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**10. OTHER INFORMATION**

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**10.1 HISTORY AND BACKGROUND**

OpenSys was incorporated on 7 December 1995 in Malaysia under the name of OpenSys (M) Sdn Bhd as a private company limited by shares under the Companies Act 1965 and commenced operations in January 1996. The Company was subsequently converted to a public company on 3 August 2000 and thereupon changed its name to OpenSys (M) Berhad. It was re-converted into a private limited company on 14 December 2000. On 9 May 2003, the Company again converted to a public company and thereupon changed its name to OpenSys (M) Berhad.

As at 29 December 2003, the authorised share capital of OpenSys is RM50,000,000 comprising 500,000,000 ordinary shares of RM0.10 each and its issued and paid-up share capital is RM16,880,000 comprising 168,800,000 shares of RM0.10 each credited as fully paid-up.

The principal activities of OpenSys are to provide solutions to the financial services industry in the areas of self-service machines and universal delivery systems, and IT services such as systems integration, project management, software development, support services and training.

In 1995, Tan Kee Chung and Chee Hong Soon left the employment of NCR (then known as AT&T GIS) to set up OpenSys, which was incorporated on 7 December 1995. They were subsequently joined by Tune Hee Hian, Haw Wan Chong, Tan Gaik Keow, Leong Yoke Wai, Koh Lea Cheong and Low Suet Cheng in 1996, and by Lim Swee Keah and Chu Mei Peng in 1997. Together these ten (10) people are considered to be the founders of OpenSys. OpenSys began its operations in January 1996 providing system integration, consulting, software support and maintenance services.

Drawing on its founders' past relationship with NCR, OpenSys was awarded a three (3) year contract by NCR in December 1995 to provide software maintenance, audit, support and installation services to their customers in Malaysia. In 1999, this contract was renewed for a period of one (1) year and further renewed for another period of one (1) year in June 2000 until June 2001. Between 1996 and 1999, OpenSys secured contracts with NCR to provide IT services for various customers of NCR in Taiwan, Philippines, Singapore, Macau, Brunei and Malaysia, which were mainly financial institutions.

In May 1998, OpenSys collaborated with Sanchez Computer Associates, Inc. to secure a sale of their PROFILE® retail-banking software to a bank in Indonesia. Sanchez provides end-to-end integrated software solutions to the financial services market. Some of these solutions include customer information and database management and retail banking solutions. As a result of its successful collaboration with Sanchez, Sanchez appointed OpenSys to provide system integration services to banks and finance companies in Indonesia, Malaysia and the Netherlands over a period of two and a half years until November 2000 in relation to their PROFILE® retail-banking software. During this time and after the end of its formal association with Sanchez in November 2000, OpenSys was appointed independently by ING InterAdvies NV, Netherlands, to provide system maintenance and customisation services as a result of its collaboration with Sanchez. OpenSys was also able to secure eight (8) contracts to provide system integration services to the ING Companies in the Netherlands, Spain and Portugal.

In July 1998, drawing on its founders' experience in the financial services industry, OpenSys started the development of eSys, its suite of proprietary software products for the financial services industry. Within a period of 18 months, it secured in January 2000 its first order from South East Asia Insurance Berhad to install and implement a module of eSys software called "myAuto" that assists insurance agents to sell car insurance premiums. In June 2000, it received an order from MAA to install and implement another module of eSys called "myClaims" that processes insurance claims.

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**10. OTHER INFORMATION (Cont'd)**

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Its eSys products received further recognition when it was commissioned by ING InterAdvies N.V., Netherlands in September 2000 to develop a B2B software called "myTeller" to facilitate financial transactions between ING Regio Bank N.V., and its intermediaries and agents. In June 2001, MAA placed an order for another module of eSys called "myPDA" that allows their agents to sell insurance premiums using mobile PDAs.

On 18 November 1998, OpenSys was accorded interim MSC status, which status was confirmed on 9 August 2001. OpenSys was also awarded pioneer status by MITI on 16 December 1999 for a period of five (5) years commencing 1 December 1998 by virtue of its MSC status. OpenSys has on 12 September 2003 applied for the extension of its pioneer status for a further period of five (5) years and as at 29 December 2003, being the latest practicable date prior to the printing of this Prospectus, the Company is awaiting the confirmation of the MDC in respect of the same.

In February 2001, OpenSys began to develop a family of multi-function non-cash self-service machines to execute non-cash financial transactions. OpenSys termed these machines ESMs. Its current ESMs, the Touch Series 3000, allow financial institutions to expand the capabilities of their branches cost-effectively whilst providing better and more convenient and accessible services to their customers. In October 2001, OpenSys secured an initial order of 100 units of Touch 3050 from CSA, its distributor and support partner in Malaysia. In November 2001, it secured an order of 80 units of Touch 3070 from MAA.

In October 2001, to fund OpenSys' expansion plans, an investment of RM4.84 million was secured from CTV. CTV is funded jointly by Bank Negara Malaysia and Bumiputra-Commerce Bank Berhad and was set up to promote and develop technology financing in Malaysia. CTV is a venture capital company providing equity and mezzanine capital to viable, innovative, high-growth and emerging companies.

In April 2002, Malayan Banking Berhad purchased 50 units of Touch 3050 to be installed at some of their branches in Malaysia. In the same month, Standard Chartered Bank Malaysia Berhad also ordered 13 units of Touch 3050 for certain of their branches in Malaysia.

During the period from August 2002 to date, OpenSys appointed CL Computers Pte Limited as its Touch ESM distributor for Singapore, Maagnet Systems Sdn Bhd and CL Computers (M) Sdn Bhd for Malaysia, Leverage Systems Technologies Inc for Philippines, Computer Union Co Ltd for Thailand, Digisoft Business Solutions Co for Brunei, PT Warna Bintang Kreasi for Indonesia, CL Systems (China) Limited for Hong Kong and Cash Handling System Pty Ltd for Australia/ New Zealand.

In October 2002, AmAssurance Berhad signed up for its eSys (myAuto and myClaims) software. In November 2002, United Overseas Bank Malaysia purchased 5 units of Touch 3050. In the same month, OpenSys received additional orders of 10 and 20 units of Touch 3050 from Standard Chartered Bank Malaysia Berhad and Alliance Bank respectively. In January 2003, EON Bank Berhad placed orders for 15 units of Touch ESM and associated peripherals. In April 2003, Berjaya General Insurance Berhad signed up as another customer for eSys (myAuto) software while in July 2003, Maxis Mobile Sdn Bhd awarded an outsourcing project to OpenSys to deploy Touch ESM and cash-deposit machines to 37 of their outlets. In addition, in October 2003, Public Bank Berhad placed orders for 60 units of Touch ESM and encoder machines.

To date, seven (7) major financial institutions in Malaysia have installed OpenSys' Touch ESM solution; four (4) major financial institutions and one (1) major telecommunications company are users of its eSys software, and Standard Chartered Bank Singapore, Hong Kong and Brunei have recently introduced the Touch ESMs, representing a first for those countries.

OpenSys does not have any subsidiaries or associated companies.

## 10. OTHER INFORMATION (Cont'd)

## 10.2 CHANGES IN SHARE CAPITAL

As at 29 December 2003, being the latest practicable date prior to the printing of this Prospectus, the authorised share capital of OpenSys is RM50,000,000 comprising 500,000,000 ordinary shares of RM0.10 each and its issued and paid-up share capital is RM16,880,000 comprising 168,800,000 shares of RM0.10 each credited as fully paid-up. Upon completion of the Public Issue, the enlarged issued and paid-up share capital of OpenSys will be increased to RM22,180,000 comprising 221,800,000 ordinary shares of RM0.10 each credited as fully paid-up.

The changes in the issued and paid-up share capital of OpenSys since its incorporation is set out below:

Date of allotment	No of ordinary shares allotted	Par Value (RM)	Consideration	Resultant Issued and paid-up share capital (cumulative) (RM)
7 December 1995	2	1.00	Subscriber shares	2
6 January 1996	99,998	1.00	Cash	100,000
12 April 1999	400,000	1.00	Bonus Issue	500,000
2 June 2000	2,500,000	1.00	Bonus Issue	3,000,000
30 June 2000	315,000	1.00	Cash	3,315,000
14 July 2000	3,911,665	1.00	Bonus Issue	7,226,665
28 July 2000	72,266,650*	0.10	Share split from RM1.00 to RM0.10	7,226,665
18 October 2001	10,000,000	0.10	Cash	8,226,665
14 November 2003	86,533,350	0.10	Bonus Issue	16,880,000

*Note:*

\* The shares of the Company of RM1.00 each were split into 72,266,650 shares of RM0.10 each on 28 July 2000.

## 10.3 BONUS ISSUE

The Company implemented a bonus issue of 86,533,350 new OpenSys Shares credited as fully paid-up on the basis of approximately 1.05 OpenSys Shares for every one (1) OpenSys Share held on 8 October 2003.

The Bonus Issue was effected through the capitalisation of RM3,396,821 and RM5,256,514 from the share premium and retained earnings of the Company respectively. The 86,533,350 new OpenSys Shares rank pari passu in all respects with the then existing OpenSys Shares.

The Bonus Issue was completed on 14 November 2003.

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**10. OTHER INFORMATION (Cont'd)**

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**10.4 ESS**

In conjunction with the Listing, certain Promoters, namely Tan Kee Chung and Chee Hong Soon will implement an employees share scheme (ESS) whereby pursuant to this scheme, Sislogik will transfer 6,161,235 OpenSys Shares ("Reward Shares") at no cost, to all employees of OpenSys as at 11 April 2003 (save for employees who are also Promoters) ("Entitled Employees") as reward for those who are loyal and who remain in the employment of OpenSys. The transfer of the Reward Shares will be carried out in accordance with the absolute discretion of the directors of Sislogik, namely Tan Kee Chung and Chee Hong Soon. The ESS will be implemented upon the issuance of the Prospectus and will be completed prior to the listing of the Company on the MESDAQ Market.

The Entitled Employees will receive their allocated number of Reward Shares for free and the allocation to each Entitled Employee will be at the absolute discretion of the directors of Sislogik.

**10.5 ESOS**

In conjunction with its Listing, the Company proposes to implement an employees share option scheme (ESOS) of up to 30% of the issued and paid-up share capital of the Company at the time of the offer, to eligible Executive Directors and employees of the Company.

A summary of the principle features of the scheme is set out below:

- (a) No more than thirty per centum (30%) of the issued and paid-up share capital of the Company shall be offered under the Scheme at any point of time during the existence of the Scheme or such additional percentage that may be permitted by the SC from time to time during the duration of the Scheme;
- (b) Eligible employees (including Executive Directors) who are employed by OpenSys or any of its subsidiaries, if any, who are at least 18 years of age and whose employment is confirmed on the date of offer shall be eligible to participate in the Scheme;
- (c) The Scheme shall be in force for a period of five (5) years from its commencement. The Company may, if the Board and the option committee deem fit, renew the Scheme for up to another five (5) years;
- (d) The new OpenSys Shares to be allotted and issued upon any exercise of options will upon such allotment and issuance rank *pari passu* in all respects with the then existing and issued OpenSys Shares except that the new OpenSys Shares so issued will not be entitled to any dividends, rights, allotments and/or any other distributions the entitlement of which is prior to the date of allotment of the new OpenSys Shares; and
- (e) Not more than 50% of the shares available under the Scheme shall be allocated, in aggregate, to Executive Directors and senior management. In addition, not more than 25% of the shares available under the Scheme shall be allocated to any individual person.

The ESOS was approved by the shareholders of OpenSys at an Extraordinary General Meeting ("EGM") held on 28 April 2003, the SC on 22 September 2003, and KLSE on 23 September 2003 and will come into force on the Listing date. In addition, the shareholders of the Company at the same EGM held on 28 April 2003 approved the granting of Options under the ESOS to the Executive Directors of OpenSys, namely Tan Kee Chung, Chee Hong Soon and Tune Hee Hian to subscribe for up to a maximum of 10,000,000 new OpenSys Shares each, subject to the terms and conditions of the ESOS By-Laws.

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**10. OTHER INFORMATION (Cont'd)**


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The option committee to be appointed by the Board of Directors to administer the Scheme will initially grant up to 22,180,000 Options to eligible employees and Executive Directors ("Initial Grant") one (1) month after the date of Listing. However, the Options granted under the Initial Grant are only exercisable after one (1) year has lapsed from the date of Listing. The exercise price of the Options which are the subject matter of the Initial Grant shall be at a price which is at a discount of not more than ten percent (10%) from the weighted average market price of the OpenSys Shares as shown in the daily official list issued by KLSE for the five (5) Market Days immediately preceding the date the option is granted or the par value of the OpenSys Shares, whichever is higher and shall in no circumstances be less than the Issue Price. In addition to the Initial Grant, the option committee, shall during the duration of the ESOS, make offers to grant Options in accordance with the ESOS By-Laws. Each Option which is not part of the Initial Grant shall be exercisable at a price which is at a discount of not more than ten percent (10%) from the weighted average market price of the OpenSys Shares as shown in the daily official list issued by KLSE for the five (5) Market Days immediately preceding the date the option is granted or the par value of the OpenSys Shares; whichever is higher.

**10.6 APPROVALS AND CONDITIONS**
**10.6.1 Conditions on approvals**

The SC and KLSE approved the Public Issue on 22 September 2003 and 23 September 2003 respectively. The conditions imposed by the SC and KLSE and the status of compliance are set out as follows:

<b>Authority</b>	<b>Details of conditions imposed</b>	<b>Status of compliance</b>
<b>SC</b>	OpenSys is required to disclose the status of the utilisation of proceeds from the Public Issue in the Company's quarter and annual report until the proceeds are fully utilised.	The Board has undertaken to comply with this condition.
<b>KLSE</b>	<p>(i) Options under the ESOS shall only be granted one (1) month after the listing of OpenSys on the MESDAQ Market and the options granted shall only be exercisable after one (1) year has lapsed from the listing date. Additionally, the price payable for shares under the first grant of options under the ESOS shall not be less than the initial public offer price.</p> <p>(ii) OpenSys to disclose in its Prospectus as a separate utilisation plan, the proceeds intended for the following purposes:</p> <ul style="list-style-type: none"> <li>-Financing of inventory of components for Touch ESM;</li> <li>-R&amp;D activities; and</li> <li>-Sales and marketing expenses.</li> </ul> <p>(iii) No proceeds from OpenSys' public issue is to be used to repay the amounts owing to directors.</p>	<p>The said conditions have been incorporated in Section 10.5 of this Prospectus.</p> <p>Complied. The said disclosure are set out in Section 4.7 of this Prospectus.</p> <p>The Board has undertaken to comply with this condition.</p>

## 10. OTHER INFORMATION (Cont'd)

Authority	Details of conditions imposed	Status of compliance
	(iv) OpenSys to either collect in full or make provisions for trade debtor balances that have exceeded the credit period prior to the issuance of the Prospectus.	Complied. The Company has on 5 December 2003 confirmed to the KLSE that all trade debts exceeded the credit period as at 31 July 2003 have been collected in full.
	(v) OpenSys to seek shareholders' approval of the ESOS and to furnish the final copy of the Bye-Laws and a confirmation letter from its Adviser pursuant to Rule 6.12 of Guidance Note 6 of the Listing Requirements.	Complied. Shareholders' approval for the ESOS was obtained on 28 April 2003. The final copy of the ESOS Bye-Laws and a confirmation letter from CIMB (pursuant to Rule 6.12 of Guidance Note 6 of the Listing Requirements) will be submitted to the KLSE upon commencement of the Scheme.
	(vi) OpenSys to inform the KLSE on the appointment of independent directors and provide the necessary confirmations that they qualify as independent directors pursuant to the Listing Requirements.	OpenSys has on 3 December 2003 notified the KLSE of the appointment of Lee Swee Seng and James Henry Stewart as independent non-executive directors of the Company and has provided the KLSE the necessary confirmations that they qualify as independent directors pursuant to the Listing Requirements.
	(vii) OpenSys to include a negative statement in its Prospectus on the exclusion of profit forecast and projections from the Prospectus and the reasons thereof.	Complied. The said statement are set out in Section 4.11 of this Prospectus.

## 10.6.2 MSC and pioneer status

## (i) MSC Status

OpenSys was granted interim MSC status on 18 November 1998 by the MDC, which status was confirmed on 9 August 2001.

As an MSC status company, OpenSys is required to adhere to the business activities outlined in its business development plan submitted to the MDC with its application documents for MSC status. OpenSys is required to obtain the consent of the MDC for any changes to its business development plan. For example in its application documents for MSC status to the MDC, OpenSys stated that more than 90% of the design, research and development of software solutions is carried out by employees who are Malaysian residents. OpenSys will thus have to notify the MDC of any changes to this percentage. The business presently carried on by the Company is in accordance with such business development plan.

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**10. OTHER INFORMATION (Cont'd)**

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OpenSys is also required, as an MSC status company, to locate its headquarters and the operation of its MSC qualifying activities in one or more of the five designated "cybercities" within the MSC. The location of OpenSys in the PETRONAS Twin Towers is to meet this requirement. Furthermore, OpenSys must ensure that at least 15% of its total number of employees (excluding support staff) are "knowledge workers". These are defined as individuals possessing any one or more of the following qualifications, namely five or more years of professional experience in multimedia/information technology businesses or in a field that is a heavy user of multimedia; or a university degree (in any discipline) or a graduate diploma (in multimedia or information technology) from a technical college, plus two or more years' professional experience in multimedia or information technology businesses or in a field which is a heavy user of multimedia.

In addition to the conditions stated above, the MDC may from time to time at its discretion impose additional conditions or modify existing conditions applicable to OpenSys.

An MSC status company may have its MSC status withdrawn by the MDC in any of the following circumstances:

- (a) if the company makes any changes to its MSC-qualifying activities as detailed in its business development plan without the consent of the MDC;
- (b) if the company relocates its headquarters or principal place of business and/or the operation of the MSC-qualifying activities for any reason whatsoever without the consent of the MDC;
- (c) if the total number of "knowledge workers" employed by the company falls below 15% of its total workforce;
- (d) if the company fails to submit a copy of its annual report and audited statements to the MDC in parallel with its submission of the same to the Companies Commission of Malaysia;
- (e) if the company fails to comply with the MSC's environmental guidelines as determined by the MDC from time to time;
- (f) if the company fails to or is unable to achieve or fulfil its objectives, projections or assurances as contained in its application documents and/or any subsequent update documents;
- (g) if the company fails to comply with all statutory, regulatory and/or licensing requirements as may be applicable; and
- (h) if the company fails to comply with any other terms and conditions stipulated from time to time by the MDC with notice to the company.

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**10. OTHER INFORMATION (Cont'd)**

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An MSC status company is also required to comply with the processes and procedures imposed by the MDC to monitor its activities and operations to ensure compliance with the conditions attached to the grant of MSC status, evaluating and assessing its progress and assurances as contained in its application documents submitted to the MDC (including its business development plan) and subsequent update documents. Failure to comply with these monitoring processes and procedures may result in the OpenSys' MSC status being withdrawn.

**(ii) Pioneer Status**

OpenSys was granted pioneer status by MITI on 16 December 1999. Pursuant to this, OpenSys enjoys certain financial incentives accorded to it under Section 4A of the Promotion of Investments Act, 1986, which is intended to promote the development of activities which are deemed to be of national and strategic importance to Malaysia. In particular, OpenSys is entitled to 100% income tax exemption on profits generated from its MSC-qualifying activities for a period of 5 years commencing on 1 December 1998. This period of 5 years may be renewable upon formal application to the MDC before 30 November 2003 and subject to MDC's confirmation that the company has complied with all the conditions for MSC status. OpenSys has on 12 September 2003 applied for the extension of its pioneer status for a further period of five (5) years and as at 29 December 2003, being the latest practicable date prior to the printing of this Prospectus, the Company is awaiting the confirmation of the MDC in respect of the same.

The grant of any such extension is at the discretion of MITI, with the concurrence of the Minister of Finance. However, the Directors are not aware of any reasons why such an extension of pioneer status would not be granted in the event that the application is made in time and if the conditions for MSC status have been complied with.

It should also be noted that pursuant to the Promotion of Investments Act, 1986 the maximum period for pioneer status is 10 years. Accordingly based on current laws and regulations, no further extensions would be possible for OpenSys' pioneer status beyond 30 November 2008.



**10. OTHER INFORMATION (Cont'd)****10.7 MORATORIUM ON THE DISPOSAL OF PROMOTERS' SHARES**

In accordance with the Listing Requirements, the following Promoters have given their irrevocable undertakings that the OpenSys Shares held by them amounting to 99,874,637 or 45.02% of the issued and paid-up share capital of OpenSys after the Public Issue and any interest in such shares will not be sold, transferred or otherwise disposed of for one (1) year from the date of the Listing:

	←-----After the Public Issue-----→			
	No. of OpenSys Shares directly held	%	No. of OpenSys Shares under moratorium	%
Tan Kee Chung	40,864,430	18.42	35,541,155	16.01
Chee Hong Soon	7,084,020	3.19	6,161,208	2.77
Tune Hee Hian	4,579,182	2.06	3,982,667	1.80
Azlan Bin Abdullah	24,218,093	10.92	21,063,281	9.49
Leong Yokc Wai	4,579,182	2.06	3,982,667	1.80
Lim Swee Keah	4,579,182	2.06	3,982,667	1.80
Koh Lea Cheong	4,579,182	2.06	3,982,667	1.80
Tan Gaik Keow	4,579,182	2.06	3,982,667	1.80
Low Suet Cheng	4,579,182	2.06	3,982,667	1.80
Omtiara	15,192,003	6.85	13,212,991	5.95
	114,833,638	51.74	99,874,637	45.02

The moratorium has been fully accepted by the Promoters. They are permitted to sell, transfer or assign their shares in OpenSys subject to a maximum of one third per annum on a straight line basis of their respective shareholdings in the Company on which the moratorium on disposal has been imposed, as set out above.

The restriction is specifically endorsed on the share certificates of OpenSys representing the shareholding of the aforesaid shareholders on which the moratorium on disposal has been imposed to ensure that the MCD will not register any transfer which is not in compliance with the aforesaid restriction.

**10.8 RELATED PARTY TRANSACTIONS AND CONFLICT OF INTERESTS****10.8.1 Related party transactions**

- (i) None of the Directors and/or Substantial Shareholders of the Company 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 disposed of by or leased to the Company or proposed to be acquired or disposed of by or leased to the Company.

10. OTHER INFORMATION (Cont'd)

- (ii) Save as disclosed below, none of the Directors and Substantial Shareholders and/or persons connected to them 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:
- (a) OpenSys is currently renting a 3-bedroom apartment measuring approximately 870 square feet at E10-6 Glory Visa Beach Resort Batu 2, Jalan Seremban, Tanjung Gemok, 71000 Port Dickson, Negeri Sembilan from a Director, Tan Kee Chung, for the sum of RM1,500 per month pursuant to a tenancy agreement dated 18 September 2000. This tenancy is for a term of three (3) years commencing 1 June 2000 and renewable for further period(s) of one (1) year annually. The said tenancy agreement has been renewed for a further three (3) years commencing on 1 June 2003. The rent may be adjusted to an amount that is equivalent to the market rate upon each renewal of the lease. The apartment is used for recreational purposes by the management and employees of the Company.
- (b) Tan Kee Chung had advanced a sum of RM500,000 to the Company on 1 October 2001. The advance carries an interest rate of 4.25% per annum from 1 October 2001 to 31 December 2002 and thereafter it was interest free. As at 30 November 2003, being the latest practicable date prior to the printing of this Prospectus, a total amount of RM359,923 was repaid by the Company. The remaining outstanding amount of RM140,077 shall be repaid no later than 31 December 2004. The purpose of the advances was to provide for working capital and to finance the assembly of Touch ESMs.

Tan Kee Chung had further advanced to the Company a total sum of RM2,300,000 during the period 24 September 2002 to 6 November 2002. The advances are interest free and have no fixed term of repayment. As at 30 November 2003, being the latest practicable date prior to the printing of this Prospectus, a total amount of RM2,269,486 has been repaid by the Company. The remaining outstanding amount of RM30,514 shall be repaid no later than 31 December 2004. The purpose of the advances was to provide for working capital and part repayment of bank borrowings.

The above transactions were entered into in the ordinary course of business and were conducted on normal commercial terms which are no more favourable to the relevant related party than those normally extended to the general public and currently not to the detriment of OpenSys.

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10. OTHER INFORMATION (Cont'd)

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10.8.2 Conflict of interest

(i) Save as disclosed below, there are no conflicts of interest between the Company and its Adviser, Sponsor, Auditors, Reporting Accountants and Solicitors:

(a) As at 29 December 2003, being the latest practicable date prior to the printing of this Prospectus, Commerce Asset-Holding Berhad ("CAHB") holds equity interest of approximately 74%, 100% and 100% in CIMB, Bumiputera-Commerce Bank Berhad ("BCBB") and CAV respectively. CAHB is thus a substantial shareholder of CIMB, BCBB and CAV and therefore, CAV and BCBB are related companies of CIMB. As at 29 December 2003, being the latest practicable date prior to the printing of this Prospectus, BCBB holds the entire preference shares of RM1.00 each in CTV. CPEM, the wholly owned subsidiary of CAV manages the funds of CTV.

On 20 November 2003, CIMB entered into an Underwriting Agreement with OpenSys for the underwriting of 500,000 OpenSys Shares pursuant to the Public Issue for an underwriting commission of up to 2.5% of the issue price of RM0.24 per share.

On 15 October 2003, CIMB entered into an agreement with OpenSys for the placement of 53,000,000 of the Issue Shares, for a placement fee of up to 2% of the Issue Price.

Notwithstanding the above, CIMB believes there is no issue of conflict of interest in respect of its role as Adviser/ Sponsor/ Placement Agent/ Underwriter in the Listing of OpenSys.

(b) Raslan Loong believes there is no issue of conflict of interest in respect of its role as Solicitors in the Listing of OpenSys.

(c) Ler Lum & Co believes there is no issue of conflict of interest in respect of its role as Auditor and Reporting Accountants in the Listing of OpenSys

(ii) None of the Directors, Promoters, Substantial Shareholders and Key Management personnel of the Company has any interest, direct or indirect, in any business carrying on a similar trade as that of the Company.