

P R O S P E C T U S

icapital.biz Berhad

(Company Number: 674900-X)
(Incorporated in Malaysia under the Companies Act, 1965)

CLOSED-END FUND

Public issue of a minimum of 60,000,000 ordinary shares of RM1.00 each in icapital.biz Berhad (“Shares”) at an issue price of RM1.00 per Share payable in full comprising:

- (i) a minimum of 47,000,000 Shares available for application under private placement;
- (ii) a minimum of 10,000,000 Shares available for application by the Entitled Subscribers (as defined herein); and
- (iii) a minimum of 3,000,000 Shares available for application by the Malaysian public, companies, societies, co-operatives and institutions;

and a maximum of 140,000,000 Shares at an issue price of RM1.00 per Share;

In conjunction with its listing on the Main Board of Bursa Malaysia Securities Berhad.

For information concerning certain risk factors which should be considered by prospective investors, see “Risk Factors” as set out in Section 3 of this Prospectus.
Investors should read and understand the whole Prospectus prior to deciding on whether to invest.

Adviser, Underwriter & Placement Agent



K & N KENANGA BHD

Company No. 15678-H

Fund Manager

**CAPITAL DYNAMICS
ASSET MANAGEMENT
SDN BHD**
(Company Number: 389773-H)

Custodian

Deutsche Bank 
DEUTSCHE BANK (MALAYSIA) BERHAD
(Company Number: 312552-W)

Investment Adviser

**CAPITAL DYNAMICS
SDN BHD**
(Company Number: 171744-U)

THIS PROSPECTUS IS DATED 26 SEPTEMBER 2005 AND EXPIRES ON 25 SEPTEMBER 2006

This Prospectus has been seen and approved by the Directors of icapital.biz Berhad ("icapital.biz" or the "Company") 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.

The information relating specifically to Capital Dynamics Asset Management Sdn Bhd ("CDAM"), Capital Dynamics Sdn Bhd ("CDSB") and Deutsche Bank (Malaysia) Berhad ("Deutsche Bank") have been provided by the respective Board of Directors of CDAM, CDSB and Deutsche Bank. The respective Board of Directors of CDAM and CDSB and the authorised representatives of Deutsche Bank, collectively and individually have in respect of the relevant company, accepted responsibility that the information given herein relating to the relevant company are true, accurate and complete, after making all reasonable enquiries and to the best of their knowledge and belief, there are no facts the omission of which would make any statement herein false or misleading. The sole responsibility of the Board of Directors of icapital.biz is to ensure that such information has been accurately and correctly extracted and reproduced from these sources.

K&N Kenanga Bhd ("Kenanga"), being the Adviser, Underwriter and Placement Agent 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 (as hereinafter defined).

The Securities Commission ("SC") has approved the issue, offer or invitation in respect of the Public Issue on 6 June 2005, 28 July 2005 and 22 August 2005 and that the approval shall not be taken to indicate that the SC recommends the Public Issue.

The SC shall not be liable for any non-disclosure on the part of the Company and takes no responsibility for the contents of this Prospectus, makes no representation as to its accuracy or completeness and expressly disclaims any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this Prospectus. **INVESTORS SHOULD RELY ON THEIR OWN EVALUATION TO ASSESS THE MERITS AND RISKS OF THE INVESTMENT. IN CONSIDERING THE INVESTMENT, INVESTORS WHO ARE IN DOUBT AS TO THE ACTION TO BE TAKEN SHOULD CONSULT THEIR STOCKBROKER, BANK MANAGER, SOLICITOR, ACCOUNTANT OR OTHER PROFESSIONAL ADVISER IMMEDIATELY.**

Bursa Malaysia Securities Berhad ("Bursa Securities") shall not be liable for any non-disclosure on the part of the Company and takes no responsibility for the contents of this Prospectus, makes no representation as to its correctness or completeness and expressly disclaims any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this Prospectus. Admission to the Official List of the Main Board of Bursa Securities is not to be taken as an indication of the merits of the Public Issue, the Company or of its securities.

A copy of this Prospectus has been registered with the SC. A copy of this Prospectus, together with the form of application, has also been lodged with the Registrar of Companies who takes no responsibility for its contents.

The Prospectus can also be viewed or downloaded from Bursa Securities' website at www.bursamalaysia.com.

IMPORTANT DATES

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

Event	Tentative Date
Opening of Application for the Issue Shares	26 September 2005
Closing of Application for the Issue Shares*	7 October 2005
Balloting Date	11 October 2005
Despatch of Notices of Allotment of the Issue Shares to successful applicants	18 October 2005
Listing and Quotation of the Company's entire enlarged issued and paid-up share capital on the Main Board of Bursa Securities	19 October 2005

THESE DATES ARE TENTATIVE AND ARE SUBJECT TO CHANGES WHICH MAY BE NECESSARY TO FACILITATE IMPLEMENTATION PROCEDURES. THE APPLICATION WILL BE CLOSED AT THE DATE STATED ABOVE OR SUCH LATER DATE AS THE BOARD OF DIRECTORS OF ICAPITAL.BIZ AND KENANGA AT THEIR ABSOLUTE DISCRETION MAY DECIDE.

*** SHOULD THE DATE OF CLOSING OF APPLICATION FOR THE ISSUE SHARES BE EXTENDED, THE DATES FOR DESPATCH OF NOTICES OF ALLOTMENT OF THE ISSUE SHARES TO SUCCESSFUL APPLICANTS AND LISTING OF ICAPITAL.BIZ'S ENTIRE ENLARGED ISSUED AND PAID-UP SHARE CAPITAL ON THE MAIN BOARD OF BURSA SECURITIES WILL BE EXTENDED ACCORDINGLY. IN THE EVENT THE DATE OF THE CLOSING OF APPLICATION FOR THE ISSUE SHARES IS EXTENDED, APPLICANTS WILL BE NOTIFIED OF SUCH EXTENSION BY WAY OF ADVERTISEMENTS PLACED IN A WIDELY CIRCULATED ENGLISH AND BAHASA MALAYSIA NEWSPAPER IN MALAYSIA.**

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DEFINITIONS

In this Prospectus, unless the context otherwise requires, the following abbreviations shall apply throughout:-

Act	:	The Companies Act, 1965, as amended from time to time, and any re-enactment thereof
ACGR	:	Annual compounded growth rate
ADA	:	Authorised Depository Agent
ADA Code	:	ADA (Broker) Code
Administrator or PFA	:	PFA Corporate Services Sdn Bhd (148766-X)
Administration Agreement	:	The administration agreement dated 6 September 2005 between the Company and the Administrator appointing the Administrator to provide administrative, accounting and reporting services to the Company subject to the terms and conditions set out therein
Application Form(s)	:	Printed application form(s) for the application of the Issue Shares accompanying this Prospectus
ATM	:	Automated teller machine
Bursa Depository	:	Bursa Malaysia Depository Sdn Bhd (165570-W)
Bursa Securities	:	Bursa Malaysia Securities Berhad (635988-W)
Board	:	Board of Directors of icapital.biz
CCM or ROC	:	Companies Commission of Malaysia
CDS	:	Central Depository System
CEF	:	Closed-end fund
Custodian or Deutsche Bank	:	Deutsche Bank (Malaysia) Berhad (312552-W)
Custodian Agreement	:	The custodian agreement dated 6 September 2005 between the Company and the Custodian under which the Custodian agrees to act as the custodian of the Company's investments subject to the terms and conditions set out therein
Designated Person	:	Tan Teng Boo, the person appointed by the Fund Manager who is responsible for managing the investments of icapital.biz as approved by the SC under the SC Guidelines-CEF
EMAS Index	:	Bursa Securities' Main Board All Share Index
Electronic Share Application(s)	:	Application of the Issue Shares through a Participating Financial Institution's ATMs

DEFINITIONS (Cont'd)

Entitled Subscribers	:	Subscribers of <i>i</i> Capital (the investment publication of CDSB), 《资本投资》 or “Zi Ben Tou Zi” (the investment publication (Chinese version) of CDSB) and www.icapital.biz (the Internet edition of <i>i</i> Capital) as at 15 August 2005
EPS	:	Earnings per share
FYE	:	Financial year ended or financial year ending
Fund Management Agreement	:	The fund management agreement dated 6 September 2005 between the Company and the Fund Manager under which the Fund Manager agrees to manage the investments of the Company subject to the terms and conditions set out therein
Fund Manager or CDAM	:	Capital Dynamics Asset Management Sdn Bhd (389773-H)
GDP	:	Gross Domestic Product
<i>i</i> Capital	:	The investment publication of CDSB
icapital.biz or Company	:	icapital.biz Berhad (674900-X)
icapital.biz Shares or Shares	:	Ordinary shares of RM1.00 each in icapital.biz
Investment Adviser or CDSB	:	Capital Dynamics Sdn. Bhd. (171744-U)
Investment Advisory Agreement	:	The investment advisory agreement dated 6 September 2005 between the Company and the Investment Adviser appointing the Investment Adviser to advise on the Company’s investment subject to the terms and conditions set out therein
IPO	:	Initial Public Offering
Issue Price	:	RM1.00 per Issue Share
Issue Shares	:	icapital.biz Shares under the Private Placement and Public Offer
KLCI	:	Kuala Lumpur Composite Index
Kenanga	:	K & N Kenanga Bhd (15678-H)
Latest Practicable Date	:	The latest practicable date prior to the issuance of this Prospectus, being 15 September 2005
Licensing Agreement	:	The licensing agreement dated 6 September 2005 between the Company and the Investment Adviser whereby the Investment Adviser grants the Company a non-transferable and non-exclusive licence to use the Trade Marks as part of the name of the Company subject to the terms and conditions set out therein
Listing	:	Initial listing of and quotation for icapital.biz’s entire enlarged issued and paid-up share capital comprising between 60,000,000 and up to 140,000,000 icapital.biz Shares, pursuant to the Public Issue, on the Main Board

DEFINITIONS (Cont'd)

Listing Requirements	:	Listing requirements of Bursa Securities for the Main Board and Second Board, as amended from time to time, and any re-enactment thereof
Main Board	:	The Main Board of Bursa Securities
Maximum Subscription	:	The scenario whereby a maximum subscription for 140,000,000 icapital.biz Shares is received pursuant to its maximum fund size of RM140,000,000 comprising 140,000,000 icapital.biz Shares
Minimum Subscription	:	The scenario whereby a minimum subscription for 60,000,000 icapital.biz Shares is received pursuant to its minimum fund size of RM60,000,000 comprising 60,000,000 icapital.biz Shares
MI	:	Minority interest
MIH or Issuing House	:	Malaysian Issuing House Sdn. Bhd. (258345-X)
NAV	:	Net asset value
NTA	:	Net tangible assets
Other Permitted Assets	:	Cash, bankers acceptances and other assets permitted under the SC Guidelines-CEF
Participating Financial Institution(s)	:	Participating Financial Institutions for Electronic Share Application as listed in Section 16 of this Prospectus
PAT	:	Profit after taxation
PBT	:	Profit before taxation
PE	:	Price earnings
PRC	:	People's Republic of China
Private Placement	:	The private placement of the Subscribers' Shares and new icapital.biz Shares to selected investors at the Issue Price
Prospectus	:	This prospectus dated 26 September 2005 which sets out the details of the Company and the terms and conditions of the Public Issue
Public Issue	:	Public issue of the Issue Shares subject to the terms and conditions of this Prospectus
Public Offer	:	The public offer of new icapital.biz Shares to the Entitled Subscribers and to the Malaysian public, companies, societies, co-operatives and institutions at the Issue Price
RM and sen	:	Ringgit Malaysia and sen respectively
SC	:	Securities Commission
SC Guidelines	:	SC's Policies and Guidelines on Issue/Offer of Securities

DEFINITIONS (Cont'd)

SC Guidelines-CEF	:	SC's Guidelines for Public Offerings of Securities of Closed-End Funds
Securities	:	Debentures, stocks and shares in a public company or corporation, or bonds of any government or of any body corporate or unincorporated, and includes any right or option in respect thereof
SIA	:	Securities Industry Act, 1983, as amended from time to time, and any re-enactment thereof
Subscribers' Shares	:	The two (2) ordinary shares of RM1.00 each being the subscribers' shares in the Company
Trade Marks	:	collectively, (i) Trade Mark No. 90-02364 for " <i>i</i> Capital & Device" and Trade Mark No. 93-00737 for "《资本投资》 & Device" (Chinese character equivalent of <i>i</i> Capital & Device), both in Class 16 in Malaysia, where CDSB is the registered owner; (ii) Trade Mark No. 2000-03862 for " <i>i</i> Capital & Device" and Trade Mark No. 2000-03863 for "《资本投资》 & Device" (Chinese character equivalent of <i>i</i> Capital & Device), both in Class 36 in Malaysia, where CDSB is the applicant for the said trademarks; and (iii) Mark " <i>i</i> Capital" for services in Class 35, namely, "financial analysis, capital investments, financial consultancy, financial evaluation (insurance, banking, real estate); financial information, financial management, fund investments, mutual fund", where CDSB is the beneficial and common law owner
UK	:	United Kingdom
USA	:	United States of America
USD	:	USA Dollars
Underwriting Agreement	:	Underwriting agreement dated 3 August 2005 entered into between the Company and Kenanga for the underwriting of 13,000,000 Shares under the Public Offer
UTF	:	Unit Trust Fund
www.icapital.biz	:	The Internet edition of <i>i</i> Capital
《资本投资》	:	The investment publication (Chinese version) of CDSB

CORPORATE DIRECTORY

DIRECTORS

Name	Address	Occupation	Nationality
YM Tunku Tan Sri Dato' Seri Ahmad bin Tunku Yahaya <i>(Chairman/Non-Independent Non-Executive Director)</i>	No. 5, Lorong Duta Satu 59100 Kuala Lumpur	Director	Malaysian
Michael Vitus Wong Kuan Lee <i>(Non-Independent Non-Executive Director)</i>	No. 323, Lorong Maarof 59000 Kuala Lumpur	Director	Malaysian
Dato' Raja Nong Chik bin Raja Zainal Abidin <i>(Independent Non-Executive Director)</i>	No. 2, Changkat Datuk Sulaiman 2 TTDI Hills Taman Tun Dr Ismail 60000 Kuala Lumpur	Director	Malaysian
Yeoh Ah Tu <i>(Independent Non-Executive Director)</i>	B-12-2, Strauss Tower Mont Kiara Sophia Jalan Kiara Satu 50480 Kuala Lumpur	Director	Malaysian

AUDIT COMMITTEE

Name	Designation	Directorship
Dato' Raja Nong Chik bin Raja Zainal Abidin	Chairman of the Audit Committee	Independent Non-Executive Director
Yeoh Ah Tu	Member of the Audit Committee	Independent Non-Executive Director
YM Tunku Tan Sri Dato' Seri Ahmad bin Tunku Yahaya	Member of the Audit Committee	Chairman/Non-Independent Non-Executive Director

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CORPORATE DIRECTORY (Cont'd)

- COMPANY SECRETARIES** : Wong Wei Fong
(MAICSA 7006751)
20, Lorong Burung Upih 1
Taman Bukit Maluri
Kepong
52100 Kuala Lumpur
- Tham Wai Ying
(MAICSA 7016123)
46, Jalan Midah 19-A
Taman Midah
56000 Kuala Lumpur
- REGISTERED OFFICE** : Level 14, Uptown 1
No. 1, Jalan SS21/58
Damansara Uptown
47400 Petaling Jaya
Selangor Darul Ehsan
- FUND MANAGER** : Capital Dynamics Asset Management Sdn Bhd (389773-H)
Lot 3.01B, Third Floor
Plaza Warisan
Jalan Tun HS Lee
50000 Kuala Lumpur
- DESIGNATED PERSON** : Tan Teng Boo
- INVESTMENT ADVISER** : Capital Dynamics Sdn Bhd (171744-U)
Lot 3.01A, Third Floor
Plaza Warisan
Jalan Tun HS Lee
50000 Kuala Lumpur
- CUSTODIAN** : Deutsche Bank (Malaysia) Berhad (312552-W)
Level 18, Menara IMC
No. 8 Jalan Sultan Ismail
50250 Kuala Lumpur
- AUDITORS & REPORTING
ACCOUNTANTS** : Horwath (AF1018)
Level 16, Tower C
Megan Avenue II
12, Jalan Yap Kwan Seng
50450 Kuala Lumpur
- TAX ADVISER** : Horwath Tax KL Sdn Bhd (10709-X)
C15-5 Level 15, Tower C
Megan Avenue II
12, Jalan Yap Kwan Seng
50450 Kuala Lumpur
- CORPORATE AND DUE
DILIGENCE SOLICITORS** : Foong & Partners
Advocates and Solicitors
Suite 21.08, Level 21, Plaza 138
138, Jalan Ampang
50450 Kuala Lumpur

CORPORATE DIRECTORY (Cont'd)

<i>DOCUMENTATION SOLICITORS</i>	:	Skrine Advocates and Solicitors Unit No. 50-8-1 8 th Floor, Wisma UOA Damansara 50, Jalan Dungun Damansara Heights 50490 Kuala Lumpur
<i>REGISTRAR</i>	:	PFA Registration Services Sdn Bhd (19234-W) Level 13, Uptown 1 No. 1 Jalan SS21/58 Damansara Uptown 47400 Petaling Jaya Selangor Darul Ehsan
<i>ADVISER AND PLACEMENT AGENT</i>	:	K & N Kenanga Bhd (15678-H) 8th Floor, Kenanga International Jalan Sultan Ismail 50250 Kuala Lumpur
<i>UNDERWRITER</i>	:	K & N Kenanga Bhd (15678-H) 8th Floor, Kenanga International Jalan Sultan Ismail 50250 Kuala Lumpur
<i>ISSUING HOUSE</i>	:	Malaysian Issuing House Sdn Bhd (258345-X) 27 th Floor, Menara Multi Purpose Capital Square 8, Jalan Munshi Abdullah 50100 Kuala Lumpur
<i>LISTING SOUGHT</i>	:	Main Board of Bursa Securities
<i>WEBSITE</i>	:	www.icapital.biz

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PRELIMINARY

This Prospectus is dated 26 September 2005.

A copy of this Prospectus has been registered with the SC. A copy of this Prospectus, together with the form of application, has also been lodged with the CCM who takes no responsibility for its contents.

Approval has been obtained from the SC on 6 June 2005, 28 July 2005 and 22 August 2005 for admission to the Official List of Bursa Securities and for permission to deal in and quotation for the entire enlarged issued and paid-up share capital of icapital.biz. These Shares will be admitted to the Official List of Bursa Securities and official quotation will commence after receipt of confirmation from Bursa Depository that all CDS accounts of the successful applicants have been duly credited and notices of allotment have been despatched to all successful applicants.

Persons submitting applications by way of Application Forms or by way of Electronic Share Applications must have a CDS account. In the case of applicants using Application Form, an applicant should state his CDS account number in the space provided in the Application Form. In the case of an application by way of Electronic Share Application, only an applicant who is an individual and has a CDS account can make an Electronic Share Application and the applicant shall furnish his CDS account number to the Participating Financial Institution by way of keying his CDS account number if the instructions on the ATM screen at which he enters his Electronic Share Application requires him to do so. A corporation or institution cannot apply for the Issue Shares by way of Electronic Share Application.

Pursuant to Section 14(1) of the Securities Industry (Central Depositories) Act, 1991, Bursa Securities has prescribed icapital.biz Shares as prescribed securities. In consequence thereof, all the Shares including the Issue Shares to be issued and offered through this Prospectus will be deposited directly with Bursa Depository and any dealings in these Shares will be carried out in accordance with the Securities Industry (Central Depositories) Act, 1991 and the Rules of Bursa Depository. No share certificates will be issued to successful applicants.

Pursuant to the Listing Requirements, the Company needs to have at least 25% of the total number of shares for which listing is sought in the hands of a minimum of 1,000 public shareholders holding not less than 100 icapital.biz Shares each, upon admission to the Main Board. The Company is expected to achieve this at the point of listing. However, in the event that the above requirement is not met pursuant to this Public Issue, the Company may not be allowed to proceed with its listing. In the event thereof, monies paid in respect of all applications will be returned in full without interest.

No person is authorised to give any information or to make any representation not contained herein in connection with the Public Issue and if given or made, such information or representation must not be relied upon as having been authorised by icapital.biz and/or Kenanga. Neither the delivery of this Prospectus nor any issue made in connection with this Prospectus shall, under any circumstances, constitute a representation or create an implication that there has been no change in the affairs of icapital.biz since the date thereof.

The distribution of this Prospectus and the sale of the Issue Shares will not be registered under any possible securities legislation of any jurisdiction except Malaysia and the Issue Shares will not be placed out in any country other than Malaysia. Persons into whose possession this Prospectus may come are required to inform themselves of and to observe such restrictions. This Prospectus does not constitute and may not be used for purpose of an offer to sell or an invitation of an offer to buy any Issue Shares in any jurisdiction in which such offer or invitation is not authorised or lawful or to any person to whom it is unlawful to make such offer or invitation.

The written consents of the Corporate and Due Diligence Solicitors, Documentation Solicitors, Registrar, Adviser, Underwriter and Placement Agent, Company Secretaries, Issuing House, Fund Manager, Investment Adviser, Administrator, Custodian and Messrs. Hewitt Associates to the inclusion in this Prospectus of their names in the manner and form in which such names appear have been given before the issuance of this Prospectus and have not subsequently been withdrawn.

PRELIMINARY (Cont'd)

The written consent of the Auditors and Reporting Accountants to the inclusion in this Prospectus of their name and Accountants' Report dated 19 September 2005 have been given before the issuance of this Prospectus and have not subsequently been withdrawn.

The written consent of the Tax Adviser to the inclusion in this Prospectus of their name and their letter relating to the taxation policies of icapital.biz and the shareholders of icapital.biz dated 19 September 2005 have been given before the issuance of this Prospectus and have not subsequently been withdrawn.

The Prospectus can also be viewed or downloaded from Bursa Securities' website at www.bursamalaysia.com.

Investors who are in any doubt as to the action to be taken should consult their stockbroker, bank manager, solicitor, accountant or other professional advisers immediately.

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