
13. OTHER GENERAL INFORMATION

13.1 SHARE CAPITAL

- (i) No shares will be allotted or issued on the basis of this Prospectus later than twelve (12) months after the date of this Prospectus.
- (ii) Save for the ESOS referred to in Section 10.5 of this Prospectus, no person has been or is entitled to be given an option to purchase or subscribe for any shares, stocks or debentures of the Company.
- (iii) There are no founder, management or deferred shares. There is only one (1) class of shares in the Company, namely ordinary shares of RM0.10 each, all of which rank pari passu with one another.
- (iv) Save for the ESS and ESOS referred to in Sections 10.4 and 10.5 respectively in this Prospectus, as at 29 December 2003, being the latest practicable date prior to the printing of the Prospectus, there are at present no other schemes involving the employees in the share capital of the Company.
- (v) Save for the Issue Shares and as disclosed in Sections 4.4 and 10.2 of this Prospectus, no shares or debentures of the Company have been or proposed to be issued partly or fully paid-up in cash or otherwise than in cash within the two (2) years preceding the date of this Prospectus.

13.2 ARTICLES OF ASSOCIATION

Terms defined in the Company's Articles of Association shall have the same meanings when used here unless they are otherwise defined here or the context otherwise requires.

(i) Transfer of Securities and Transmission of Shares

The provisions of the Articles of Association of the Company in respect of the arrangements for the transfer of shares and restrictions on their free transferability are as follows:

Article 43

Subject to the Companies Act, 1965 ("Act"), Listing Requirements, the Central Depositories Act and the Rules of the Central Depository ("Rules"), all transfer of shares or securities or class of shares or securities of the Company by registered members shall be effected by way of book entry by the Central Depository in accordance with the Rules and, notwithstanding Sections 103 and 104 of the Act and any exemption that may be made from compliance with subsection 107C(1) of the Act, the Company shall be precluded from registering and effecting any transfer of shares or securities. Any fee charged on the transfer of securities shall not exceed RM3.00 per transfer or such sum as shall from time to time be fixed by the KLSE. There shall be no restriction on the transfer of fully paid securities which are quoted or to be quoted, except where required by law. Subject to the Act, the Central Depositories Act and the Rules, no share shall in any circumstances be transferred to any infant, bankrupt or person of unsound mind.

13. OTHER GENERAL INFORMATION (Cont'd)

Article 44

Subject to the provisions of the Central Depositories Act and the Rules any member may transfer all or any of its shares by instrument in writing in the form prescribed and approved by the KLSE and the Companies Commission of Malaysia. Subject to these Articles, there shall be no restriction on the transfer of fully paid up shares except required by law. The instruments shall be executed by or on behalf of the transferor and transferee and the transferor shall remain the holder of the shares transferred until the transfer is registered and the name of the transferee is entered in the Register and/or the Record of Depositors as the case may be, in respect thereof. All transfer of deposited securities shall be effected in accordance with the Act, the Central Depositories Act and the Rules.

Article 45

In case of the death of a member, the executors or administrations of the deceased, shall be the only persons recognised by the Company as having any title to his interest in the shares, but nothing in this Article shall release the estate of a deceased holder from any liability in respect of any share held by him.

Article 46

Any person becoming entitled to a share in consequence of the death or bankruptcy or a member may, upon such evidence being produced as may from time to time properly be required by the Directors and subject as hereinafter provided elect either to be registered himself as the holder of the share or to have some other person nominated by him registered as the transferee thereof, but the Directors shall, in accordance with the provisions of written law, have the same right to decline or suspend registration as they would have had in the case of a transfer of the share by that member before his death or bankruptcy. Provided always that where the share is a deposited subject to the Rules, a transfer of the share may be carried out by the person so becoming entitled.

Article 47

If the person so becoming entitled elects to be registered himself, he shall deliver or send to the Company a notice in writing signed by him stating that he so elects provided that where the share is a Deposited Security and the person becoming entitled elects to have the share transferred to him, the aforesaid notice must be served by him on the Central Depository. If he elects another person registered he shall testify his election by executing to that person a transfer of share. All limitations, restrictions and provisions of this Article relating to the rights to transfer and the registration of transfer of share shall be applicable to any such notice or transfer as aforesaid as if the death or bankruptcy of the member had not occurred and the notice or transfer were a transfer signed by that member.

13. OTHER GENERAL INFORMATION (*Cont'd*)

Article 48

- (1) Where:
- (a) the shares of the Company are listed on an Approved Market Place; and
 - (b) the Company is exempted from compliance with Section 14 of the Central Depositories Act, or Section 29 of the Securities Industry (Central Depositories) (Amendment) Act, 1998, as the case may be, under the Rules in respect of such securities, the Company shall, upon request of a member, permit a transmission of shares held by such member, from the register of holders maintained by the registrar of the company in the jurisdiction of the Approved Market Place (hereinafter referred to as "the Foreign Register"), to the register of holders maintained by the registrar of the Company in Malaysia (hereinafter referred to as "the Malaysian "Register") subject to the following conditions:
 - (i) there shall be no change in the ownership of such shares; and
 - (ii) the transmission shall be executed by causing such shares to be credited directly into the Securities Account of such member.
- (2) For the avoidance of doubt, the Company, in the event paragraphs (a) and (b) above are fulfilled, shall not allow any transmission of shares from the Malaysian Register into the Foreign Register.

(ii) **Remuneration of Directors**

The provisions of the Articles of Association of the Company dealing with the remuneration of the directors are as follows:

Article 106

The fees of the Directors shall be such fixed sum as shall from time to time be determined by an ordinary resolution of the Company and shall (unless such resolution otherwise provided) be divisible among the Directors as they may agree, or, failing agreement, equally, except that any Director who shall hold office for part only of the period in respect of which such fees are payable shall be entitled only to rank in such division for a proportion of the fees related to the period during which he has held office PROVIDED ALWAYS that:

- (a) fees payable to non-executive Directors shall be by way of a fixed sum, and not by way of a commission on or percentage of profits or turnover;
- (b) fees payable to Directors are subject to the approval of the Board;
- (c) any fees paid to an alternate Director shall be agreed upon between himself and the Director nominating him and shall be paid out of the remuneration of the latter;
- (d) fees payable to Directors shall not be increased except pursuant to a resolution passed at a general meeting, where notice of the proposed increase has been given in the notice convening the meeting.

13. OTHER GENERAL INFORMATION (*Cont'd*)

Article 107

- (1) The salaries and benefits payable for the executive Directors shall be subject to the approval of the Board and may not include a commission on or percentage of profits or turnover.
- (2) Any reimbursement to the Directors for disbursements are subject to the approval of the Board.

Article 108

- (1) The Directors shall be entitled to be reimbursed for all travelling or such reasonable expenses as may be incurred in attending and returning from meetings of the Directors or of any committee of the Directors or general meetings or otherwise howsoever in or about the business of the Company in the course of the performance of their duties as Directors.
- (2) If by arrangement with the Directors, any Director shall perform or render any special duties or services outside his ordinary duties as a Director in particular without limiting to the generality of the foregoing if any Director being willing shall be called upon to perform extra services or to make any special exertions in going or residing away from his usual place of business or residence for any of the purposes of the Company or in giving special attention to the business of the Company as a member of a committee of Directors, the Directors may pay him special remuneration, in addition to his Director's fees and such special remuneration may be by way of a fixed sum, or otherwise as may be arranged PROVIDED ALWAYS that extra remuneration payable to:
 - (a) a non executive Director shall not be by a commission on or percentage of profits or turnover;
 - (b) an executive Director shall not include a commission on or percentage of turnover.

(iii) Voting and borrowing powers of Directors

The provisions in the Articles of Association of the Company dealing with voting powers of the directors on proposals, arrangements or contracts in which they are interested and the borrowing powers exercisable by them and how such borrowing powers can be varied are as follows:

Article 111

The Directors shall not without the prior approval of the Company in general meeting:

- (a) carry into effect any proposal or execute any transaction for the acquisition of any undertaking or property of a substantial value, or the disposal of a substantial portion of the main undertaking or property of the Company;
- (b) exercise any power of the Company to issue shares unless otherwise permitted under the Act;

13. OTHER GENERAL INFORMATION (Cont'd)

- (c) enter into any arrangement or transaction with a Director of the Company or its holding company or with a person connected with such a Director to acquire from or dispose to such a Director or person any non-cash assets of the requisite value PROVIDED THAT nothing contained in this paragraph (c) shall preclude the Company from seeking ratification of such arrangement or transaction in accordance with Section 132E(2) of the Act.

Article 112

- (1) The Directors may exercise all the powers of the Company to borrow money and to mortgage or charge its undertakings, property and uncalled capital, or any part thereof, and to issue debentures and other securities, whether outright or as security for any debt, liability or obligations of the Company or of any third party PROVIDED ALWAYS that nothing contained in these Articles shall authorise the Directors to borrow any money or mortgage or charge any of the Company's or its subsidiaries' undertaking, property or uncalled capital, or to issue debentures or other securities, whether outright or as security, for any debt, liability or obligation of an unrelated third party.
- (2) The Directors shall cause a proper register to be kept in accordance with Section 115 of the Act of all mortgages and charges specifically affecting the property of the Company and shall duly comply with the requirements of Section 108 of the Act in regard to the registration of mortgages and charges therein specified and otherwise.
- (3) If the Directors or any of them, or any other person, shall become personally liable for the payment of any sum primarily due from the Company, the Directors may execute or cause to be executed any mortgage, charge or security over or affecting the whole or any part of the assets of the Company by way of indemnity to secure the Directors or persons so becoming liable as aforesaid from any loss in respect of such liability.

Article 128

A Director shall not vote in respect of any contract or proposed contract or arrangement in which he has directly or indirectly a personal interest nor any contract or proposed contract or arrangement with any other company in which he is interested either as an officer of that other company or as a holder of shares or other securities in that other company, and if he does so vote his vote shall not be counted.

(iv) Changes in capital and variation of class rights

The provisions in the Articles of Association of the Company as to changes in capital and variation of class rights which are as stringent as those provided in the Companies Act, 1965, are as follows:

Article 4

Subject to the prior approval of the members of the Company in general meeting and to the provisions of the Act and to the conditions, restrictions and limitations expressed in these Articles, the Directors may allot, grant options over or otherwise dispose of the unissued share capital of the Company to such person or persons, at such time and on such terms as they think proper, PROVIDED ALWAYS THAT:

- (a) no shares shall be issued at a discount except in compliance with the provisions of the Act;

13. OTHER GENERAL INFORMATION (Cont'd)

- (b) no shares shall be issued which shall have the effect of transferring a controlling interest in the Company without the prior approval of the members in general meeting;
- (c) in the case of shares other than ordinary shares, no special rights shall be attached until the same have been expressed in these Articles;
- (d) no Director shall participate in any issue of shares or options to employees, unless the members in general meeting have approved the specific allotment to be made to such Director and unless he holds office in an executive capacity. However, a Director not holding office in an executive capacity may participate in an issue of shares pursuant to a public offer or a public issue.

Article 5

Without prejudice to any special rights previously conferred on the holders of any share or class of shares already issued, but subject to the Act and these Articles, any shares in the Company (whether forming part of the original capital or not) may be issued and/or have attached thereto such preferred, deferred or other special rights, or such restrictions, whether in regard to dividend, return of capital, voting or otherwise, as the Company may from time to time by ordinary resolution determine PROVIDED THAT:

- (1) the total nominal value of preference shares issued shall not exceed the total nominal value of the issued ordinary shares at any time;
- (2) the holders of preference shares shall have the following rights:
 - (a) The holder of a preference share must be entitled to a right to vote at any class meetings and all general meetings in each of the following circumstances and in no others:
 - (i) When the dividend or part of the dividend on the share is in arrears for more than six (6) months;
 - (ii) On a proposal to reduce the Company's share capital;
 - (iii) On a proposal for the disposal of the whole of the Company's property, business and undertaking;
 - (iv) On a proposal that affects rights attached to the share;
 - (v) On a proposal to wind up the Company; and
 - (vi) During the winding up of the Company.
 - (b) The holder of a preference share must be entitled to a return of capital in preference to holders of ordinary shares when the Company is wound up.
 - (c) A holder of a preference share must be entitled to the same rights as a holder of an ordinary share in relation to receiving notices, reports and audited accounts, and attending meetings.

13. OTHER GENERAL INFORMATION (Cont'd)

- (3) the Company shall not unless with the consent of the existing preference shareholders at a class meeting, issue further preference capital ranking in priority above preference shares already issued but may issue preference shares ranking equally therewith.

Subject to the Act, any preference shares may be issued on the terms that they are, or at the option of the Company are liable, to be redeemed.

Article 6

- (1) Save as provided in Article 6(2), the Company shall not give whether directly or indirectly and whether by means of a loan, guarantee, the provision of security or otherwise, any financial assistance for the purpose of or in connection with a purchase or subscription made or to be made by any person of or for any shares in the Company or in its holding company or in any way purchase, deal in or lend money on its own shares or those of its holding company.
- (2) The Company may, subject to Section 67A of the Act and any regulations made thereunder, purchase its own shares.

Article 18

If at any time the share capital is divided into different classes of shares, the rights attached to any class (unless otherwise provided by the terms of issue of shares of that class) may, whether or not the Company is being wound up, be varied or abrogated with the consent in writing of the holders of three-fourths of the issued shares of that class, or with the sanction of a special resolution passed at a separate general meeting of the holders of the shares of that class. To every such separate general meeting, the provisions of these Articles relating to general meetings shall, mutatis mutandis, apply, but so that the necessary quorum shall be two persons at least holding or representing by proxy one-tenth of the issued shares of the class and that any holder of shares of the class present in person or by proxy may demand a poll. To every such special resolution the provisions of Section 152 of the Act shall, with such adaptations as are necessary, apply.

Article 19

The rights conferred upon the holders of the shares of any class issued with preferred or other rights shall not, unless otherwise expressly provided by the terms of issue of the shares of that class, be deemed to be varied by the creation or issue of further shares ranking as regards to participation in the profits or assets of the Company in some or in all respects *pari passu* therewith.

Article 55

- (1) The Company may from time to time by ordinary resolution:
- (a) consolidate and divide all or any of its share capital into shares of larger amount than its existing shares;

13. OTHER GENERAL INFORMATION (Cont'd)

- (b) sub-divide its shares or any of them into shares of smaller amount than is fixed by the Memorandum and Articles of Association (subject nevertheless to the provisions of the Act) and so that in the subdivision the proportion between the amount paid and the amount (if any) unpaid on each reduced share shall be the same as it was in the case of the shares from which the reduced share is derived. Any resolution whereby any share is sub-divided may determine that, as between the holders of shares resulting from such subdivision, one or more of such shares may have such preferred or other special rights over, or may be given any preference of advantage as regards dividends, return of capital voting or otherwise over the other or others of such shares; or
 - (c) cancel any shares which at the date of the passing of the resolution have not been taken up or agreed to be taken up by any person and diminish the amount of its share capital by the amount of the shares so cancelled.
- (2) The Company may by special resolution reduce its share capital and any capital redemption reserve fund or any share premium account in any manner authorised by the Act and subject to any consent required by the law.

13.3 DIRECTORS AND SUBSTANTIAL SHAREHOLDERS

- (i) The names, addresses and professions of the Directors are set out in the Section 1 of this Prospectus.
- (ii) A Director is not required to hold any qualification shares in the Company unless otherwise so fixed by the Company at a general meeting.
- (iii) None of the Directors and/or the key management personnel of the Company have any service contracts with the Company subsisting at the date of this Prospectus.
- (iv) None of the Directors and/or Substantial Shareholders have any interest, direct or indirect, in any business carrying on a similar trade as that of the Company.
- (v) Save as disclosed in this Prospectus, none of the Directors of the Company are aware of any material information including trading factors or risks which are unlikely to be known or anticipated by the general public and which could materially affect the profits of the Company.
- (vi) Save as disclosed in Section 10.8 of this Prospectus, none of the Directors and/or Substantial Shareholders have any interest in any contract or arrangement which is significant in relation to the business of the Company subsisting at the date of this Prospectus.
- (vii) None of the Directors and/or Substantial Shareholders and/or person(s) connected with them has any interest, direct or indirect, in the promotion of, or in any material assets which have, within the two (2) years preceding the date of this Prospectus, been acquired or proposed to be acquired or disposed of or proposed to be disposed of by or leased to or proposed to be leased to the Company.

13. OTHER GENERAL INFORMATION (Cont'd)

- (viii) Save as disclosed in Sections 10.8, 8.1(iii), 8.2(v) and 8.3(v) of this Prospectus, none of the Directors, Promoters and/or Substantial Shareholders has received any amounts of benefits paid or given by the Company other than by virtue of their directorships, employment and shareholdings within the two (2) years preceding the date of this Prospectus.

13.4 GENERAL

- (i) The nature of the Company's business and the names of all corporations, which are deemed to be related to the Company by virtue of Section 6 of the Companies Act, 1965 are set out in Section 10.1 of this Prospectus.
- (ii) The Company has not established any place of business outside Malaysia.
- (iii) The manner in which copies of this Prospectus together with the Application Form may be obtained is set out in Section 14 of this Prospectus.
- (iv) The amount payable in full on Application is RM0.24 per share.
- (v) Save as disclosed in this Prospectus, the business operations and financial position of the Company are not affected by any of the following:
 - (a) Known trends, demands, commitments, events or uncertainties that have had or that the Company reasonably expects to have, a material favourable or unfavourable impact on the financial performance, position and operations of the Company;
 - (b) Material commitments for capital expenditure;
 - (c) Unusual, infrequent events or transactions or any significant economic changes that have materially affected the financial performance, position and operations of the Company; and
 - (d) Known events, circumstances, commitments, trends and uncertainties that are reasonably likely to make the historical financial statements not indicative of future financial performance and position.
- (vi) As at 29 December 2003, being the latest practicable date prior to the printing of this Prospectus, the Company does not have any outstanding convertible debt securities.
- (vii) The name and address of the Auditors of the Company are set out in Section 1 of this Prospectus.
- (viii) There are no properties acquired or proposed to be acquired by OpenSys in contemplation of the Public Issue.

13. OTHER GENERAL INFORMATION (Cont'd)

13.5 EXPENSES AND COMMISSIONS

- (i) The estimated amount of expenses of the Public Issue relating to the underwriting fees and other expenses and fees incidental to the Listing, which is estimated to be RM1,500,000 will be borne by OpenSys.
- (ii) Underwriting commission is payable by the Company to the Underwriter at the rate of 2.5% of the Issue Price of the 500,000 Issue Shares underwritten.
- (iii) Placement fees shall be payable by the Company to the Placement Agent at the rate of up to 2% of the Issue Price.
- (iv) No commission, discounts or other special terms have, within two (2) preceding years prior to the date of this Prospectus, been paid or granted or is payable to any Director, Promoter or proposed Director for subscribing or agreeing to subscribe, or procuring or agreeing to procure subscription for any shares in or debentures of the Company in connection with the issue of sale of any capital of the Company.

13.6 PUBLIC TAKE-OVERS

During the last financial year and the current financial year, there were no:

- (i) public take-over issues by third parties in respect of the Company's shares; or
- (ii) public take-over offers by the Company in respect of other companies' shares.

13.7 MATERIAL LITIGATION

As at 29 December 2003, being the latest practicable date prior to the printing of this Prospectus, OpenSys is not engaged in any material litigation or arbitration either as plaintiff or defendant which has a material and adverse effect on the financial position or business of the Company, and the Directors of the Company do not know of any proceeding pending or threatened against OpenSys or of any fact likely to give rise to any proceeding which might materially and adversely affect the financial position or business of the Company.

13. OTHER GENERAL INFORMATION (Cont'd)

13.8 MATERIAL CONTRACTS AND MATERIAL AGREEMENTS

13.8.1 Save as disclosed below there are no material contracts which are not entered into in the ordinary course of business, carried on or intended to be carried on by the Company, which have been entered into by the Company within the two (2) years preceding the date of this Prospectus:

- (i) Accession Agreement dated 30 July 2002 entered into between Tan Kee Chung ("Present Shareholder"), Tham Kok Cheng ("New Shareholder") and the Company whereby the New Shareholder agreed to be bound by the terms of the Shareholders Agreement dated 4 October 2001 entered into between OpenSys, Tan Kee Chung, Chee Hong Soon, Haw Wan Chong, Tunc Hee Hian, Lim Swee Keah, Chu Mei Peng, Koh Lea Cheong, Leong Yoke Wai, Low Suet Cheng, Tan Gaik Keow, Azlan Bin Abdullah, CTV and Sislogik. This agreement was entered into as a result of a Share Sale and Purchase Agreement dated 30 July 2002 between the Present Shareholder and the New Shareholder whereby the Present Shareholder agreed to sell to the New Shareholder a total of 450,000 ordinary shares of RM0.10 each in the capital of the Company for a total consideration of RM217,800 or RM0.484 per share;
- (ii) Accession Agreement dated 30 July 2002 entered into between Tan Kee Chung ("Present Shareholder"), Harcharan Singh a/l Sarja Singh ("New Shareholder") and the Company whereby the New Shareholder agreed to be bound by the terms of the Shareholders Agreement dated 4 October 2001 entered into between OpenSys, Tan Kee Chung, Chee Hong Soon, Haw Wan Chong, Tunc Hee Hian, Lim Swee Keah, Chu Mei Peng, Koh Lea Cheong, Leong Yoke Wai, Low Suet Cheng, Tan Gaik Keow, Azlan Bin Abdullah, CTV and Sislogik. This agreement was entered into as a result of a Share Sale and Purchase Agreement dated 30 July 2002 between the Present Shareholder and the New Shareholder whereby the Present Shareholder agreed to sell to the New Shareholder a total of 1,150,000 ordinary shares of RM0.10 each in the capital of the Company for a total consideration of RM556,600 or RM0.484 per share;
- (iii) Accession Agreement dated 30 July 2002 entered into between Tan Kee Chung ("Present Shareholder"), Chan Kin Hou ("New Shareholder") and the Company whereby the New Shareholder agreed to be bound by the terms of the Shareholders Agreement dated 4 October 2001 entered into between OpenSys, Tan Kee Chung, Chee Hong Soon, Haw Wan Chong, Tunc Hee Hian, Lim Swee Keah, Chu Mei Peng, Koh Lea Cheong, Leong Yoke Wai, Low Suet Cheng, Tan Gaik Keow, Azlan Bin Abdullah, CTV and Sislogik. This agreement was entered into as a result of a Share Sale and Purchase Agreement dated 30 July 2002 between the Present Shareholder and the New Shareholder whereby the Present Shareholder agreed to sell to the New Shareholder a total of 200,000 ordinary shares of RM0.10 each in the capital of the Company for a total consideration of RM96,800 or RM0.484 per share;

13. OTHER GENERAL INFORMATION (Cont'd)

- (iv) Accession Agreement dated 30 July 2002 entered into between Tan Kee Chung ("Present Shareholder"), Wong Yook Keong ("New Shareholder") and the Company whereby the New Shareholder agreed to be bound by the terms of the Shareholders Agreement dated 4 October 2001 entered into between OpenSys, Tan Kee Chung, Chee Hong Soon, Haw Wan Chong, Tune Hee Hian, Lim Swee Keah, Chu Mei Peng, Koh Lea Cheong, Leong Yoke Wai, Low Suet Cheng, Tan Gaik Keow, Azlan Bin Abdullah, CTV and Sislogik. This agreement was entered into as a result of a Share Sale and Purchase Agreement dated 30 July 2002 between the Present Shareholder and the New Shareholder whereby the Present Shareholder agreed to sell to the New Shareholder a total of 200,000 ordinary shares of RM0.10 each in the capital of the Company for a total consideration of RM96,800 or RM0.484 per share;
 - (v) Accession Agreement dated 2 August 2002 entered into between Tan Kee Chung ("Present Shareholder"), Commerce Asset Ventures Sdn Bhd ("New Shareholder") and the Company whereby the New Shareholder agreed to be bound by the terms of the Shareholders Agreement dated 4 October 2001 entered into between OpenSys, Tan Kee Chung, Chee Hong Soon, Haw Wan Chong, Tune Hee Hian, Lim Swee Keah, Chu Mei Peng, Koh Lea Cheong, Leong Yoke Wai, Low Suet Cheng, Tan Gaik Keow, Azlan Bin Abdullah, CTV and Sislogik. This agreement was entered into as a result of a Agreement for the Sale and Purchase of Shares in OpenSys (M) Sdn Bhd dated 2 August 2002 between the Present Shareholder and the New Shareholder whereby the Present Shareholder agreed to purchase 3,000,000 ordinary shares of RM0.10 each in the capital of the Company and sell the said 3,000,000 ordinary shares to the New Shareholder for a total consideration of RM1,452,000 or RM0.484 per share;
 - (vi) Agreement dated 18 March 2003 between OpenSys and CIMB for the provision of corporate advisory services by CIMB to OpenSys in respect of OpenSys's listing on the MESDAQ Market;
 - (vii) Underwriting Agreement dated 20 November 2003 entered into between OpenSys and CIMB for the underwriting of 500,000 OpenSys Shares pursuant to the Public Issue for an underwriting commission at the rate of 2.5% of the Issue Price for each Issue Share being underwritten; and
 - (viii) Placement letter dated 15 October 2003 entered into between OpenSys and CIMB for the placement of up to 53,000,000 of the Issue Shares, for a placement fee of up to 2% of the Issue Price.
- 13.8.2** Save as disclosed below, there are no other subsisting material agreements entered into by the Company in the ordinary course of business as at the date of this Prospectus:
- (i) Letter of offer dated 31 January 1996 from Malayan Banking Berhad for banking facilities comprising an overdraft facility of RM50,000. The credit limit for this overdraft facility was subsequently revised several times and as at 24 February 2003, the credit limit for the aforesaid facility is RM838,000;
 - (ii) Letter of offer dated 26 March 2000 from Hong Leong Bank Berhad relating to an overdraft facility of up to RM500,000 granted by Hong Leong Bank Berhad to the Company. The overdraft facility was granted to the Company for working capital purposes and is secured by a 1st party/3rd party letter of set-off over the sum of RM500,000 together with interest thereon imposed by Hong Leong Bank Berhad;

13. OTHER GENERAL INFORMATION (Cont'd)

- (iii) System Purchase and Integration Agreement dated 29 June 2001 between the Company and MAA for the purchase and integration of certain equipment, software, services and deliverables into a system to implement OpenSys' mobile general insurance solution called myPDA;
- (iv) Letter of offer dated 8 September 2001 from Bumiputra-Commerce Bank Berhad ("BCBB") relating to an overdraft facility of up to RM500,000, a multi-option lines facility (comprising letter of credit, trust receipt and bankers acceptance facilities) of up to RM1,500,000 and a foreign exchange contract facility with a limit of RM300,000 granted by BCBB to the Company. The overdraft facility was granted to the Company for working capital purposes, whilst the multi-option line facility was granted to the Company to finance local purchases and imports. The foreign exchange contract facility was granted to the Company to hedge against foreign currency fluctuations for trade related transactions. All the aforesaid facilities are secured by a fixed deposit sum of RM1,000,000 and a joint and several guarantees by certain Directors. The facilities granted by BCBB to OpenSys were subsequently revised on 20 February 2003. The temporary overdraft facility was converted into a normal overdraft facility of up to RM500,000, whilst the ad-hoc multi-option line facility was converted into a permanent multi-option line with a combined limit of RM2,700,000.
- (v) Letter of offer dated 30 October 2001 from Malayan Banking Berhad for a multi-option lines facility comprising a Letter of Credit facility and Trust Receipts facility of a combined credit limit of RM500,000. The aforesaid multi-option lines facility was subsequently converted to an Islamic-based credit facility comprising a Letter of Credit Murabahah facility, Murabahah Trust Receipts facility and Islamic Accepted Bill facility on 24 February 2003 and the credit limits of the aforesaid facilities were revised to RM2,000,000. Subsequently, the Company entered into a Facilities Agreement with Malayan Banking Berhad on 7 May 2003 in relation to the aforesaid facility.
- (vi) Distributor Agreement dated 28 September 2001 between the Company and CSA pursuant to which the Company appointed CSA as a non-exclusive distributor of the Opensys Touch Series 3000 and mySwitch products within Malaysia;
- (vii) System Purchase and Integration Agreement dated 6 November 2001 between the Company and MAA for the purchase and integration of certain equipment, software, services and deliverables into a system to implement OpenSys' self-service solution called Touch 3060 and mySwitch;
- (viii) Distributor Agreement dated 9 November 2001 between the Company and Digital Paper Sdn Bhd pursuant to which the Company appointed Digital Paper Sdn Bhd as a non-exclusive distributor of the Opensys myCheques within Malaysia;
- (ix) OpenSys Touch 3050 Implementation Agreement dated 1 December 2001 between the Company and Alliance Bank Malaysia Berhad for the supply of 10 units of Touch 3050 Cheque Deposit Machine and OpenSys' mySwitch software;
- (x) Contract for an Image Based Cheque Deposit System (Touch 3050 ESM) dated 2 May 2002 between the Company and Standard Chartered Bank Berhad for the purchase and integration of certain equipment, software, services and deliverables into a system to implement OpenSys' self-service solution called Touch 3050 and related software;

13. OTHER GENERAL INFORMATION (Cont'd)

- (xi) Commercial fire insurance policy purchased from American Home Assurance Company, Malaysia on 21 May 2002. The aforesaid policy is for a sum of RM2,446,200 for the period between 21 May 2002 and 20 May 2003 (both dates inclusive). This policy has been renewed to 20 May 2004. The interests insured comprise furniture and fittings, office and telecommunication equipment, renovation, computers and signboard at the Company's offices at Level 23, Tower 2, PETRONAS Twin Towers, Kuala Lumpur City Centre, 50088 Kuala Lumpur and Level 5, Amoda Building, 22 Jalan Imbi, 55100 Kuala Lumpur;
- (xii) Outsourcing Services Agreement dated 15 August 2002 between the Company and APT Kiosk (M) Sdn Bhd for the outsourcing of assembly services in relation to OpenSys' Touch Series 3000 by APT Kiosk (M) Sdn Bhd for an initial period of two (2) years;
- (xiii) Distributorship Agreement dated 27 August 2002 between the Company and CL Computers Pte Limited pursuant to which the Company appointed CL Computers Pte Limited as a non-exclusive distributor of the Opensys Touch Series 3000 and related software within Singapore;
- (xiv) Contract for Touch 3050 ESM dated 10 September 2002 between the Company and Malayan Banking Berhad for the purchase and integration of certain equipment, software, services and deliverables into a system to implement OpenSys' self-service solution called Touch 3050 and related software;
- (xv) Distributorship Agreement dated 11 September 2002 between the Company and Leverage Systems Technologies Inc. pursuant to which the Company appointed Leverage Systems Technologies Inc as a non-exclusive distributor of the Opensys Touch Series 3000 and related software within the Philippines;
- (xvi) System Purchase and Integration Agreement dated 25 September 2002 between the Company and AmAssurance Berhad for the purchase and integration of certain equipment, software, services and deliverables into a system to implement OpenSys' claims workflow/imaging solution called eSys myClaims;
- (xvii) System Purchase and Integration Agreement dated 25 September 2002 between the Company and AmAssurance Berhad for the purchase and integration of certain equipment, software, services and deliverables into a system to implement OpenSys' solution called eSys myAuto;
- (xviii) Distributorship Agreement dated 25 September 2002 with Digisoft Business Solutions Co. for the appointment of Digisoft Business Solutions Co. as a non-exclusive distributor of the Opensys Touch Series 3000 and related software within Brunei;
- (xix) Authorised Reseller Agreement dated 16 October 2002 between the Company and PT. Warna Bintang Kreasi pursuant to which the Company appointed PT. Warna Bintang Kreasi as an authorised reseller of the Opensys Touch Series 3000 and related software within Indonesia;
- (xx) System Purchase and Integration Agreement dated 25 October 2002 between the Company and Maagnet Systems Sdn Bhd for the purchase and integration of certain equipment, software, services and deliverables into a system to implement OpenSys' solution called Marketing Report System;

13. OTHER GENERAL INFORMATION (Cont'd)

- (xxi) System Purchase and Integration Agreement dated 25 October 2002 between the Company and Maagnet Systems Sdn Bhd for the purchase and integration of certain equipment, software, services and deliverables into a system to implement OpenSys' solution called Touch ESM e-Cover Note System;
- (xxii) System Purchase and Integration Agreement dated 25 October 2002 between the Company and Maagnet Systems Sdn Bhd for the purchase and integration of certain equipment software, services and deliverables into a system to implement OpenSys solution called eSys Front-end System;
- (xxiii) Distributorship Agreement dated 30 October 2002 between the Company and Maagnet Systems Sdn Bhd pursuant to which the Company appointed Maagnet Systems Sdn Bhd as a non-exclusive distributor of OpenSys' Touch Series 3000 ESMs and related software within Malaysia;
- (xxiv) Distributorship Agreement dated 6 November 2002 between the Company and Computer Union Co. Ltd pursuant to which the Company appointed Computer Union Co. Ltd as a non-exclusive distributor of the OpenSys Touch Series 3000 and related software within Thailand;
- (xxv) Software Licence and Service Agreement dated 11 November 2002 between the Company and Maagnet Systems Sdn Bhd pursuant to which the Company granted to Maagnet Systems Sdn Bhd a non-exclusive, non-transferable right to use OpenSys' myClaims Service Provider Connector;
- (xxvi) Distributorship Agreement dated 13 November 2002 between the Company and CL Systems (China) Limited pursuant to which the Company appointed CL Systems (China) Limited as a non-exclusive distributor of the OpenSys Touch Series 3000 and related software within Hong Kong;
- (xxvii) Purchase Order dated 18 November 2002 issued by United Overseas Bank (Malaysia) Bhd for the provision of Packaged BranchView customisation services. The total purchase price for the services was RM261,000;
- (xxviii) Purchase Order dated 23 December 2002 issued by EON Bank Berhad for the purchase of 15 units of Touch 3050, related software and peripherals. The total purchase price for the services was RM1,840,551;
- (xxix) System Purchase and Integration Agreement dated 2 April 2003 between the Company and Berjaya General Insurance Berhad for the purchase and integration of certain equipment, software, services and deliverables into a system to implement OpenSys' solution called eSys myAuto;
- (xxx) Distributorship Agreement dated 3 April 2003 between the Company and CL Computers (M) Sdn Bhd pursuant to which the Company appointed CL Computers (M) Sdn Bhd as a non-exclusive distributor of the OpenSys Touch Series 3000 and related software within Malaysia;
- (xxx1) Group personal accident insurance policy purchased from American International Assurance Company Limited on 1 May 2003 for the period between 1 November 2003 and 31 January 2004 (both dates inclusive). The aforesaid policy is for a sum of RM52,315, RM100,000 and RM100,000 for each employee of the Company and covers hospitalisation, accidental death and accidental disability respectively;

13. OTHER GENERAL INFORMATION (Cont'd)

- (xxxii) Invoice dated 1 July 2003 issued to EON Bank Berhad for the sum of RM356,800 in relation to the supply of 4 units of Touch 3050 to EON Bank Berhad;
- (xxxiii) Facility Agreement dated 8 July 2003 between Export-Import Bank of Malaysia Berhad and the Company for a line of revolving post-shipment supplier credit facility of RM5,000,000 and related security documents;
- (xxxiv) Facilities Agreement dated 30 July 2003 between the Company and Malaysia Debt Ventures Berhad for a term loan of the principal amount of RM7,400,000 and related security documents;
- (xxxv) Master Rental Agreement for Express Payment Kiosk dated 30 July 2003 between the Company and Maxis Mobile Sdn Bhd for the lease of Touch ESM and Cash-Deposit Machines over 5 years;
- (xxxvi) Authorised Reseller Agreement dated 11 August 2003 between the Company and Cash Handling Systems Pty Ltd whereby the Company appointed Cash Handling Systems Pty Ltd as an authorised reseller of its Touch Series 3000 ESMs and related software on a non-exclusive basis in Australia and New Zealand;
- (xxxvii) Letter of Offer dated 26 September 2003 from ORIX Leasing Malaysia Berhad in relation to the grant of a RM2,000,000 leasing facility in respect of the Express Payment Kiosk; and
- (xxxviii) Purchase Order dated 17 October 2003 between the Company and Public Bank Berhad for the purchase of 60 sets of Touch 3050, related software and peripherals.

13.9 LETTERS OF CONSENT

- (i) The written consent of the joint Company Secretaries, Advocates and Solicitors, Principal Bankers, Registrar, Adviser, Sponsor, Placement Agent and Underwriter and Datamonitor Plc. to the inclusion of their names in the form and context in which such names appear in this Prospectus have been given before the issue of this Prospectus and have not subsequently been withdrawn.
- (ii) The written consent of the Auditors and Reporting Accountants to the inclusion of their name, Accountants' Report and their letters relating to the proforma balance sheets as at 31 July 2003 in the form and context in which they appear in this Prospectus have been given before the issue of this Prospectus and have not subsequently been withdrawn.

13.10 DOCUMENTS AVAILABLE FOR INSPECTION

Copies of the following documents may be inspected at the registered office of OpenSys during normal office hours for a period of twelve (12) months from the date of this Prospectus:

- (i) Memorandum and Articles of Association of OpenSys;
- (ii) The Accountants' Report and Directors' Report referred to in Sections 11 and 12 respectively of this Prospectus;

13. OTHER GENERAL INFORMATION (Cont'd)

- (iii) The material contracts and material agreements referred to in Section 13.8 of this Prospectus;
- (iv) Proforma balance sheets as at 31 July 2003 included in Section 6.3 of this Prospectus;
- (v) The Reporting Accountants' Letter relating to the proforma balance sheet as at 31 July 2003 included in Section 6.3 of this Prospectus;
- (vi) The letters of consent referred to in Section 13.9 of this Prospectus;
- (vii) The report 'Financial Services Technology in Asia-Pacific-February 2002' by Datamonitor referred to in Section 7.4 of this Prospectus; and
- (viii) The audited financial statements of OpenSys for the five (5) financial years ended 31 December 2002 and the seven (7) months financial period ended 31 July 2003.

13.11 RESPONSIBILITY STATEMENTS

- (i) This Prospectus has been seen and approved by the Directors and Promoters of OpenSys and they collectively and individually accept full responsibility for the accuracy of the information contained herein and confirm, having made all reasonable enquiries, that 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 statement herein false or misleading.
- (ii) CIMB, 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 Issue.

14. PROCEDURES FOR APPLICATION AND ACCEPTANCES

14.1 OPENING AND CLOSING OF APPLICATIONS

Applications will be accepted from 10.00 a.m. on 8 January 2004 and will close at 5.00 p.m. on 16 January 2004 or such further period or periods as the Board and CIMB at their absolute discretion may jointly decide. Late applications will not be accepted.

Copies of the Application Forms together with this Prospectus may be obtained, subject to availability, from OpenSys and the Placement Agent.

14.2 PUBLIC ISSUE PROCEDURES

The Public Issue will be made solely by way of private placement. Two (2) pools of shares will be created and the breakdown of the private placement is as follows:

	No. of OpenSys Shares
(i) Pool A ⁽ⁱ⁾ - Retail Investors	500,000
(ii) Pool B ⁽ⁱⁱ⁾ - Institutional/High net worth investors	52,500,000
	<hr/> 53,000,000 <hr/>

Notes:

- (i) *Investors who apply for 10,000 shares or less.*
(ii) *Investors who apply for more than 10,000 shares.*

The 52,500,000 Issue Shares in Pool B have been fully placed out to identified investors. The number of shares allocated to each pre-identified investor in Pool B will be at the sole discretion of the Company and the Placement Agent.

The private placement procedures for Pool A are set out below:

- (i) The potential investors in Pool A will be pre-identified by the Placement Agent;
- (ii) As the Placement Agent, CIMB will, on opening of the Application, send out this Prospectus to the pre-identified potential investors together with the Application Forms;
- (iii) The number of shares allocated to each pre-identified investor in Pool A will be at the sole discretion of the Company and Placement Agent;
- (iv) The basis for allocation of shares to the retail investors in Pool A will be disclosed to the KLSE upon close of the application period; and
- (v) An applicant will only be allowed to make only one (1) application, either under Pool A or Pool B. Multiple applications within pools or between pools shall be rejected. Each application must be for 100 Issue Shares or multiples thereof.

14. PROCEDURES FOR APPLICATION AND ACCEPTANCES (Cont'd)

14.3 PROCEDURE FOR APPLICATION AND ACCEPTANCE

Each application for the Issue Shares must be made on the Application Form issued together with this Prospectus and must be completed in accordance with the Notes and Instructions printed on the reverse side of the Application Form. In accordance with Section 41(2) of the SC Act 1993, the distribution of the Application Form must be accompanied by this Prospectus. Application which do not strictly conform to the terms of this Prospectus or Application Form or Notes and Instructions printed therein or which are illegible will not be accepted.

FULL INSTRUCTION FOR THE APPLICATION FOR THE ISSUE SHARES ARE SET OUT IN THE APPLICATION FORM. ALL APPLICANTS ARE ADVISED TO READ THE APPLICATION FORM AND THE NOTES AND INSTRUCTIONS THEREIN CAREFULLY.

Directors and employees of CIMB and their immediate family are strictly prohibited from applying for the Issue Shares.

Applicants must return the completed Application Form and accompanying remittance to the Share Registrar by ORDINARY POST, REGISTERED POST, COURIER SERVICE OR DELIVERED BY HAND before the closing of the Application on 16 January 2004, to the following address:

Mega Corporate Services Sdn Bhd
Level 11-2, Faber Imperial Court
Jalan Sultan Ismail
50250 Kuala Lumpur

so as to arrive not later than 5.00 p.m. on 16 January 2004 or such further period or periods, as the Board and the Placement Agent at their absolute discretion may jointly decide. Late applications will not be accepted.

All applications received and not rejected during the opening period until 5.00 p.m. on 16 January 2004 shall not be construed as acceptance nor shall it constitute any shares being allotted to the applicant. Applications shall not be deemed to have been accepted by reason of the remittance being presented for payment.

EACH COMPLETED APPLICATION FORM MUST BE ACCOMPANIED BY REMITTANCE FOR THE FULL AMOUNT IN RINGGIT MALAYSIA BY A BANKER'S DRAFT OR CASHIER'S ORDER PURCHASED WITHIN MALAYSIA ONLY AND DRAWN ON A BANK IN KUALA LUMPUR AND MUST BE MADE OUT IN FAVOUR OF "OPENSYS ACCOUNT" AND CROSSED "A/C PAYEE ONLY". DETAILS OF REMITTANCE MUST BE COMPLETED IN THE APPROPRIATE BOXES PROVIDED ON THE APPLICATION FORM. THE NAME AND ADDRESS OF THE APPLICANT (AS EXACTLY STATED ON THE APPLICATION FORM) MUST BE WRITTEN ON THE REVERSE SIDE OF THE BANKER'S DRAFT OR CASHIER'S ORDER.

ALL APPLICANTS MUST GIVE THEIR:

- (A) EXACT FULL NAME (AS PER THE IDENTITY CARD OR "RESIT PENGENALAN SEMENTARA (JPN 1/9)" WHERE APPLICABLE IN THE CASE OF INDIVIDUAL APPLICANTS OR AS PER CERTIFICATE OF INCORPORATION IN THE CASE OF CORPORATE/INSTITUTIONAL APPLICANTS; AND

14. PROCEDURES FOR APPLICATION AND ACCEPTANCES (Cont'd)

- (B) ADDRESS (AS PER IDENTITY CARD OR "RESIT PENGENALAN SEMENTARA (JPN 1/9)" OR CHANGE OF ADDRESS CARD OR "RESIT PENUKARAN KAD PENGENALAN (JPN 1/22)") WHERE APPLICABLE IN THE CASE OF INDIVIDUAL APPLICANTS EXCEPT FOR ARMED FORCES/POLICE PERSONNEL, OR THE REGISTERED ADDRESS IN THE CASE OF CORPORATE/INSTITUTIONAL APPLICANTS. ARMED FORCES/POLICE PERSONNEL MUST USE THE ADDRESS OF THE RESPECTIVE CAMP/BASE/STATION.

APPLICATIONS BY INDIVIDUALS MUST BE ACCOMPANIED BY A LEGIBLE PHOTOCOPY OF THEIR IDENTITY CARDS (TOGETHER WITH THE CHANGE OF ADDRESS CARD OR "RESIT PENUKARAN KAD PENGENALAN (JPN 1/22)" WHERE APPLICABLE) OR "RESIT PENGENALAN SEMENTARA (JPN 1/9)" ISSUED UNDER THE NATIONAL REGISTRATION ACT, 1959 OR IDENTITY CARD ISSUED UNDER THE WRITTEN LAWS OF MALAYSIA IN THE CASE OF ARMED FORCES/POLICE PERSONNEL.

APPLICATIONS BY CORPORATIONS/INSTITUTIONS MUST BE ACCOMPANIED BY A LEGIBLE PHOTOCOPY OF THEIR CERTIFICATE OF INCORPORATION OR EQUIVALENT DOCUMENT AS PROOF OF THEIR CONSTITUTION.

THE AMOUNT PAYABLE IN FULL UPON APPLICATION IS RM0.24 PER ISSUE SHARE. APPLICATIONS ACCOMPANIED BY ANY MODE OF PAYMENT OTHER THAN THOSE AFORESAID OR WITH EXCESS OR INSUFFICIENT REMITTANCES OR INAPPROPRIATE BANKER'S DRAFT/CASHIER'S ORDER MAY NOT BE ACCEPTED.

NO ACKNOWLEDGEMENT OF THE RECEIPT OF APPLICATION FORMS OR APPLICATION MONIES WILL BE MADE BY THE DIRECTORS OF OPENSYS OR THE PLACEMENT AGENT.

ONCE THE APPLICATION FORM AND PAYMENT HAVE BEEN RECEIVED BY THE PLACEMENT AGENT, THEY CANNOT SUBSEQUENTLY BE WITHDRAWN.

THE ACCEPTANCE OF THE APPLICATION FORM SHALL BE AT THE ABSOLUTE DISCRETION OF THE DIRECTORS OF OPENSYS AND THE PLACEMENT AGENT.

THE DIRECTORS OF OPENSYS AND THE PLACEMENT AGENT RESERVE THE RIGHT NOT TO ACCEPT ANY APPLICATION OR TO ACCEPT ANY APPLICATION IN PART ONLY WITHOUT ASSIGNING ANY REASON THEREFOR.

WHERE AN APPLICATION IS REJECTED OR ACCEPTED IN PART ONLY, THE FULL AMOUNT OR THE BALANCE OF THE APPLICATION MONIES, AS THE CASE MAY BE, WILL BE REFUNDED WITHOUT INTEREST AND DESPATCHED TO THE APPLICANT WITHIN TEN (10) MARKET DAYS FROM THE DATE OF ALLOTMENT OF THE ISSUE SHARES BY REGISTERED POST AT THE ADDRESS SHOWN ON THE APPLICATION FORM AT THE APPLICANT'S OWN RISK.

14. PROCEDURES FOR APPLICATION AND ACCEPTANCES (Cont'd)

14.4 CDS ACCOUNTS

Pursuant to Section 29 of the Security Industry (Central Depositories) Act, 1991, all dealings in the ordinary shares of the Company will be book entries through CDS Account. No share certificates will be issued to successful applicants.

An applicant must state his CDS Account number in the space provided in the Application Form.

An applicant's completion of the Application Form includes his authority for MCD to disclose information pertaining to the CDS Account to the Registrar of the Company.

Failure to comply with these specific instructions or inaccuracy in the CDS Account number may result in the application being rejected. The Board and the Placement Agent reserve the right to reject any incomplete and inaccurate application. Applications may also be rejected if the applicant's particulars provided in the Application Forms differ from those in the MCD's records, such as the identity card number, name and nationality.

14.5 NOTICE OF ALLOTMENT

Shares allotted to all successful applicants or partially successful applicants will be credited to their respective CDS Accounts. A notice of allotment will be despatched to the successful applicants or partially successful applicants by ordinary post to the applicants' address last maintained with the MCD at the applicant's own risk within ten (10) market days after the closing date. This is the only acknowledgement of acceptance of the application.