit margin in 2003 and 2004 had improved mainly due to higher demand, higher sales and increase in average selling price of products.*
6. *The increase in interest expense is consistent with the increase in external borrowings throughout the financial year 2000 to 2004 as additional bank overdrafts and other credit facilities were obtained for working capital and to finance the new glove production lines.*
7. *There were no exceptional and extraordinary items included in the income statement for the relevant years under review except for the written off of advances to a former shareholder namely China National Foreign Trade Leasing Corporation, a company incorporated in the People's Republic of China and a former director in 2004 by a subsidiary company (PPM), both parties are not related nor controlled by the promoter/substantial shareholder of proforma Adventa Group.*
8. *Financial results for the year 2004 were presented after elimination of inter-company transactions as listed below:*

	<i>RM'000</i>
<i>Purchase from Profit Point by Terang Nusa</i>	<i>823</i>
<i>Sales to Ulma by Terang Nusa</i>	<i>3,122</i>
	<u><u><i>3,945</i></u></u>

*The above transactions were made in the normal course of business at terms mutually agreed between the respective companies and were at arm's length.*

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**2. INFORMATION SUMMARY (cont'd)**

The proforma consolidated balance sheets set out below are for illustrative purposes only to show the effects of the Acquisitions, Public Issue and Placement on the proforma consolidated balance sheets of the Adventa Group as at 31 January 2004 on the assumption that the Acquisitions, Public Issue and Placement had been effected on that date.

Company	Audited balance sheet as at 31.1.2004 RM'000	Proforma I After Acquisitions RM'000	Proforma II After (I) and Placement RM'000	Proforma III After (II) and Public Issue RM'000	Proforma IV After (III) and assuming full exercise of ESOS Options RM'000
Property, plant and equipment	-	43,459	43,459	58,659	58,659
Intangible assets	-	44	44	44	44
Current assets	-	46,375	83,125	63,175	83,425
Current liabilities	(3)	(34,811)	(34,811)	(21,811)	(21,811)
<b>Net current assets</b>	<b>(3)</b>	<b>11,564</b>	<b>48,314</b>	<b>41,364</b>	<b>61,614</b>
	<b>(3)</b>	<b>55,067</b>	<b>91,817</b>	<b>100,067</b>	<b>120,317</b>
<b>Shareholders' funds</b>					
Share capital	*	26,000	38,250	45,000	51,750
Share premium	-	-	24,500	36,000 <sup>#</sup>	49,500
Reserve on consolidation	-	8,013	8,013	8,013	8,013
Accumulated losses	(3)	(3)	(3)	(3)	(3)
<b>Shareholders' equity</b>	<b>(3)</b>	<b>34,010</b>	<b>70,760</b>	<b>89,010</b>	<b>109,260</b>
Long term liabilities	-	17,785	17,785	7,785	7,785
Deferred taxation	-	3,272	3,272	3,272	3,272
	<b>(3)</b>	<b>55,067</b>	<b>91,817</b>	<b>100,067</b>	<b>120,317</b>
No. of shares in issue ('000)	*	260,000	382,500	450,000	517,500
NTA (RM'000)	(3)	33,966	70,716	88,966	109,216
NTA per share (RM)	*	0.13	0.18	0.20	0.21

**Note:**

\* Negligible

<sup>#</sup> After deducting estimated listing expenses of RM2 million

Details to the proforma consolidated balance sheet as at 31 January 2004 are set out in Section 10.12 of this Prospectus.

## 2. INFORMATION SUMMARY (cont'd)

### 2.4 MATERIAL RISK FACTORS

The following is a list of some of the material risk factors (which may not be exhaustive) extracted from Section 4 of this Prospectus for which applicants of the IPO Shares should carefully consider in addition to other information contained herein before applying for the IPO Shares.

(i) **Business Risks**

- Dependence on Directors, key management and key technical personnel
- Competition
- Licensing
- Availability of resources
- Insurance coverage
- Patents and trademarks
- Breakout of fire and energy crisis
- Foreign currency risk
- Compliance with international standards and/or requirements
- New products and services
- Long term supply contracts
- Long term sales contracts
- Security and systems disruptions
- Rapid technological change
- Fluctuations in commodity prices of latex

(ii) **Investment Risks**

- Investment and new ventures
- No prior market for Adventa Shares
- Ownership and control issues by substantial shareholders
- Dependence on particular markets and geographical location
- Delay in listing
- Related party transactions and conflicts of interests

(iii) **Other Risks**

- Geopolitical, legal and economic conditions
- Environmental concerns
- Government controls and/or regulations
- Recoverability of trade debtors
- Working capital, borrowings, contingent liabilities and capital commitments
- Estimates and forecasts
- Disclosures regarding forward looking statements
- Material litigation/ legal uncertainties

Please refer to Section 4 of this Prospectus for further details of the material risks factors.

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## 2. INFORMATION SUMMARY (cont'd)

### 2.5 CONSOLIDATED PROFIT FORECAST

Financial year ending	Forecast 31 January 2005 (RM'000)
Revenue	123,716
Consolidated PBT	14,257
Taxation	(2,412)
Consolidated PAT	11,845
Pre-acquisition profit	(979)
<b>Profit attributable to shareholders</b>	<b>10,866</b>
Weighted average number of shares in issue ('000)	327,500
Enlarged number of shares in issue ('000)	450,000
<b>Based on weighted average number of shares in issue</b>	
Gross EPS per share <sup>1</sup>	4.35 sen
Net EPS per share <sup>2</sup>	3.62 sen
Gross PE Multiple*	6.90 times
Net PE Multiple*	8.29 times
<b>Based on enlarged number of shares in issue</b>	
Gross EPS per share <sup>3</sup>	3.17 sen
Net EPS per share <sup>4</sup>	2.63 sen
Gross PE Multiple*	9.46 times
Net PE Multiple*	11.41 times

Notes:

\* Based on the IPO price of RM0.30 per Share

<sup>1</sup> Calculated based on the consolidated PBT of RM14.257 million and the weighted average number of shares in issue of 327,500,000 Shares

<sup>2</sup> Calculated based on the consolidated PAT of RM11.845 million and the weighted average number of shares in issue of 327,500,000 Shares

<sup>3</sup> Calculated based on the consolidated PBT of RM14.257 million and the enlarged number of shares in issue of 450,000,000 Shares

<sup>4</sup> Calculated based on the consolidated PAT of RM11.845 million and the enlarged number of shares in issue of 450,000,000 Shares

**2. INFORMATION SUMMARY (cont'd)****2.6 DIVIDEND FORECAST**

<b>Financial year ending</b>	<b>Forecast 31 January 2005</b>
<b><u>Gross Dividend</u> (tax exempt)</b>	
Forecast gross dividend per ordinary share (sen)	0.6
Forecast gross dividend yield based on the IPO price of RM0.30 per share (%)	2.0
Gross dividend cover based on gross EPS of 4.35 sen (times)	7.3
<b><u>Net Dividend</u></b>	
Forecast net dividend per ordinary share (sen)	0.6
Forecast dividend yield based on the IPO price of RM0.30 per share (%)	2.0
Net dividend cover based on net EPS of 3.62 sen (times)	6.0

**2.7 PROFORMA CONSOLIDATED NTA AND NTA PER SHARE**

Proforma consolidated NTA as at 31 January 2004 (RM'000) <i>(After taking into account the Acquisitions, Placement, Public Issue and estimated listing expenses of RM2,000,000)</i>	88,966
Proforma consolidated NTA per Share (RM) <i>(Based on the enlarged issued and paid-up share capital of 450,000,000 ordinary shares of RM0.10 each)</i>	0.20

**2.8 AUDIT QUALIFICATIONS**

There were no qualifications reported in the audited financial statements of the companies within the Group for the periods under review. Detailed information on the financial performance of Adventa Group is set out in Section 10 of this Prospectus.

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**2. INFORMATION SUMMARY (cont'd)**


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**2.9 PRINCIPAL STATISTICS OF IPO**

<b>Authorised share capital</b>	
1,000,000,000 ordinary shares of RM0.10 each	<u>RM100,000,000</u>
<b>Issued and fully paid-up after Acquisitions</b>	
260,000,000 ordinary shares of RM0.10 each	RM26,000,000
<b>To be issued as fully paid-up pursuant to the Placement</b>	
122,500,000 new ordinary shares of RM0.10 each	RM12,250,000
<b>To be issued as fully paid-up pursuant to the Public Issue</b>	
67,500,000 new ordinary shares of RM0.10 each	<u>RM6,750,000</u>
	<u><b>RM45,000,000</b></u>
<b>Offer Shares pursuant to the Offer for Sale</b>	
12,500,000 existing ordinary shares of RM0.10 each	RM1,250,000

**Class of Shares**

There is only one (1) class of shares in the Company being ordinary shares of RM0.10 each, all of which rank pari passu with one another. The IPO Shares will rank pari passu in all respects with the other existing issued and fully paid-up ordinary shares of the Company, including the voting rights and rights to all dividend and other distributions that may be declared after the issue of those shares subsequent to the date of this Prospectus.

The Company had on 22 March 2004 obtained the approval of the SC to establish an ESOS in order to retain and motivate eligible employees who have contributed to the success of the Adventa Group. The approval of the shareholders of the Company for the ESOS will be sought at a later date.

The Directors of Adventa intend to grant Options under the ESOS subsequent to the IPO which are exercisable up to a maximum of fifteen (15%) of the existing issued and paid-up share capital of Adventa at any one time during the duration of the Scheme, at a price to be determined at a later date. Such Option is exercisable in accordance with the terms of the By-Laws constituting the ESOS.

The new Shares to be issued pursuant to the ESOS shall, upon allotment and issue, rank pari passu in all respect with the then existing issued and paid-up capital of Adventa, except that these Shares will not be entitled to participate in such rights, allotments or any distributions, the entitlement date of which is prior to the date of allotment of the said Shares, and will be subject to the provisions of the Articles of Association of the Company.

**Public Issue, Placement and Offer for Sale price per share**

The issue/offer price per Share is RM0.30.

**2. INFORMATION SUMMARY (cont'd)****2.10 UTILISATION OF PROCEEDS**

The Public Issue and Placement are expected to raise gross proceeds of RM57,000,000 for the Adventa Group which will be utilised in the following manner:

<b>Utilisation</b>	<b>RM'000</b>
Capital expenditure	14,700
Repayment of bank borrowings	10,000
Research & development	500
Estimated listing expenses	2,000
Working capital	29,800
<b>Total</b>	<b>57,000</b>

The Company shall bear all fees and expenses relating to the IPO and the corporate exercises leading to the listing of and quotation for the entire enlarged issued and paid-up share capital of the Company comprising 450,000,000 Adventa Shares on the Second Board of Bursa Malaysia, which is estimated at approximately RM2,000,000.

The Offer for Sale is expected to raise gross proceeds of approximately RM3,750,000. This amount shall accrue to the Offerors and no part of the proceeds is receivable by Adventa. The Offerors shall bear all expenses related to the Offer for Sale.

The Directors of Adventa intend to utilise the proceeds arising from the exercise of the Options for the Group's working capital purposes.

Further details of the utilisation of proceeds and estimated listing expenses are set out in Section 3.6 of this Prospectus.

**2.11 WORKING CAPITAL, MATERIAL LITIGATION, BORROWINGS, CONTINGENT LIABILITIES AND MATERIAL COMMITMENTS****(i) Working capital**

The Directors of Adventa are of the opinion that, after taking into consideration the banking facilities available and the net proceeds from the IPO, the Group will have adequate working capital for a period of not less than twelve (12) months from the date of issue of this Prospectus.

**(ii) Material Litigation**

As at 30 April 2004, being the latest practicable date prior to the printing of this Prospectus, neither the Company nor its subsidiaries are engaged in any material litigation or arbitration (either as plaintiff or defendant) which might materially affect the financial position of the Group and the Directors do not know of any proceedings pending or threatened or of any fact likely to give rise to any proceedings which might materially affect the position or business of the Adventa Group, save as disclosed:

**2. INFORMATION SUMMARY (cont'd)**

On 21 June 2002, TNSB commenced legal action against Madegom LTDA ("Madegom") for the recovery of a debt amounting to USD108,721 for goods sold and delivered by TNSB to Madegom.

The Civil Court of Santiago had on 30 September 2003, ruled in favour of TNSB for Madegom to pay the amount claimed by TNSB of USD108,721 plus interests and readjustments. In addition, a caveat was placed on the office building, five trucks and goods belonging to Madegom totaling USD110,000 as additional security. Madegom filed an appeal on the judgement on 20 October 2003.

The solicitors of TNSB for this case are of the view that TNSB has a good prospect of the recovery of the debt.

**(iii) Borrowings**

As disclosed in Section 10.6 of this Prospectus, the total bank borrowings of the Group amounted to approximately RM34,392,000 as at 30 April 2004 being the latest practicable date prior to the printing of this Prospectus. The bank borrowings, all of which are interests bearing, can be analysed further as follows:-

Type of Borrowing	RM'000
Long term borrowings	18,341
Short term borrowings	16,052

**(iv) Contingent Liabilities**

As at 30 April 2004, being the latest practicable date prior to the printing of this Prospectus, the Directors of the Company are not aware of any contingent liabilities that may have a substantial impact of the result or the financial position of the Adventa Group.

**(v) Material Commitments**

Save as disclosed below, as at 30 April 2004, being the latest practicable date prior to the printing of this Prospectus, there are no other material commitments for capital expenditure incurred or known to be incurred by the Adventa Group which may have a substantial impact on the results the financial position of the Group:

	Group RM'000	Company RM'000
Approved and contracted for	-	-
Approved but not contracted for	2,080	-

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