

7. INFORMATION ON SHAREHOLDERS, DIRECTORS AND KEY MANAGEMENT**7.1 SUBSTANTIAL SHAREHOLDERS AND PROMOTER****Direct and indirect interests**

Based on the Register of Substantial Shareholders of Adventa as at the date of this Prospectus, the direct and indirect interests of the substantial shareholders and Promoter of the Company are as follows:

Name	Nationality	Designation	Direct Shareholding		Indirect Shareholding	
			No of Shares	%	No of Shares	%
Low Chin Guan *	Malaysian	Managing Director	202,500,000	45	45,000,000 [^]	10
Wong Koon Mei @ Wong Kwan Mooi	Malaysian	-	45,000,000	10	202,500,000 [^]	45

Notes:

- * 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
- Promoter

Directorships and substantial shareholdings in public corporations

None of the substantial shareholders and Promoter of the Company has directorship(s) and/or substantial shareholding(s) in any other public corporations for the past two (2) years ended 30 April 2004, being the latest practicable date prior to the printing of this Prospectus.

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7. INFORMATION ON SHAREHOLDERS, DIRECTORS AND KEY MANAGEMENT (cont'd)**Significant changes in shareholdings of substantial shareholders and Promoter of Adventa since its incorporation**

Substantial shareholders	Incorporation of Adventa*		Proforma I After Acquisitions		Proforma II After I and Placement		Proforma III After II and Offer for Sale		Proforma IV After III and Public Issue	
	No. of shares	%	No. of shares	%	No. of shares	%	No. of shares	%	No. of shares	%
Wong Kong Meng	10	50.0	-	0.0	-	0.0	-	0.0	-	0.0
Yeoh Guan Seng	10	50.0	-	0.0	-	0.0	-	0.0	-	0.0
Low Chin Guan [#]	-	-	208,000,000	80.0	208,000,000	52.7	202,500,000	51.3	202,500,000	45.0
Wong Koon Mei @ Wong Kwan Mooi	-	-	52,000,000	20.0	52,000,000	13.2	45,000,000	11.4	45,000,000	10.0
Total held by substantial shareholders	20	100.0	260,000,000	100.0	260,000,000	65.9	247,500,000	62.7	247,500,000	55.0

Notes:

* Incorporation of Adventa Berhad was on 16 June 2003

[#] Promoter

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7. INFORMATION ON SHAREHOLDERS, DIRECTORS AND KEY MANAGEMENT *(cont'd)*

7.2 DIRECTORS

Directors' Profile

LOW CHIN GUAN, a Malaysian aged 44, is the Managing Director of Adventa, TNSB, AHSB and Nusaco. He also holds directorships in PPM and Ulma.

He graduated in 1982 and obtained his Bachelor of Science (Honours) Degree in Civil Engineering from the University of Manchester Institute of Science and Technology (UMIST), United Kingdom. In 1982, he worked for the Drainage and Irrigation Department, Malaysia where he was Project Engineer for the World Bank Rural Development Project for two (2) years. After his stint at the Drainage and Irrigation Department, he then managed a construction company involved with the Asian Development Bank, heading a project in Kemasin, Kelantan for a period of four (4) years. During that time, he was in charge of several civil and construction contracts.

He subsequently founded TNSB in 1988 and has been the Managing Director since. His experience includes project management, operations of a manufacturing plant, operations of an assembly plant, financial control and strategic planning, as well as, marketing and product development.

KWEK SIEW LENG, Malaysian 38, is the Executive Director of Adventa. She is an Associate Member of the Chartered Institute of Management Accountants (CIMA) and a Chartered Accountant with the Malaysian Institute of Accountants (MIA). She worked as an audit supervisor in an accounting firm prior to joining TNSB. She has more than 11 years experience in public practice where she gained most of her experience in statutory and regulatory reporting, financial planning, budgeting and forecasting, taxation, managerial skills as well as system development in various fields. She pursued her business course majoring in Management Accounting at Tunku Abdul Rahman College, Kuala Lumpur.

She has held the post of Finance Manager in TNSB since 2002 and assumed the position of Group Finance Manager of Adventa in 2003. She oversees the accounting, costing, taxation and other functions of the Company, which includes cost management, project appraisal and business strategy.

TOH SENG THONG, Malaysian 46, graduated with a Bachelor of Arts Degree in Commerce (Accounting) from the University of Canterbury, New Zealand in 1981. Subsequent to obtaining his degree, he worked with a local manufacturing company for a year before joining an international accounting firm, KPMG, from 1983 to 1985. Subsequently he joined a local accounting firm as a partner before practicing on his own under Messrs S. T. Toh & Co in 1997. He is a Chartered Accountant by profession and a member of the MIA since 1986. He is also a member of the Malaysian Institute of Certified Public Accountants, New Zealand Institute of Chartered Accountants and a Fellow Member of the Malaysian Institute of Taxation. He has vast experience in auditing, tax planning as well as financial and management advisory.

He sits on the board of Latitude Tree Holdings Berhad, a company listed on the Main Board of Bursa Malaysia. He is an Independent Non-Executive Director of Adventa and Chairman of the Audit Committee of the Company. He is also a member of the Remuneration and Nomination Committee of the Company. He also sits as Corporate Advisor to a few private companies. In 1995, he was awarded the P.J.K. (Pingat Jasa Kebaktian) by the Terengganu State Government. In 1998, he was appointed a Justice of Peace (J.P.).

ABDUL AZIZ BIN DERASHID, Malaysian aged 48, is an Independent Non-Executive Director of Adventa and a member of the Audit Committee. He is an advocate and solicitor and have been practising for around 15 years. He is currently one of the partners of Messrs. Aziz deRashid Rosdin & Co. In addition to his partnership, he is also the Legal Adviser for Majlis Tindakan Rakyat Kelantan since 2002.

7. INFORMATION ON SHAREHOLDERS, DIRECTORS AND KEY MANAGEMENT (cont'd)

He is also actively involved in politics. His political background started in 1985 where he became the Branch Head of the United Malay National Organisation ("UMNO") Club in London. Between 1985 to 1986, he became the Committee Member of the UMNO Club for Ireland and United Kingdom. He was elected as a Kelantan State Assemblyman for Pergau, Kelantan from 1995 to 1999. Since 2000, he is the Committee Member of the UMNO Division in Jeli, Kelantan. He was reappointed as a State Assemblyman for Pergau, Kelantan during the recent elections held in March 2004.

His has held directorships in Bank Kerjasama Rakyat Malaysia Berhad between 1997 to 1999 and 2000 to 2001 as well as Rakyat Corporation Sdn Bhd. Currently, he is the Chairman of the Farmers' Association of Malaysia (Nafas).

Direct and indirect interests

The direct and indirect interests of the Directors of the Company 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 [^]	10.00
Kwek Siew Leng *	Executive Director	600,000	0.13	-	-
Toh Seng Thong *	Independent Non-Executive Director	-	-	-	-
Abdul Aziz bin Derashid *	Independent Non-Executive Director	300,000	0.07	-	-

Notes:

[^] 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

* Assuming full subscription of the Pink Form Shares allocation pursuant to the IPO

Save as disclosed below, none of the Directors of the Company has directorship(s) and/or substantial shareholding(s) in any other public corporations for the past two (2) years ended 30 April 2004, being the latest practicable date prior to the printing of this Prospectus.

Director	Public Corporation	Date of Appointment	Shareholding as at 30 April 2004
Toh Seng Thong	Latitude Tree Holdings Berhad	18 August 2003	-

Directors' remuneration

For the financial year ended 31 January 2004, no amount has been paid to the Directors of the Group for their services rendered in all capacities to the Group.

For the financial year ending 31 January 2005, the estimated amount payable to the Directors for their services rendered in all capacities to the Group is RM600,000, detailed as follows :

Remuneration and benefit (Band)	Number of Directors for the year ending 31 January 2005
Below RM50,000	2
RM50,001 – RM100,000	1
RM100,001 – RM200,000	-
RM200,000 – RM500,000	1

7. INFORMATION ON SHAREHOLDERS, DIRECTORS AND KEY MANAGEMENT (cont'd)**7.3 AUDIT COMMITTEE**

The Audit Committee comprises of the following members:

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

The Audit Committee is responsible for the recommendation to the Board of Directors on the selection of external auditors, reviewing the results and scope of audits and other services provided by the Company's external auditors as well as reviewing and evaluating the Company's internal audit and control functions. The Audit Committee is also responsible for the assessment of financial risks and matters relating to related party transactions and conflicts of interests. The Audit Committee may obtain advice from independent parties and other professionals in the performance of its duties.

7.4 KEY MANAGEMENT/KEY TECHNICAL PERSONNEL**Key Management Profile**

The profile on **LOW CHIN GUAN** and **KWEK SIEW LENG** are enclosed in Section 7.2 of this Prospectus.

KANG JIN KIAT, Malaysian aged 33, is the Purchasing Manager for the Group. He holds a Bachelor of Arts (Honours) Degree in Mass Communication from Universiti Kebangsaan Malaysia. Prior to joining the Group, he was the Assistant Sales Manager for Tritex Container Sdn Bhd for four (4) years.

His has vast experience in paper, printing and packaging machinery and is responsible for all procurement functions and packaging machinery for the Group. In addition, he is in charge of the Purchasing Department, Packaging Department and Store. He has attended numerous training programmes under the Group including amongst others, Purchasing Management, Negotiation Skills and Packaging Training in France and Spain. He has been with TNSB since 1999.

NOOR AZMAN AWANG, Malaysian aged 36, is the Human Resource Manager for the Group. He is a graduate from the University of London where he read Law. He has also passed the Malaysian Futures and Options Registered Representative (MFORR) examination in 1995.

He began his career as a Trainee Futures Broker Representative with Philips Securities PLC and has had considerable working experience from working and studying in the United Kingdom for five (5) years. He has attended various training programmes including Human Resource Management, Safety and Health, Quality and Productivity as well as Management Skills. He now has more than six (6) years experience in human resource management. He has been with TNSB since 1997.

MICHEL MAX AMREIN, Swiss aged 47, has worked with the manufacturing and services industry for eight (8) years before moving into sales management. He was previously involved in airline logistics with Swiss Air for four (4) years before serving in the steel industry for another four (4) years. The next 12 years of his career was spent in the beverages and food industry before being committed to the medical industry in 1996. He currently serves in the capacity as Regional Sales Manager for the Group and joined the Group in 2003.

7. INFORMATION ON SHAREHOLDERS, DIRECTORS AND KEY MANAGEMENT (cont'd)

DR. PETER SCHWADERER, German aged 43, graduated from the University of Passau in Germany with a Degree in International Marketing and obtained his Doctorate in 1989. Between 1981 to 1985, he studied Chinese Literature in the Taiwan National Normal University.

He started off his career with a Hong Kong based German company as a Sales Manager for electronic office equipment in 1989. A year later, he became the General Manager for Ulma Technische Produkte GmbH & Co. dealing in medical disposable products. He is responsible for the Sales Division and is in charge of the regions of Europe and the Middle East in his capacity as Regional Sales Manager for the Group. He joined the Group in 2003.

Key Technical Personnel Profile

SEOW HOI BEN, Malaysian aged 50, is the Production Manager and has been with TNSB for five (5) years. Over the years, he has acquired vast experience in the rubber related industry. He has had more than 18 years experience, working in several capacities in local and multinational manufacturing companies.

He obtained his Bachelor of Arts Degree from the Trinity College, University of Dublin in 1981 and has undergone training in Advanced Manufacturing Management from the Asian Institute of Management in 1993.

He started off his career in 1984 with Goodyear Malaysia Berhad as a Management Trainee where he was promoted to the position of Area Manager after two years. In 1989, he assumed the responsibility of Production Manager in Silverstone Berhad. Prior to his appointment in the Group, he was the Production Manager for Blackstone Tire and Rubber Company for four years. He has been with TNSB since 1998.

RAHAYU MAT ZIN, Malaysian aged 31, joined TNSB 11 years ago as a Purchasing Officer. She then served the Operations Division and was involved sales. Having grown with TNSB and served in a variety of disciplines, she has gained valuable hands-on experience in terms of knowledge of the production process. She was responsible for the setting up of the Electronic Testing Department. She is currently the Group QA Manager and is heading the committee for the ISO9001:2000 certification for the Group. She has been with TNSB since 1992.

KANG GEOK SHIEN, Malaysian aged 31, obtained her Degree in Analytical Chemistry from University Science Malaysia in 1997. Prior to that, she has a Diploma in Laboratory Technology from the same university.

She was initially entrusted with the activities of the Production Laboratory and was later involved in the analytical process of production and research. She was also involved in the troubleshooting process together with the Production and Quality Assurance Managers. Her contributions to the Group can be seen in the expansion of laboratory operations and the introduction of R&D facilities within the Group.

She is now the R&D Manager and now heads R&D efforts, a group of six chemists and 15 laboratory assistants. She is also responsible for two laboratories which carries out experiments and research for the Group. She has been with TNSB since 1997.

LIM WENG HENG, Malaysian aged 36, is the General Manager for PPM and has vast experience in the rubber industry. His career started off in 1986 with a short stint in Taiwan, where he had his practical training in rubber glove technology involving production, compounding and troubleshooting. He was the Factory Manager at Koon Seng Sdn Bhd, a local examination gloves manufacturer, for almost ten (10) years before joining the Adventa Group. He has had various training and certification, which includes amongst others, training in centrifuging and compounding of latex, as well as, polymer and vulcanised latex organised by the Rubber Research Institute of Malaysia (RRIM). He was also trained as an auditor for the ISO 9002 and EN 46002 certification. He joined the Group in 2003.

7. INFORMATION ON SHAREHOLDERS, DIRECTORS AND KEY MANAGEMENT (cont'd)**Direct and indirect interests**

The direct and indirect interests of the key management and key technical personnel of the Group are as follows:

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

Notes:

[^] 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

^{*} Assuming full subscription of the Pink Form Shares allocation pursuant to the IPO

None of the key management and key technical personnel of the Company has directorship(s) and/or substantial shareholding(s) in any other public corporations for the past two (2) years ended 30 April 2004, being the latest practicable date prior to the printing of this Prospectus.

7.5 DECLARATION FROM DIRECTORS, KEY MANAGEMENT AND KEY TECHNICAL PERSONNEL

None of the Directors, key management or key technical personnel of Adventa Group, is or has been involved in any of the following events:

- a petition under any bankruptcy or insolvency laws that was filed (and not struck out) against such person or any partnership in which such person was a partner or any corporation of which such person was a director or key personnel;
- charged and/or convicted in a criminal proceeding or is named subject of a pending criminal proceeding; and
- a subject of any order, judgement or ruling of any court of competent jurisdiction temporarily enjoining such person from acting as an investment adviser, dealer in securities, director or employee of a financial institution and engaging in any type of business practice or activity.

7. INFORMATION ON SHAREHOLDERS, DIRECTORS AND KEY MANAGEMENT (cont'd)

7.6 MANAGEMENT SUCCESSION PLAN

The Group's management succession plan to ensure its continued success and future growth includes amongst others the following:

- (a) to hire personnel of high caliber, experience and qualifications;
- (b) to provide on the job training in technical and management skills; and
- (c) to groom the younger members in the key management and key technical personnel team to undertake more responsibilities to build an experienced, capable and dynamic team.

In addition, to ensure that personnel will continue to be motivated and dedicated to the Group, the Group intends to implement an employees' share option scheme to enable equity participation in the Group.

7.7 RELATIONSHIPS

With the exception of the family relationship between Low Chin Guan and Wong Koon Mei @ Wong Kwan Mooi, who is his mother, there are no other relationships or associations between the substantial shareholders, Promoter, Directors, key management and key technical personnel of Adventa Group.

7.8 SERVICE AGREEMENTS

There are no service agreements existing or proposed that have been entered into between Adventa and the Directors, key management and key technical personnel of Adventa Group.

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8. APPROVALS AND CONDITIONS

8.1 APPROVALS FOR IPO

The SC and FIC (vide SC) had approved the IPO scheme vide its letter dated 22 March 2004. MITI vide its letter dated 9 October 2003, has no objections to the IPO and the listing of and quotation for the entire enlarged share capital of Adventa on the Second Board of Bursa Malaysia. The approvals from the aforesaid authorities were subjected to the following conditions:

Authority	Conditions imposed	Status of compliance															
SC	1. SC takes note that the listing proceeds will be utilised in the following manner:	The utilisation of proceeds have been amended (please refer to Section 3.6 of this Prospectus), subsequent to the price fixing of the issue/offer price at RM0.30 per Share. The SC was informed of the amendments in the utilisation of proceeds vide the letter dated 28 May 2004.															
	<table><tr><th>Utilisation</th><th>Amount (RM'000)</th></tr><tr><td>Capital expenditure</td><td>14,700</td></tr><tr><td>Repayment of bank borrowings</td><td>6,000</td></tr><tr><td>Research & development</td><td>500</td></tr><tr><td>Estimated listing expenses</td><td>1,500</td></tr><tr><td>Working capital</td><td>2,950</td></tr><tr><td></td><td>25,650[^]</td></tr></table>		Utilisation	Amount (RM'000)	Capital expenditure	14,700	Repayment of bank borrowings	6,000	Research & development	500	Estimated listing expenses	1,500	Working capital	2,950		25,650[^]	
	Utilisation		Amount (RM'000)														
	Capital expenditure		14,700														
	Repayment of bank borrowings		6,000														
	Research & development	500															
	Estimated listing expenses	1,500															
	Working capital	2,950															
		25,650[^]															
	[^] Based on an indicative issue price of RM0.135 per Share																
However, the conditions that have to be complied for the utilisation of proceeds is as follows:																	
(a) Adventa is required to disclose the purpose and timeframe for the utilisation of the proceeds in the listing prospectus. Any extension of time from the timeframe determined for the utilisation of proceeds must be approved by a clear resolution by the Board of Directors of Adventa and disclosed fully to Bursa Malaysia; and																	
(b) Appropriate disclosures on the status of utilisation of proceeds must be made in the quarterly reports and annual reports of Adventa until the proceeds have been fully utilised.																	
2. The proposed directors of Adventa, upon their appointment, are required to make a declaration to the SC per Schedule 16.02(3) of the SC Guidelines.	The timeframe for utilisation of proceeds is set out in Section 3.6 of this Prospectus. The requirement on extension of time will be met by Adventa should there be any extension of time for the utilisation of proceeds.																
3. As required under the SC Guidelines, a moratorium is imposed on the Adventa Shares held by the following shareholder, whereby the said shareholder is not allowed to sell, transfer or assign his shareholding amounting to 202,500,000 Adventa Shares, representing 45% of the enlarged issued and paid-up capital of Adventa, for one (1) year from the date of listing on Bursa Malaysia:	The Company has undertaken to comply with the said requirements.																
	Complied. The relevant declarations by the Directors to the SC have been submitted on 19 May 2004.																
	The said moratorium has been placed on the 202,500,000 Adventa Shares held by the promoter, Mr Low Chin Guan.																

8. APPROVALS AND CONDITIONS (cont'd)

Authority	Conditions imposed			Status of compliance
SC (cont'd)		Shares placed under moratorium		
	Promoter	No of shares	% of enlarged issued and paid-up capital	
	Low Chin Guan	202,500,000	45	
	4. Adventa is required to fully disclose the following risks factors in the listing prospectus:			
	(a) Risks relating to shortage of long term contracts in the industry and steps to be taken by the Company to mitigate this risk;			Disclosed in Section 4.1 (k) and (l).
	(b) Risks in relation to source and viability of obtaining raw materials and steps to be taken in order to mitigate this risk;			Disclosed in Section 4.1 (d).
	(c) Risk management policies and procedures to mitigate the major business risks of Adventa Group, including risks of fire, energy crisis and other risks which may affect the operations or financial performance of the Group; and			Disclosed in Section 4.1 (g).
	(d) Risks relating to foreign currency exchange and steps to be taken by the Company to mitigate this risk.			Disclosed in Section 4.1 (h).
	5. The Group must make disclosures in the prospectus on its management succession plan.			Disclosed in Section 7.6.
	6. In relation to its trade debtors, Adventa is required to comply with the following:			
	(a) Adventa is required to fully disclose in the listing prospectus, the total as well as aging analysis of its trade debtors. The Board of Directors of Adventa is required to comment on the recoverability of trade debtors who have exceeded their credit limits;			Disclosed in Section 10.7.
	(b) Adventa is required to disclose in the listing prospectus, the risks and difficulty in recovering the amounts owed by the foreign trade debtors and steps to be taken to mitigate such risks; and			Disclosed in Section 4.3 (d).

8. APPROVALS AND CONDITIONS (cont'd)

Authority	Conditions imposed	Status of compliance
SC (cont'd)	<p>(c) Full provision must be made for trade debtors where:</p> <ul style="list-style-type: none"> • There are disputed amounts; • Legal action have been started/taken; or • The credit period has exceeded six (6) months <p>The Board of Directors of Adventa are required to furnish written confirmation that the terms above have been complied with before the listing prospectus of Adventa have been issued; and</p> <p>(d) The Board of Directors are required to furnish written confirmation that trade debtors who have exceeded their credit period are recoverable and that full provisions have been made in the accounts and financial forecast for the Group.</p> <p>7. Adventa must ensure that at least 30,000,000 of its ordinary share of RM0.10 each are allocated to retail investors through the balloting process.</p> <p>8. In relation to the landed property Lot No. PT 4093 (New Lot No. 5052), Mukim of Panchor, District of Kota Bharu, Kelantan, Adventa is required to furnish a written undertaking that it will use its best endeavour to:</p> <ul style="list-style-type: none"> (a) obtain the Certificate of Fitness ("CF") before occupation of the said property; and (b) inform SC upon receipt of the CF. <p>9. Adventa is required to disclose sensitivity analysis on the performance of its forecast in its listing prospectus.</p> <p>10. The Directors of Adventa are required to confirm and provide a declaration to the SC on whether the Group has sufficient reserves and financing to meet its cashflow requirements before the issuance of the listing prospectus.</p> <p>11. The Group is required to disclose in its listing prospectus on whether it has sufficient reserves and financing to meet its cashflow requirements.</p>	<p>The full provision for the said trade debtors amounting to RM2.5 million was made in the financial statements for the year ending 31 January 2005.</p> <p>The said written confirmation from the Board of Adventa has been furnished to the SC on 26 May 2004, prior to the issuance of the Prospectus.</p> <p>The said written confirmation from the Board of Adventa has been furnished to the SC on 26 May 2004, prior to the issuance of the Prospectus.</p> <p>Complied.</p> <p>Complied vide the letter from Adventa to SC dated 4 May 2004.</p> <p>Disclosed in Section 10.9.</p> <p>The said written confirmation from the Board of Adventa has been furnished to the SC on 26 May 2004, prior to the issuance of the Prospectus.</p> <p>Disclosed in Section 2.11(i) and Section 10.6.</p>

9. APPROVALS AND CONDITIONS (cont'd)

Authority	Conditions imposed	Status of compliance
SC (cont'd)	<p>12. Any future transactions between Adventa and parties or subsidiaries related to the Promoter, directors and substantial shareholders of Adventa must be made at arms' length basis and not based on terms which will be detrimental to the Group. In relation thereto, Adventa's Audit Committee shall monitor, and the Directors shall report, any such transactions in the annual report of Adventa.</p> <p>13. Affin Merchant/ Adventa is required to furnish a copy of the final ESOS By-Laws for SC's record purposes and a confirmation letter on the following:</p> <p>(a) all the terms of the approval by SC have been complied and that the ESOS By-Laws do not breach SC's ESOS Guidelines; and</p> <p>(b) the ESOS has been approved by all relevant authorities and that the conditions imposed has been complied with.</p> <p>14. Affin Merchant/ Adventa is required to inform the SC on the effective equity structure upon implementation of the IPO.</p> <p>15. The Group is required to fully comply with the relevant requirements for the implementation of the above proposals as set out in the SC Guidelines.</p>	<p>The Company has undertaken to comply with the said condition.</p> <p>To be complied upon implementation of the ESOS.</p> <p>To be complied upon implementation of the IPO.</p> <p>Noted.</p>
MITI	<p>1. The 135,000,000 Adventa Shares is conditional upon MITI's approval whereby the allocation shall be decided upon receipt of SC's approval.</p> <p>2. To obtain the approval of the SC for the listing scheme and to comply with the guidelines on takeovers, acquisitions and mergers.</p>	<p>MITI vide their letter dated 9 October 2003 has no objections to the IPO and the listing of and quotation for the entire enlarged share capital of Adventa on the Second Board of Bursa Malaysia.</p> <p>The allocation of the 135,000,000 Adventa Shares to Bumiputera investors was approved by MITI on 2 June 2004.</p> <p>Approval from SC was obtained on 22 March 2004.</p>

8. APPROVALS AND CONDITIONS (cont'd)

Further to the above, the SC takes note and has no objection to the equity structure of Bumiputera, non-Bumiputera and foreign parties in Adventa that will be changed following the implementation of the IPO as follows:

Category	Before IPO (% shareholding)	After IPO (% shareholding)
Bumiputera	0.00	34.50
Non-Bumiputera	100.00	65.50
Foreign	0.00	0.00
Total	100.00	100.00

8.2 MORATORIUM ON SHARES

The SC, in approving the listing of Adventa, imposed a moratorium on the disposal of the 202,500,000 shares representing 45% of the enlarged issued and paid-up capital of Adventa held by the Promoter. The Promoter will not be allowed to sell, transfer or assign his respective shareholding in Adventa that are placed under moratorium within one (1) year from the date of admission of Adventa to the Official List of the Second Board of Bursa Malaysia.

Details of the Promoter whose shares are under moratorium are as follows:

Promoter	Shareholdings after Public Issue		Shareholdings under moratorium	
	No of shares	% of enlarged issued and paid-up share capital	No of shares	% of enlarged issued and paid-up share capital
Low Chin Guan	202,500,000	45.0	202,500,000	45.0

The restriction, which has been fully accepted by the Promoter, is specifically endorsed on the share certificates and notice of allotment representing the respective shareholding of the Promoter which are under moratorium to ensure that the share registrar does not register any share transfer which is not in compliance with the restriction imposed by the SC.

The statement to be endorsed on the said certificates is as follows:

"The shares comprised herein are not capable of being sold, transferred or assigned for a period as determined by the Securities Commission ("Moratorium Period"). Accordingly, the shares comprised herein will not constitute good delivery pursuant to the Rules of Exchange during the Moratorium Period. No share certificate or certificates will be issued to replace this certificate during the Moratorium Period unless the same shall be endorsed with this restriction."

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9. RELATED PARTY TRANSACTIONS AND CONFLICTS OF INTERESTS

9.1 RELATED PARTY TRANSACTIONS

There are recurrent transactions between TNSB and certain related parties of a revenue or trading nature, which are necessary for the day-to-day operations of TNSB ("Related Party Transactions"). Such transactions are carried out at arms' length basis and on commercial terms not more favourable to the related parties than those generally available to the public and will not be detrimental to the minority shareholders of Adventa.

Disclosures will be made in the annual report of the Company of the aggregate value of transactions conducted based on the nature of Related Party Transactions made, names of related parties involved in each type of transaction(s) and their relationship with the Company.

Details of the Related Party Transactions are as follows:

Transacting parties	Nature of relationship	Nature of transaction	Value for the financial year ended 31 January 2004 (RM'000)
TNSB and Sensible Healthcare Products, Inc.	Low Chin Guan is a substantial shareholder and director of TNSB and Sensible Healthcare Products, Inc.	Distributor for TNSB's surgical and examination gloves	3,340
TNSB and Transfield (Zhongsan) Healthcare Ltd	Low Chin Guan is a substantial shareholder and director of TNSB and holds directorship in Transfield (Zhongsan) Healthcare Ltd	Sub-contract charges for packaging of gloves	3,436

Save as disclosed above, there are no current and/or subsisting related-party transactions or arrangements between the Group and its shareholders and/or Directors and/or key management and/or key technical personnel and/or persons connected with any of the aforementioned persons.

9.2 TRANSACTIONS UNUSUAL IN NATURE OR CONDITIONS

The Group does not have any transactions that are unusual in their nature or conditions, involving goods, services, tangible or intangible assets, to which the Group was a party in respect of the past one (1) financial year and the subsequent financial period thereof, if any, immediately preceeding the date of this Prospectus.

9.3 OUTSTANDING LOANS MADE BY ADVENTA TO RELATED PARTIES

As at 30 April 2004, being the latest practicable date prior to the printing of this Prospectus, there are no outstanding loans made by Adventa Group to or for the benefit of related parties.

9.4 INTERESTS IN SIMILAR BUSINESS

Save as disclosed in Section 9.1, none of the Directors, Promoter, substantial shareholders, key management and/or key technical personnel of the Group have any interests, directly or indirectly, in any business carrying on similar trade as the Group.

9. RELATED PARTY TRANSACTIONS AND CONFLICTS OF INTERESTS (cont'd)

9.5 PROMOTION OF ANY MATERIAL ASSETS

Save as disclosed in Section 16.7 on Material Contracts, none of the Directors of the Company has any interests, direct or indirect, in the promotion of, or in any material assets which have, within two (2) years preceding the date of this Prospectus, been acquired or disposed off or leased to the corporation or any of its subsidiary companies, or are proposed to be acquired or disposed off or leased to the corporation or any of its subsidiary companies, in any contract or arrangement subsisting at the date of this Prospectus which is significant in relation to the business of the Company and its subsidiaries taken as a whole.

9.6 DECLARATION BY ADVISERS

Affin Merchant confirms that it does not have any equity interests in Adventa and/or its subsidiary companies and has not extended any credit facilities to Adventa and/or its subsidiary companies.

Messrs Fatimah Kei & Leong, the solicitors for the IPO, have declared that they do not have any relationship with Adventa and/or its subsidiaries which may give rise to a situation of conflict of interest.

Messrs Yeng & Co., the Auditors and Reporting Accountants for the IPO, have declared that they do not have any relationship with Adventa and/or its subsidiaries which may give rise to a situation of conflict of interest.

Frost & Sullivan, the market study consultant for the preparation of the Market Report, have declared that they do not have any relationship with Adventa and/or its subsidiaries which may give rise to a situation of conflict of interest.

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