6.10 APPROVALS, MAJOR LICENSES AND PERMITS

(i) Licenses

The major licenses obtained by the Group are as follows:

Company	License	Issuing authority	Major conditions imposed	Status of compliance
TNSB	Manufacturing license	MITI	• The entire equity interests in the Company is to be held solely by Malaysian citizens • The company is required to export 100% of its examination gloves and 80% of its surgical gloves produced	Complied
PPM	Manufacturing license	MITI	• No major conditions	Not applicable

(ii) International quality certification

ISO 9000

The ISO standards are international standards and guidelines relating to management systems, and related supporting standards on terminology and specific tools, such as auditing. ISO 9002 is a certification for quality assurance of the business processes of the company. The certification is for manufacturers and service providers without design activities in their business processes.

TNSB, the subsidiary of Adventa, had obtained its ISO 9002 certification from TUV Germany for the manufacturing and distribution of its sterile surgical and examination gloves since 1997. The ISO 9002 certification was valid until July 2003. Subsequently, the Company had obtained the ISO 9001:2000 certification since July 2003, which supercedes the ISO 9002 certification.

EN 46002

The EN 46001/46002 are standards specific to medical device quality systems which are additional requirements for the application of the ISO 9001 and ISO 9002 to the medical device industry. It is also a pre-requisite for CE Marking, a requirement of all medical devices in accordance with the European Medical Device Directive 93/34/EEC (MDD).

TNSB, the subsidiary of Adventa had obtained its EN 46002 certification since July 1997 for its examination and surgical gloves.

CE Mark

The CE Marking is a mandatory (legally required) mark for any product that falls within the scope of the European Medical Device Directive, and is intended for sale in the European Market.

TNSB, the subsidiary of Adventa had obtained the CE Marking for its sterile pre-powdered and powder free surgical gloves since 1997. It had also obtained CE Markings for its sterile pre-powdered and powder free examination gloves since 1997.

(iii) National audits and approvals

Electrotechnical Testing Institute (EZÚ), Czech Republic

EZÚ is a testing and calibration laboratory and certification body. It is accredited according to EN 45001, EN 45011 and EN 45012 by the Czech Accreditation Institute and is authorised by the Czech Government as an authorised body for conformity assessment of products according to Czech equivalents of Low Voltage Directive, EMC Directive, Machinery Directive, Building Product Directive, Medical Equipment Directive and Active Implants Directive of the European Union.

TNSB, the subsidiary of Adventa had obtained approval from the EZÚ for the distribution of its sterile pre-powdered and powder free surgical gloves since 2002.

US Food and Drugs Administration (FDA), USA

The FDA monitors the manufacturing of devices to assure that they are designed and manufactured in accordance with "good manufacturing practices" specified in the Quality System Regulation. TNSB, the subsidiary of Adventa had obtained approval from the FDA for its sterile pre-powdered and powder free surgical gloves since 1990 and 1999 respectively.

Therapeutic Goods Administration (TGA), Australia

The Therapeutic Goods Administration is a unit of the Australian Federal Department of Health and Ageing and carries out a range of assessment and monitoring activities to ensure therapeutic goods available in Australia are of an acceptable standard.

The TGA has given its approval for the distribution of TNSB's examination and sterile pre-powdered and powder free surgical gloves in Australia since 2000 and its products are identified by the following Australian Register of Therapeutic Goods ("ARTG") numbers:

ARTG Number	Product
164887	Latex Surgical Glove
164922	Latex Examination Glove
165266	Non-latex Surgiccal Glove
165510	Non-latex Examination Glove

Turkish Standards Institute (TSE), Turkey

TSE is an accredited agency in international markets and issues guarantee certificates to ensure fair competition and maintenance of the quality of goods purchased in Turkey. Importers must receive TSE's approval on imports of goods covered by obligatory standards set by the Turkish government. TNSB, the subsidiary of Adventa had obtained the approval from the TSE for the distribution of its examination and sterile pre-powdered and powder free surgical gloves since 2001.

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(iv) Patents and trademarks

Patents

In addition, the Adventa Group has patents that have been filed and are pending in USA, Malaysia and the Patent Cooperation Treaty ("PCT") countries for its Orthopaedic Glove. The following are patents that are currently pending:

Patent No.	Country
60/3135314	USA
PI 20023219	Malaysia
PCT/US02/27442	PCT countries

For patents registered at the PCT countries, an application was made for 23 European Patent ("EP") countries and 10 non-EP countries. The Intellectual Property Division of the Ministry of Domestic Trade and Consumer Affairs, Malaysia, has granted the approval for the Company to seek patent filings outside of Malaysia.

The patent for the Orthopaedic Glove set allows the inventor to claim proprietorship for special design, product properties, chemical composition and packaging details for the specific use of the gloves as an orthopaedic and trauma surgical glove. In this regard, the patent was applied by the Promoter who has granted the Group royalty free use of the patent for a period of six (6) years from 6 January 2001.

Trademarks

The following brand names under the Adventa Group have been registered or are pending as trademarks:

Trademark Name	Trademark No.	Registration Date	Country
Maxitex	2321277	22.02.2000	USA
Sensiflex	96011761	30.11.2000	Malaysia
Nugard	89001780	12.09.2002	Malaysia
Ulma	39815064	19.02.1999	Germany
Depro	Pending approval	-	Malaysia
Sur-G-Glov	Pending approval	-	Malaysia

6.11 RESEARCH AND DEVELOPMENT

The Adventa Group has always put an emphasis on R&D activities in its efforts to seek improvement in production processes, to ensure high quality standards for its products and to sustain its expansion programme via the introduction of new products. These activities will ensure the viability of the Group in the foreseeable future.

The R&D initiatives undertaken by the Group can be broadly categorised under the following categories:

- Medical Gloves; and
- Ethical Products.

6. INFORMATION ON ADVENTA *(cont'd)*

Medical Gloves

There are three (3) types of R&D carried out for medical gloves namely, product development, materials research and process improvement for the Group's glove manufacturing and distribution business.

(i) Product Development

The Product Development Programme developed by the Group under its R&D facility focuses on the latest demands and different specialty requirements of the medical profession. The programme involves research and development of new products in order to meet changing as well as future market trends of medical gloves. Products that were developed by the Group under its product development programme include:

- Maxitex Nuzone, launched in 2000, is a synthetic surgical glove for surgeons who are latex sensitised and have adverse reaction to natural latex based materials. This is a growing market in the US and some European Union countries due to the issue of latex allergy.

- X-ray surgical glove, launched in 1999, is the only x-ray protective range of surgical gloves designed to be used as a stand alone surgical glove in comparison to existing surgical products which require additional protective sheaths for x-ray surgery.

- Sensiflex Plus, launched in 2001, is a new type of powder free surgical glove that has none of the typical characteristics of powder free gloves such as stiffness and a short shelf life. Sensiflex Plus is as soft as powdered surgical gloves with all the sensitivity needed by surgeons for use in surgery as well as an extended shelf life exceeding five (5) years.

- Maxitex Duplex, launched in 2002, is an innovative orthopedic and trauma surgical glove that is unique in the market due to the custom-made orthopedic double gloving concept.

- Maxitex Neuro, to be launched in 2004, is a specialized surgical glove for neurological and ophthalmic procedures that required a high sensitivity and tactility for ease in conducting precision microsurgery.

In addition to the above, there are two more products under development, which are targeted for launch in 2005. For these products, the marketing team is also involved in its development by introducing new requirements based on market feedback as well as forecasting of market preferences. From information collected during hospital evaluation meetings and feedback from a clinical advisory team, the division is drafting the new product designs. It will take approximately two to three years from conceptual design to market trials and US FDA approvals before the said products can be introduced to the market.

(ii) Material Research

This section carries out continuous research on the characteristics of alternative materials such as natural rubber polymers and synthetic polymers to be used in the production of surgical and examination gloves. Material content is an important research field for products to be marketed by the Group as the type of material content will determine strength and quality of the products developed.

Under its material research section, the Group currently carries out joint development efforts with specific material producers in order to come up with gloves that have appropriate specifications and features for future marketing. The Group sees such joint efforts as an integral part of its R&D initiatives. As result of the Group's cooperation with a material producer, it was able to come up with a synthetic coating for its gloves that has superior adhesion and resistance to process handling.

The Group is now in the last stages of development of a new material for its synthetic surgical gloves. This material will substitute current materials being used for its synthetic surgical gloves and if successful, is estimated to increase sales by at least 50% for its synthetic surgical gloves.

(iii) Process Improvement

The Process Improvement section focuses on three types of R&D initiatives:

- Process technology
- Resource efficiency
- Equipment design

Initiatives under process technology involves research on process improvement methods as well as carrying out experiment and tests on new process methods in order to come up with new equipment designs that will produce higher yields and quality consistency. Some of the R&D on process technology that was carried out by the Group include amongst others, gradual automation and implementation of process logic control ("PLC").

R&D on resource efficiency involve the study to reduce or combine processes in order to reduce rejection rates and increase production cycle time. The resource efficiency initiatives that are being undertaken by the Group are:

- Improvement of material utilisation which includes minimising usage of non-core process chemicals while maximising its effects; and

- Energy savings initiatives which range from research on high efficiency processes to reduction of energy used by existing equipment.

In addition, the Group is currently testing on the implementation of a water treatment facility for the factory using recycling treatment technology. The water treatment facility will be used to treat incoming state water supply, which is poor in quality, as well as recycle discharged water from the factory. Using this facility, the Group would be able to recycle 40% of its water supply by the third quarter of 2004 and recycle 80% of its water supply by the year 2005, thereby contributing to cost savings of RM200,000 per annum in the projected usage of water.

The Process Improvement section is also involved in the design and development of new production lines in cooperation with engineers and fabricators of the Group. This will involve incorporation of the latest technological improvements, new sub-sectors and new process modules in its factories. Older production lines will be upgraded when the newer processes are available, which will then translate into lower production costs.

Ethical Products

R&D efforts on Ethical Products focuses mainly on other disposable medical devices that the Group intends to manufacture in the forseeable future. This inlcude products such as surgical tapes, surgical drapes and electrocardiogram electrodes. At the moment, the Group is in discussions to co-develop the above products. As the Group is focused on hospital disposable products, these new products to be developed would be synergistic with existing products and will result in lower cost of sales and distribution.

6. INFORMATION ON ADVENTA *(cont'd)*

In addition to its R&D initiatives, the Group, from time to time, seeks the advice from an independent clinical advisory team, whose main function is on advising and conducting trials as well as evaluating prototypes. Any new products developed by the Company will be sent to the team for trial use and subsequent feedback. They consist of:

- Dr. Arjumand Hashmi, Cardiovascular Surgeon at the University Community Hospital, Tampa, Florida, USA;
- Dr. Christopher Hee, Chief Medical Officer for the United States Defense Department, Florida, USA;
- Dr. Jose Ferrera, Assistant Clinical Professor in Neurology at the University of South Florida School of Medicine, USA;
- Dr. Vasan Sinnadurai, Consultant Orthopaedic Surgeon at the Ipoh General Hospital, Malaysia; and
- Dr Badrul Baharuddin, Consultant Orthopaedic Surgeon at the Kuala Lumpur General Hospital, Malaysia.

For the three financial years ended 31 January 2004, the Group had spent a total of approximately RM1.3 million on plant technology improvement and new products development which represents approximately 1% of turnover. This is summarised as follows:

	Financial year ended 31 January		
	2002 (RM'000)	**2003 (RM'000)**	**2004 (RM'000)**
R&D spending	430	422	484
% of turnover	1%	1%	1%

The R&D initiatives that have been undertaken successfully by the Group have resulted in:

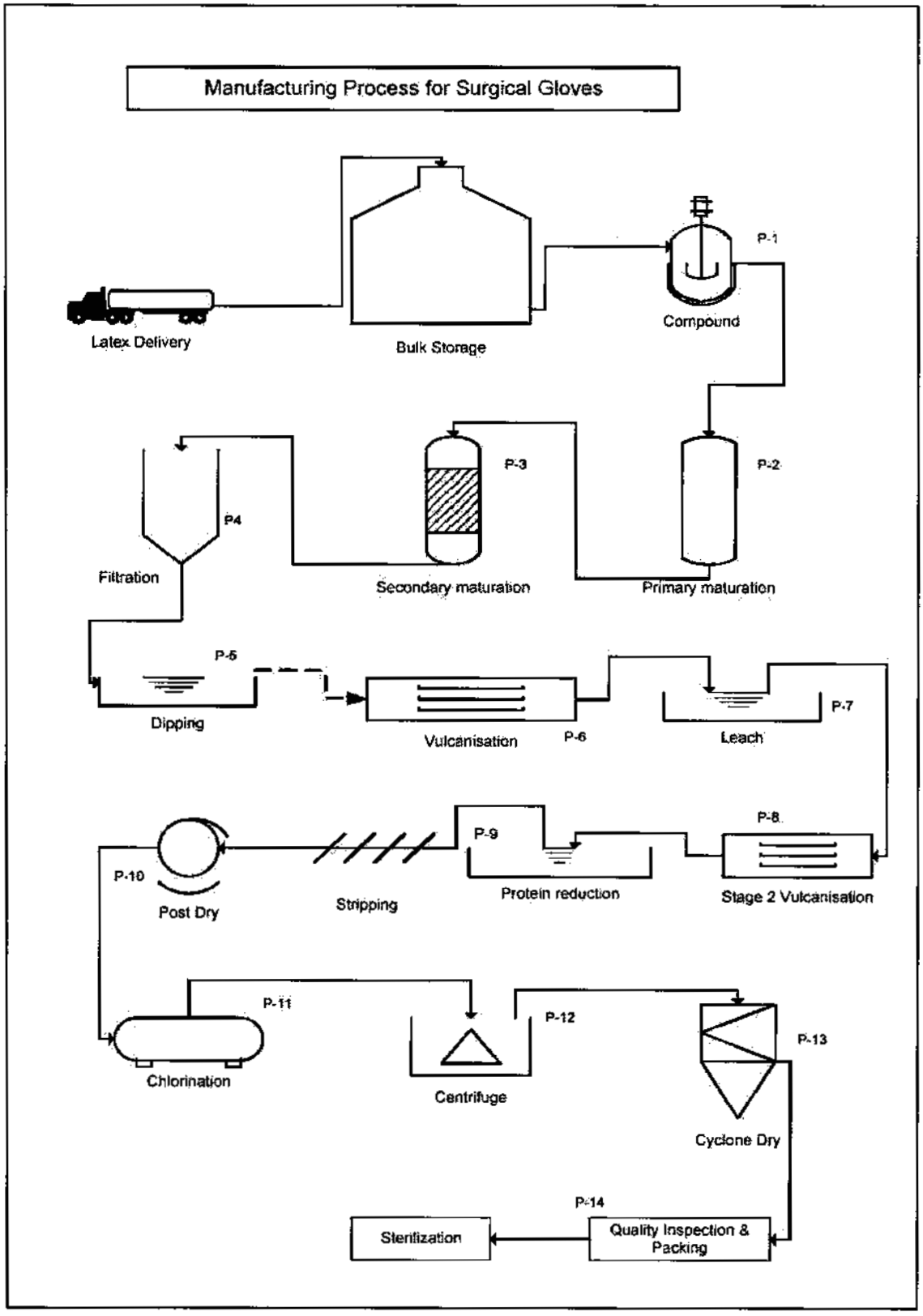
- Higher customer acceptance of the Group's products;
- Higher changeover of users to the Group's products;
- Increase in competitive advantage with other competitors;
- Increase in barriers to entry for competitors in the markets in which the Group has established its distribution network; and
- Enhanced the Group's image as being technologically advanced, innovative and effective in its field.

The Group budgets around RM500,000 per annum for its R&D activities. It is estimated that expenditure for R&D is expected to increase to approximately RM1.5 million for the next three years. Future R&D activities would focus on factory automation, process re-engineering, production process and development of newer and better products to meet end-user requirements, as well as, the possibility of developing R&D facilities as a separate business segment. Specifically, the Group intends to achieve the following in relation to its R&D efforts:

- To have new product or improved versions for launch at the rate of one product per year;
- To have a greater depth of information and data on materials;
- To develop new processes in order to achieve higher efficiencies and cost savings; and
- To work closer with end users to develop new products in line with their expectations and specifications.

6. INFORMATION ON ADVENTA *(cont'd)*

6.12 MANUFACTURING PROCESS



6. INFORMATION ON ADVENTA *(cont'd)*

Notes to manufacturing flowchart for surgical gloves:

Process	Description
Bulk Storage	Latex received by the factory is stored in large tanks of capacity sometimes exceeding 150 tonnes or more. This storage is used again in later stages of the manufacturing process to improve the natural stability of the latex.
Compound (P-1)	The production process starts with the compounding of the stored latex whereby chemicals are added to start the cross-linking of natural latex molecules. This process uses up to 8 or 10 chemicals depending on the properties required. The type of chemicals added will determine the resistance to ageing, storage life, stretch-ability and tensile strength of the product, as well as, hardness, softness, adhesion and other required criteria. The amount of chemicals added also determine the time required to reach a cross-link stage suitable for dipping. A careful balance must be reached to avoid over accelerating this slow process or under cross-linking. At this process, water is added to bring the latex down to a more manageable concentration or solid content. This will influence the thickness of the product.
Primary Maturation (P-2)	After compounding, the latex is pumped into maturation tanks that will very slowly stir the latex and at the same time heat up the latex slightly to whatever heat regime formulated by the formulation team. This will further improve the cross-link process within the latex molecules. After between 20 to 40 hours (depending on the different properties required of the products), the latex is deemed to be almost matured. Tests are carried out to test the readiness of the latex before actual usage on the production lines.
Secondary Maturation (P-3)	In the production of surgical gloves, a secondary maturation is then performed to further improve the properties of the product. This will take another 20 to 40 hours. More chemicals are added slowly to attain the most suitable stage of cross-link and stability. This is also the stage where the 'art' of the trade is and varies from each manufacturer, with different emphasis being placed on the maturation and methods of maturation. The latex used for surgical gloves are the most finely matured compound and are more complicated and sensitive compared to non-sterile gloves. A small misjudgement could result in downtime and lost production if the latex is not at the optimum stage of cross-link.
Filtration (P-4)	At this point, mature latex is filtered to remove any unwanted particles formed during the maturation and transfers.

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6. INFORMATION ON ADVENTA *(cont'd)*

Notes to manufacturing flowchart for surgical gloves *(cont'd)*:

Process	Description
Dipping (P-5)	Proper matured latex is then pumped into long dip tanks where ceramic moulds or formers are dipped into this preparation to achieve a thin layer of latex over the mould or former. This can be assisted by chemicals called coagulants or simply by heat which would require a more elaborate compound formula. Surgical gloves utilise both methods to achieve the required properties and dimensional tolerances. This process is the most sensitive of all the processes on a production line. The latex has to be kept chilled and regularly inspected for changing stability of lump formation or the sedimentation of heavier solids in the dip tank. Ceramic formers are used because of the high resistance to thermal shocks and or chemical attacks. Sometimes, light chemicals are used on a production line to clean the formers after the gloves have been stripped to remove residues. Ceramic is the best material to resist the corrosive effects of these chemicals. The surgical glove formers have specially designed specifications which are based on the anatomy of users' hands with different variation of palm and finger dimensions to suit different sizes of hands. The dipped formers with the thin coating of latex is then partially dried to a wet gel film and then lightly washed to remove excess chemicals used for coagulation.
Vulcanisation (P-6)	Vulcanisation describes the process of cross-linking the rubber molecules together. This is the next step of the manufacturing process. Heated zones of varying temperatures are used to vulcanise the wet gel film. This can be between 90°C to 130°C. At this point, the time in each zone is also carefully monitored. A well vulcanised product is more lasting and protective than a poorly cross-linked product.
Leach (P-7)	This is the process of removing impurities and any unbonded chemicals left in the semi-vulcanised film. Fair amounts of naturally occurring proteins, are removed in this process. This process also improves the shelf life of the products.
Stage 2 Vulcanisation (P-8)	In surgical glove production, the vulcanisation is divided into two stages to improve and bring out the best properties of rubber latex, unlike examination gloves where vulcanisation is very simple and single zoned. Hence it takes much longer and requires more technology input to make a good surgical glove. A second stage of vulcanisation will complete the full cross-link with optimum efficiency of cross-linkers used in the compounding.
Protein Reduction (P-9)	A final stage of protein reduction process is carried out after the second stage vulcanisation. This will reduce the residual proteins that are water soluble to low levels of less than 100 microgramme per gram. At this level, most sensitising allergens are removed.
Stripping	Vulcanised and formed gloves are stripped from the formers.
Post Dry (P-10)	After the stripping stage, a post drying process is carried out to remove remaining moisture.

6. INFORMATION ON ADVENTA *(cont'd)*

Notes to manufacturing flowchart for surgical gloves *(cont'd)*:

Process	Description
Chlorination (P-11)	Products are processed to remove tackiness and powder by through chlorination. This produces gloves that can be easily worn without donning aids.
Centrifuge (P-12)	Chlorinated products are then centrifuged to remove excess water.
Cyclone Dry (P-13)	The products are then dried in a hot air cyclone.
Quality Inspection & Packing (P-14)	All surgical gloves are screened to ensure a high safety level as this is a product used in a high risk profession. The quality of safety is a responsibility to the user and this process ensures a standard of safety exceeding the requirements of international standards. After the quality inspection process, the surgical gloves are packed in a clean controlled room with monitored bio-contamination. The process is semi-automated with the latest packing equipment from Europe. A stringent control is exercised to produce the high quality of packaging necessary for Operation Room infection control. After the packing process, the gloves are then sent for sterilisation.

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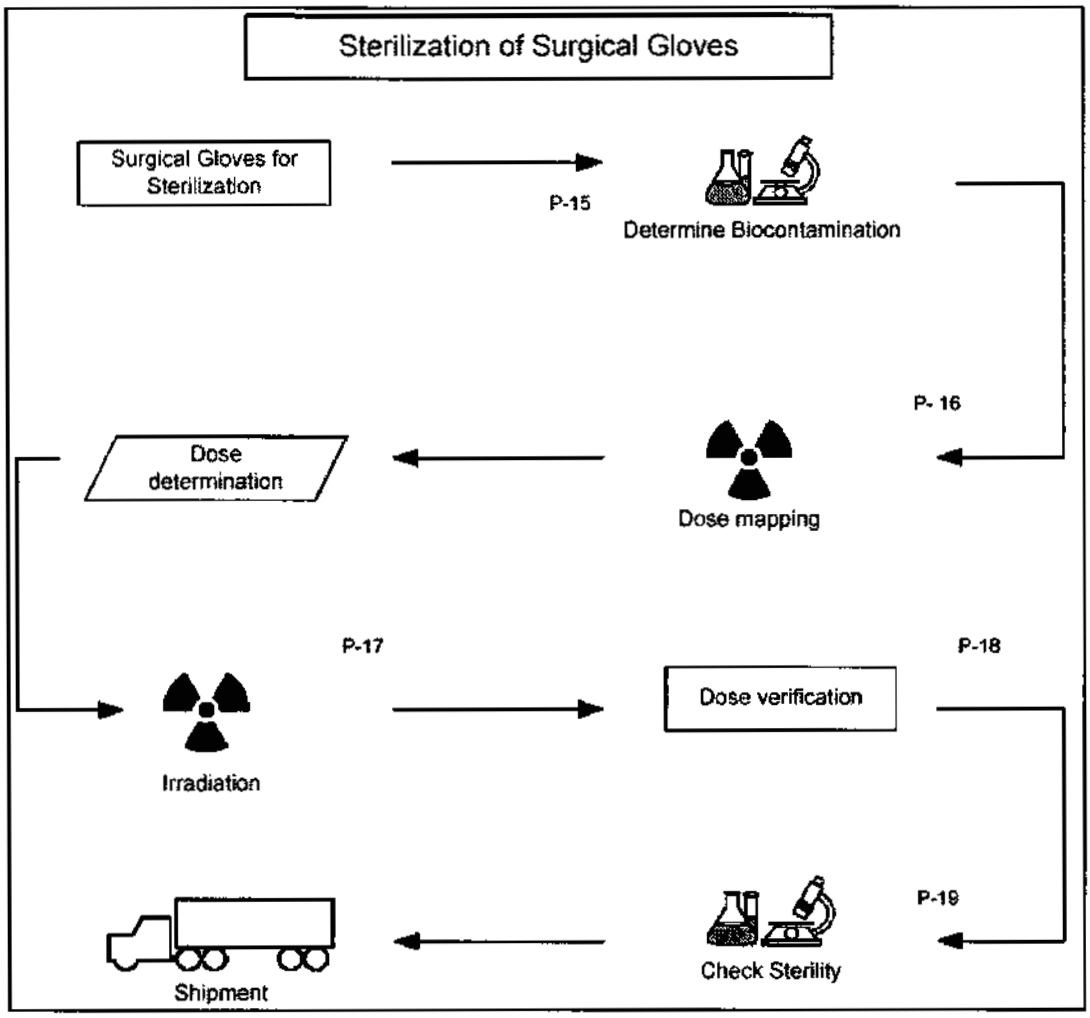
6. INFORMATION ON ADVENTA *(cont'd)*



Notes to manufacturing flowchart for sterilisation of surgical gloves:

Process	Description
Determine Bio-contamination (P-15)	The products are first determined for its bio-contamination and packaging density which will affect the sterilisation process. Biological quantification of the contamination will determine the dosage required and the density will decide the irradiation time and intensity.
Dose Mapping (P-16)	A dosage determined earlier will be applied to products which is a combination of intensity and duration. Packed and sealed products are put through a system of irradiation exposures changing in direction and intensity. The least delivered dosage position is found by mapping. This will determine the final dosage required.
Irradiation (P-17)	Actual irradiation is carried out with Cobalt-60, in a certified sterilisation plant. This process is a clean process with no after process residues.

6. INFORMATION ON ADVENTA *(cont'd)*

Notes to manufacturing flowchart for sterilisation of surgical gloves *(cont'd)*:

Process	Description
Dose Verification (P-18)	Upon completion of the verification process, markers are checked for actual delivered dose and variation dosage over the irradiation volume.
Check Sterility (P-19)	The products are then inspected by the QA team for sterility and process conformance before release for shipment.
Shipment	Post shipment surveillance ensures customer satisfaction and market reactions or shift in preferences.

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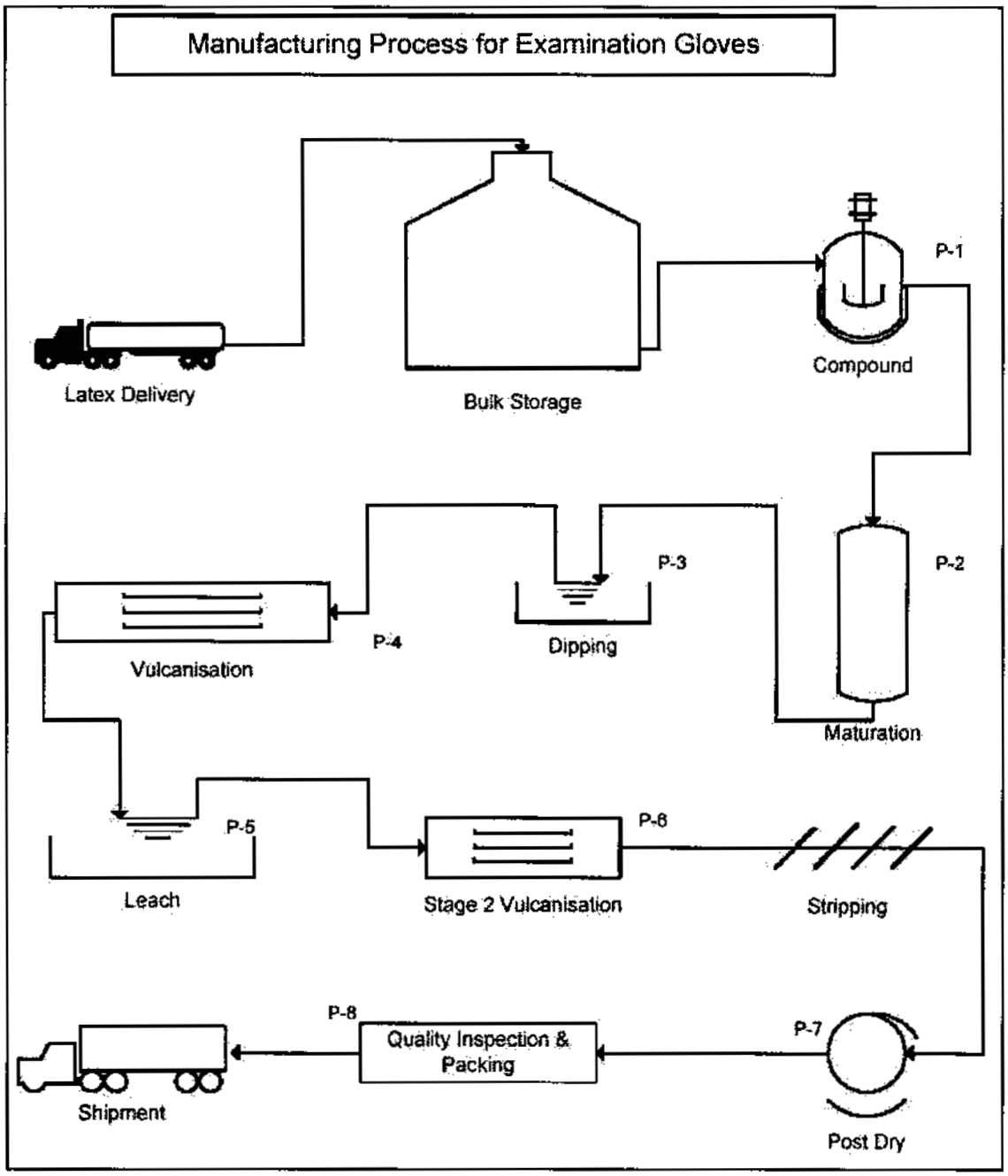

Notes to manufacturing flowchart for examination gloves:

Process	Description
Bulk Storage	Latex received by the factory is stored in large tanks of capacity sometimes exceeding 150 tonnes or more.

6. INFORMATION ON ADVENTA *(cont'd)*

Notes to manufacturing flowchart for examination gloves *(cont'd)*:

Process	Description
Compound (P-1)	The production process starts with the compounding of the stored latex whereby chemicals are added to start the cross-linking of natural latex molecules. This process can take up to 8 or 10 chemicals depending on the properties required. The type of chemicals added will determine the resistance to ageing, storage life, stretch-ability and tensile strength of the product, as well as, hardness, softness, adhesion and other required criteria. The amounts of chemicals added also determine the time required to reach a cross-link stage suitable for dipping. A careful balance must be reached to avoid over accelerating this slow process or under cross-linking. At this process, water is added to bring the latex down to a more manageable concentration or solid content. This will influence the thickness of the product.
Maturation (P-2)	After compounding, the latex is pumped into maturation tanks that will very slowly stir the latex and at the same time heat up the latex slightly to whatever heat regime formulated by the formulation team. This will further improve the cross-link process within the latex molecules. After between 13 to 24 hours (depending on the different properties required of the products), the latex is deemed to be almost matured. Tests are carried out to test the readiness of the latex before actual usage on the production lines.
Dipping (P-3)	Proper matured latex is then pumped into long dip tanks where ceramic moulds or formers are dipped into this preparation to achieve a thin layer of latex over the mould or former. This can be assisted by chemicals called coagulants or simply by heat which would require a more elaborate compound formula. This process is the most sensitive of all the processes on a production line. The latex has to be kept chilled and regularly inspected for changing stability of lump formation or the sedimentation of heavier solids in the dip tank. The dipped formers with the thin coating of latex is then partially dried to a wet gel film and then lightly washed to remove excess chemicals used for coagulation.
Vulcanisation (P-4)	Vulcanisation describes the process of cross-linking the rubber molecules together. This is the next step of the manufacturing process. Heated zones of varying temperatures are used to vulcanise the wet gel film. This can be between 90°C to 130°C. At this point, the time in each zone is also carefully monitored. A well vulcanised product is much more lasting and protective than a poorly cross-linked product.
Leach (P-5)	This is the process of removing impurities and any unbonded chemicals left in the semi-vulcanised film. Fair amounts of naturally occurring proteins, are removed in this process. This process also improves the shelf life of the products. Protein allergens are also removed at this point in time.
Stage 2 Vulcanisation (P-6)	A second stage vulcanisation will complete the full cross-link with optimum efficiency of cross-linkers used in the compounding. This is a single zone chamber.

6. INFORMATION ON ADVENTA *(cont'd)*

Notes to manufacturing flowchart for examination gloves *(cont'd)*:

Process	Description
Stripping	Vulcanised and formed gloves are stripped from the formers.
Post Dry (P-7)	After the stripping stage, a post drying process is carried out to remove remaining moisture.
Quality Inspection & Packing (P-8)	All gloves are then screened to ensure a that there are no holes or other imperfections. After the quality inspection, the gloves are then packed for delivery. The gloves are packed in a clean controlled environment. The process is semi automated.
Shipment	Post shipment surveillance ensures sutomer satisfaction and market reactions or shift in preferences.

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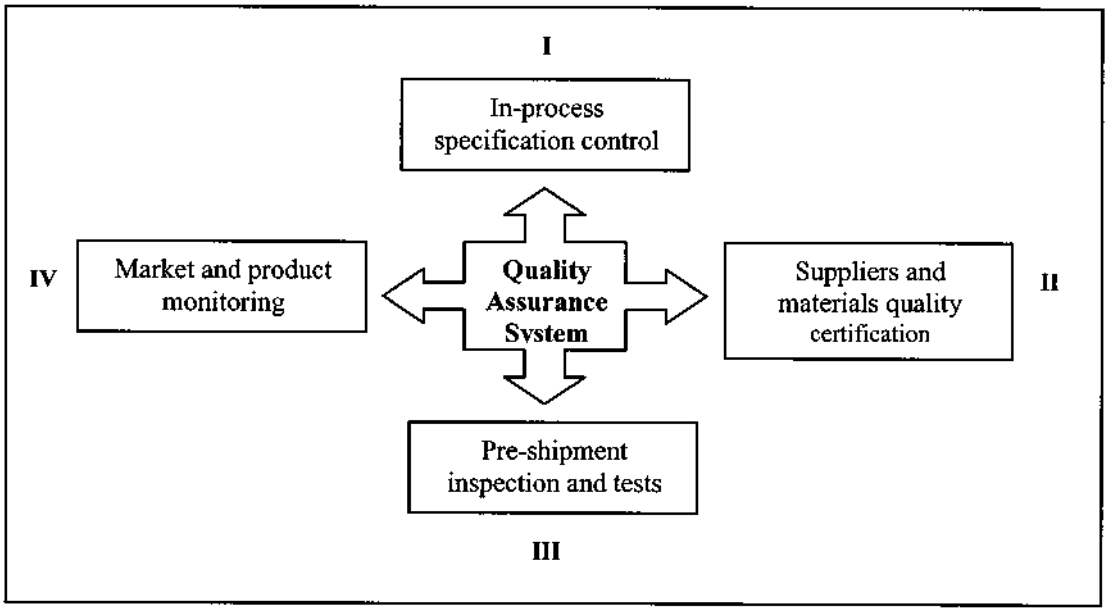
6.13 QUALITY ASSURANCE

The Adventa Group has a quality control system which encompasses the manufacturing, purchasing, sales, supply and marketing processes. The system adopted currently meets the US FDA Good Manufacturing Practices ("GMP"), EN 13488:2001 and ISO 9001:2000 standards and is certified yearly by SGS Yardsley of United Kingdom.

The Quality Assurance System ("QA System") adopted by the Group is illustrated as follows:



I In-process specification control

The in-process specification control is a control and testing procedure during manufacturing. The procedure addresses inspection and testing needs after the receiving process and before Pre-Shipment. During manufacturing a continuous process inspection is carried out by the Quality Assurance ("QA") department, which is integrated in the production area. The sampling size and frequency is specified in the respective instruction. In case of failure, the production personnel will be informed immediately. Inspection results are recorded and archived.

II Supplier and materials quality certification

The purpose of supplier and materials quality certification is to establish acceptability of all materials, packaging, parts or other materials having specifications that are critical to the outcome of outgoing products.

The responsibility for the entire operations of receiving and inspection is divided between the purchasing department sub-group known as Incoming Goods Control ("IGC"), quality sub-group known as Receiving Inspection ("RI") and laboratory unit ("LAB"). All employees are required to assure that any material used in production has successfully completed the receiving process.

III Pre-shipment inspection and tests

The pre-shipment inspection and tests of the QA System allows the QA personnel to determine the overall status of the goods before shipment. Samples are taken from batches and will be checked against specifications and standards. The procedure also determines the Acceptable Quality Level ("AQL") which further enhances the quality of the Group's products.

IV Market and product monitoring

Market and product monitoring involves a customer feedback system which entails a system for preventive and corrective action in order to ensure the highest level of customer satisfaction. The purpose of the customer feedback system is to identify sources of information to provide early warning of any quality problems and for input into the corrective and preventive action system or any positive feedback for continual improvements. There are two types of customer feedback which the Group relies on for its preventive and corrective action system. This is in the form of customer complaints as well as active feedback using questionnaires which are taken every six (6) months.

6.14 MARKETING, DISTRIBUTION AND SALES

Marketing and Distribution

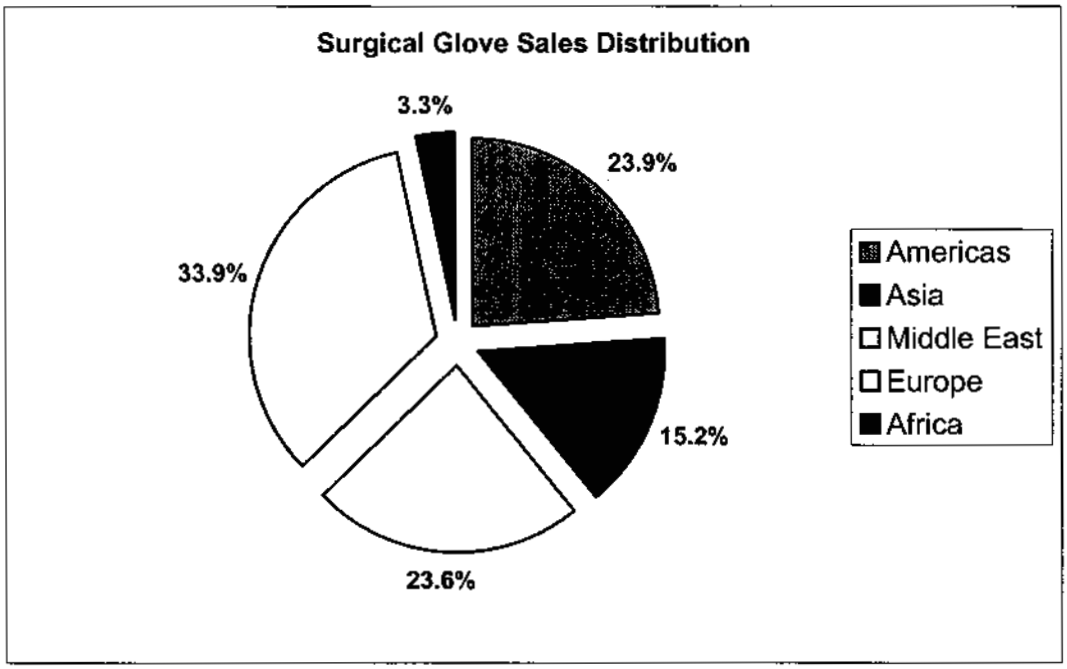
The Group's sales office is headquartered in Kota Bharu, Kelantan. It also has customer support offices in Florida, USA, Buenos Aires, Argentina and Ulm, Germany. Distribution in all countries is done through exclusive agreements with single country distributors. In the USA, products are also delivered directly to a small number of hospitals and retailers and in larger volumes to the hospitals through Group Purchasing Organisation (GPO) appointed supplier-delivery companies.

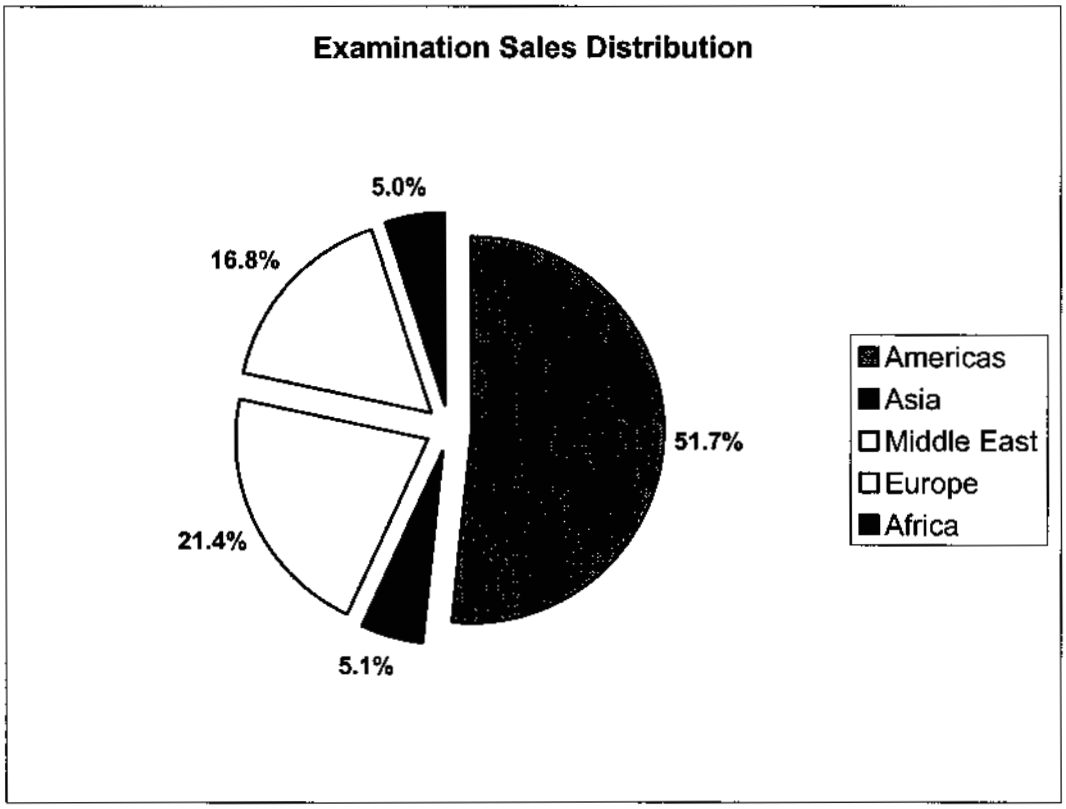
The Group's strategy in marketing its products focuses on end-users in the aim of achieving brand acceptance and recognition of its products and generate demand from the end-user level. Marketing activities of the Group are supported by 16 people consisting of marketing executives, sales representatives, sales supervisors and sales managers. Each sales representative covers a specific geographical area. The sales and marketing team is in charge of promotional campaigns to market their products through professional meetings and congresses, hospital trials, professional magazines and journals as well as trade fairs.

Sales

While the Group's products are sold in the regional market, it mainly targets the overseas market, and specifically the healthcare industry within these markets. At the moment, sale of the Group's examination and surgical gloves are mainly focused in the USA, Europe, South America, Middle East and Africa. Registrations have been obtained for the distribution of the Group's surgical and examination gloves with the Ministry of Health in various countries, for example South America, Middle East, Japan and Korea. This is a pre-requisite requirement in order to supply to the countries concerned and it usually takes two (2) years for the approvals to be obtained.

Enclosed are a breakdown of the Group's sales by regions and products for the financial year ended 31 January 2004.





(Source : Terang Nusa Sdn Bhd)

6.15 MAJOR CUSTOMERS

For the financial year ended 31 January 2004, the following customer of the Group has individually contributed to more than 10% of total Group revenue:

No	Customer	% of sales	Length of relationship
1	Medik Medical	11.1	4 years

For the financial year ended 31 January 2004, the top ten (10) customers for the Group are as follows:

No	Customer	% of sales	Length of relationship
1	Medik Medical	11.1	4 years
2	J. Ruette Com. Import Export	9.3	1 year
3	B. Braun Medical Industries	5.2	3 years
4	Emerson & Co. SRL	3.7	13 years
5	Nitritex Asia Ptd Ltd	3.5	3 years
6	Sensible Healthcare Products Inc.	3.5	6 years
7	Ulma International GmbH	3.3	13 years
8	Wurth UK Ltd	2.0	9 years
9	Guillermo Harding Y Compania	1.7	2 years
10	Abook SP Z.O.O.	1.7	3 years

Although the Group does not have any long term contracts with its customers, its has had long term relationships with its most of its customers ranging from four (4) years to more than 10 years, which has ensured constant inflow of revenues. Further, the Group has a customer base of approximately 170 buyers/distributors and hence is not overly dependent on any one customer for its sales.

6.16 MAJOR SUPPLIERS

For the financial year ended 31 January 2004, major suppliers of the Group contributing individually to more than 10% of total Group purchases were as follows:

Supplier	Location	Materials supplied	% of total purchases	Length of relationship
Felda Rubber Industries Sdn Bhd	Kuala Lumpur	Latex	23.1	13 years
K.L. Trading & Agency House Sdn Bhd	Kuala Lumpur	Latex	15.9	6 years
Petronas Dagangan Bhd	Kuala Lumpur	Fuel Oil	10.1	12 years

6. INFORMATION ON ADVENTA *(cont'd)*

For the financial year ended 31 January 2004, the top ten (10) suppliers for the Group are as follows:

No	Supplier	Products/ services	% of purchases	Length of relationship
1	Felda Rubber Industries Sdn Bhd	Latex	23.1	13 years
2	K.L. Trading & Agency House Sdn Bhd	Latex	15.9	6 years
3	Petronas Dagangan Bhd	Fuel Oil	10.1	12 years
4	Medipack Medical Trading Co., Ltd	Packaging	4.8	2 years
5	Salfic-Alcan (M) Sdn Bhd	Latex	3.2	5 years
6	Sterilgamma (M) Sdn Bhd	Sterilization	2.4	7 years
7	R1 International Malaysia Sdn Bhd	Latex	2.3	1 year
8	United Packaging Industries Sdn Bhd	Packaging	2.2	3 years
9	Trendy Prints Sdn Bhd	Packaging	1.3	13 years
10	Sin Huat Press (Melaka) Sdn Bhd	Packaging	1.1	6 years

Although the Group does not have any long term contracts with its suppliers, the long term relationship with most of its suppliers ranging from three (3) years to 10 years, has ensured that the Group would not have problems in obtaining supplies. Further, it is not overly dependent on any single supplier for its raw materials and packaging materials.

6.17 EMPLOYEES

The Adventa Group has a total of 807 employees. As at 30 April 2004, the following table sets out information on the breakdown of the number of employees and years of service for the Adventa Group:

Category	← Number of Employees →			
	<1 year	1-5 years	>5 years	Total
Managerial	2	4	3	9
Technical and supervisory	9	23	14	46
Clerical and administration	9	13	6	28
Labor (skilled & unskilled)	248	380	96	724
Total	**268**	**420**	**119**	**807**

None of the employees of the Group belong to any unions nor have there been any major industrial disputes in the past.

The Group recognises the importance of its human resource as a central element of any successful organisation and aims to build an experienced, capable and dynamic team. As part of the Group's general human resource planning, members of its staff are required to attend staff training programmes consisting of Basic Skill Training, Skill Enhancement, Refresher Training and Ultra-departmental Training. All staff are required to undergo a minimum of 16 hours (4 sessions of 4 hours each) refresher training each year apart from other designated training hours.

6. INFORMATION ON ADVENTA *(cont'd)*

All training are conducted in-house except for certain Skill Enhancement and Ultra Departmental programs that are conducted by third parties. These include annual Quality Assurance seminars and congresses that highlights new developments and progress in the field of standards, regulatory requirements and international quality assurance.

The training programmes that were conducted during the year ended 30 April 2004 were as follows:

In-house training programmes

- Accounting Program for Accounts Department
- Material Resources Planning Initial Training
- Material Resources Planning Implementation
- Online Order and Purchase Programme
- Supervisor Responsibilities
- Refresher Training for Electronic Testing, Quality Assurance and Packing Operators
- Refresher Training for Production Line Operators

External training programmes

- Latex Compounding
- ISO 9001:2000 Training Programme
- ISO 9001 Internal Auditors Training
- Budget 2003 Seminar
- Maintenance and Energy Savings
- Cost Accounting and Analysis in Industry/ Commerce
- Self Assessment Systems for SMEs

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6.18 KEY ACHIEVEMENTS AND MILESTONES

The following are the key achievements and milestones of the Adventa Group as at 30 April 2004, being the latest practicable date prior to the printing of this Prospectus:

Year	Key Achievements/Milestones
1997	First Malaysian owned company to achieve TÜV European certification for ISO 9002 and EN 46002 for its surgical glove production.
1999	Introduced a synthetic surgical glove from non-latex material.
2000	First Malaysian company to produce x-ray protection surgical gloves for x-ray assisted surgeries.
2001	Commenced supply of surgical gloves to USA Defence Department.
2001	Inspected by the US FDA and certified compliant to FDA requirements for Good Manufacturing Practises ("GMP").
2002	'Maxitex Duplex Orthopaedic Glove' accepted by Christus Hospital Group, USA for use in all its 140 hospitals in USA.
2003	'Maxitex Duplex' accepted and used by Hospital of Special Surgeries, New York, a major reference hospital for orthopaedic products in USA.
2003	Products accepted by SingHealth, a Singaporean public hospital group, enabling TNSB to supply surgical gloves to its hospitals.
2003	Products accepted by Ministry of Health in Malaysia for supply of surgical gloves to government hospitals.
2003	Invited to bid and be a supplier for Novation, Healthtrust and Premier, three of the largest Group Purchasing Organisations (GPO) in USA .
2003	New certification of ISO 9001:2000 and EN 13488:2000 by SGS Yardsley, United Kingdom.
2004	Awarded acceptance by Veteran Administration Department of US Government as a supplier.

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