

3 RISK FACTORS (cont'd)

(xi) No prior market for icapital.biz's Shares

Prior to the Public Issue, there was no public market for icapital.biz Shares. There can be no assurance that an active market can develop for icapital.biz Shares upon its listing on Bursa Securities or if developed, that such a market can be sustained. Although the Public Issue has been approved by the SC, there can be no assurance that icapital.biz Shares will be accepted for listing and quotation on the anticipated date on the Main Board. In the event that icapital.biz Shares are not accepted for listing and quotation, the Company will endeavour to return the proceeds paid in respect of any application for the Issue Shares without interest.

The Issue Price has been determined after taking into consideration a number of factors, including but not limited to, the nature of icapital.biz's business, the prospects of the industry in which the Company operates, the requirements of the SC Guidelines-CEF and prevailing economic and market conditions. There can be no assurance that the Issue Price will correspond to the price at which icapital.biz Shares will trade on Bursa Securities upon or subsequent to its listing.

Nevertheless, to partially mitigate this risk, educational presentations have been undertaken to educate potential investors. Furthermore, icapital.biz targets a certain profile of shareholders, who subscribe to the longer-term investment objectives of the CEF.

(xii) Volatility of icapital.biz Shares' market price

The market price of icapital.biz Shares could be affected by numerous factors, including:-

- (a) general market, political and economic conditions;
- (b) changes in earnings estimates and recommendations by financial analysts;
- (c) changes in the NAV of the Company;
- (d) changes in market valuations of listed shares in general;
- (e) changes in government policy, legislation or regulations; and
- (f) general operational and business risks.

In addition, many of the risks described elsewhere in the Prospectus could materially and adversely affect the market price of icapital.biz Shares.

However, to partially mitigate this risk, educational presentations have been undertaken to educate potential investors. Furthermore, icapital.biz targets a certain profile of shareholders, who subscribe to the longer-term investment objectives of the CEF.

(xiii) Political, economic and legislative considerations

Development in political and economic conditions in Malaysia and in other countries could materially affect the financial prospects of companies in which the Company invests in and in turn affect the financial performance of the Company. Political and economic uncertainties include but are not limited to the risks of war, riots, expropriation, nationalisation, renegotiations or nullification of existing contracts, fluctuations in foreign exchange rates, inflation, changes in interest rates and methods of taxation.

3 RISK FACTORS (cont'd)

Nonetheless, icapital.biz's stock selections are driven primarily by the value investing philosophy of its fund manager, with emphasis on a margin of safety created by the divergences between the market prices and the intrinsic values of the companies. As such, the impact of political, economic and legislative considerations on the investments will be partially mitigated by the margin of safety incorporated. Further information on CDAM's value investing philosophy is set out in Section 5.1.2 of this Prospectus.

(xiv) Forward looking statements

This Prospectus includes forward-looking statements, which are statements other than statements of historical facts that are based on assumptions that are subject to uncertainties and contingencies. The word "anticipates", "believes", "intends", "plans", "expects", "forecast", "predicts" and similar expressions as they relate to the Company or its business are intended to identify such forward-looking statements. The Company believes that, barring any unforeseen circumstances the expectations reflected in such forward-looking statements are reasonable at this point of time. There can be no assurance that such expectations will prove to have been correct. Any deviation from the expectations may have adverse effect on the Company's financial and business performance.

(xv) Delay in or abortion of the Public Issue

The occurrence of any one (1) or more of the following events may cause a delay in or abortion of the Public Issue:-

- (a) the identified investors fail to subscribe for the portion of Issue Shares to be placed to them;
- (b) the underwriter exercises its rights pursuant to the Underwriting Agreement and discharges itself from its obligations thereunder; or
- (c) the Company is unable to meet the public spread requirements.

Although the Board will endeavour to ensure compliance by icapital.biz of the various Listing Requirements, including, inter-alia, the public spread requirement imposed by Bursa Securities for the successful Public Issue, no assurance can be given that the abovementioned events will not occur and cause a delay in or abortion of the Public Issue.

(xvi) Termination of Underwriting Agreement

The Underwriting Agreement is terminable by the Underwriter if the Underwriter is of the reasonable opinion that the success of the Public Issue is seriously jeopardised by certain events, details of which are set out in Section 2.9 of this Prospectus.

No assurance can be given that the Underwriter will not terminate the Underwriting Agreement if it is of the reasonable opinion that the events detailed in Section 2.9 of this Prospectus have occurred. In the event the Public Issue could not be completed, all monies paid in respect of all applications will be returned without any interest. In the event the Underwriting Agreement is terminated, icapital.biz will explore the possibility of appointing a new underwriter.

4 BUSINESS OVERVIEW OF ICAPITAL.BIZ

4.1 INCORPORATION AND PRINCIPAL ACTIVITIES

icapital.biz was incorporated in Malaysia under the Act on 11 December 2004 as a public limited company.

icapital.biz's principal activities are to engage in the business of investing in Malaysian Securities and/or Other Permitted Assets for the purpose of:-

- (i) spreading investment risks; and
 - (ii) managing a portfolio of investments,
- to gain revenue and profit for the benefit and on behalf of its shareholders.

4.2 SHARE CAPITAL

As at the date of this Prospectus, the issued and paid-up share capital of icapital.biz is RM2.00 comprising two (2) icapital.biz Shares credited as fully paid-up. Upon completion of the Public Issue, the issued and paid-up share capital of icapital.biz will increase to a minimum of RM60,000,000 up to a maximum of RM140,000,000 comprising icapital.biz Shares credited as fully paid-up, depending on the level of subscription of the Public Issue.

Details of the changes in the issued and paid-up share capital of icapital.biz since its incorporation are as follows:-

Date of allotment	No. of ordinary shares allotted	Par value (RM)	Consideration	Total issued and paid-up share capital (RM)
11 December 2004	2	1.00	Subscribers' shares	2.00

On 19 August 2005, icapital.biz increased its authorized share capital from RM100,000 comprising 100,000 icapital.biz Shares to RM1,000,000,000 comprising 1,000,000,000 icapital.biz Shares in order to facilitate the Public Issue.

4.3 BUSINESS OVERVIEW OF ICAPITAL.BIZ

4.3.1 Investment Objectives, Policies and Restrictions

Investment Objectives

The primary investment objective of icapital.biz is long-term capital appreciation of its investments, whilst dividend and/or interest income from these investments would be of secondary consideration.

4 BUSINESS OVERVIEW OF ICAPITAL.BIZ (Cont'd)

Investment Policies

The principal investment policies of icapital.biz are to primarily invest in a managed portfolio of securities, which includes shares, stocks, warrants and bonds issued by companies listed on the Main Board, the Second Board and the MESDAQ Market of Bursa Securities. Whilst icapital.biz will also invest in securities and bonds of unlisted companies, the focus will be primarily on companies listed on Bursa Securities. Presently, icapital.biz has no intention to invest in derivatives and securities listed on approved foreign stock exchanges. However, the Fund Management Agreement does cater for the possibility of offshore investments in the event that icapital.biz decides to revise its investment policies to include investments in derivatives and securities listed on foreign stock exchanges. Such investments abroad are subjected to the SC's approval on foreign markets and restrictions imposed by Bank Negara Malaysia on outflow of funds.

icapital.biz will select companies where there is a disparity between the company's market price (in the case of listed securities) and selling price (in the case of unlisted securities) and underlying business values over the medium to long-term. icapital.biz may also invest in cash deposits and/or in short-term obligations in order to have funds available for general corporate purposes. It may also maintain such cash deposits for defensive purposes or to enable it to take advantage of buying opportunities. icapital.biz will not invest in other collective investment vehicles.

The primary asset that icapital.biz will be investing in will be equities listed on Bursa Securities. Theoretically, the asset allocation can range from 0% equities to 100% equities. The actual asset allocation of icapital.biz's investments is a function of its value investment philosophy that is based on two (2) factors, the valuation of the company and its share price. When the market is undervalued and there are many investment opportunities whereby companies are trading below their valuation, icapital.biz may invest as much as 95% of its assets in equities with the balance in cash and/or near cash assets. Likewise, if the market is overvalued and there are minimal investment opportunities, icapital.biz's asset allocation would have a lesser bias towards equities and can go as low as 10% - 20%, for example. The balance 80% - 90% will be in cash and/or near cash assets. However, it should be highlighted that certain levels of cash and/or near cash assets will be maintained in order for icapital.biz to have funds available for general corporate purposes, defensive purposes and/or to enable it to take advantage of buying opportunities.

The investment approach/philosophy of the Fund Manager is set out in Section 5.1.2 of this Prospectus. icapital.biz's investment policies and objectives will not be changed within the first three (3) years from the date of its listing on Bursa Securities. Any amendment to the investment policies and objectives thereafter shall only be approved by the shareholders of icapital.biz by way of a special resolution.

Investment Restrictions

It is also icapital.biz's investment policy that the investment in any one (1) company listed on Bursa Securities shall not exceed ten percent (10%) of its NAV or ten percent (10%) of the issued share capital of the said listed company, whichever is lower. icapital.biz may also invest a maximum of ten percent (10%) of its NAV in unlisted Malaysian companies. icapital.biz also proposes that no borrowings shall be employed by it. Subject to the unanimous approval from shareholders present at a shareholders' meeting and voting thereat, icapital.biz will not enter into or undertake any borrowings. icapital.biz shall not grant or guarantee any credit facility.

icapital.biz shall not either itself or in conjunction with any other person take legal or effective management control of the entity in which it invests.

4 BUSINESS OVERVIEW OF ICAPITAL.BIZ (Cont'd)

4.3.2 Interruptions in the Business Since Incorporation

There has been no interruption to icapital.biz's business or operations since its incorporation.

4.3.3 Exceptional Factors Affecting the Business

Save for the risk factors highlighted in Section 3 of this Prospectus, icapital.biz does not foresee any exceptional factors, which may affect its business.

4.4 LIFE OF THE COMPANY

The Board considers it necessary that icapital.biz's shareholders should have the opportunity to review the future of icapital.biz at appropriate intervals. Accordingly, the Articles of Association of icapital.biz contain provisions to the effect that at the annual general meeting to be held in the fifteenth (15th) year after the Company is listed on Bursa Securities and the Company has not then been wound up, the Board shall, at the general meeting to be convened in the fifth (5th) year following the date of the annual general meeting provided the Company has not then been wound up and subject to the SC Guidelines-CEF and any law then in force, propose an ordinary resolution that icapital.biz shall continue as a closed-end fund for a further period of five (5) years following the date of such general meeting ("Determination Date"). The Directors shall, at each general meeting held at five yearly interval(s) following the Determination Date and at such five (5) yearly interval(s), the Company shall not have been wound up and subject to the SC Guidelines-CEF and any law then in force, propose an ordinary resolution that the Company shall continue as a closed-end fund for a further period of five (5) years.

4.5 DIVIDEND POLICY

icapital.biz carries a dividend policy that will be in line with its objectives. The Board may recommend the payment of either cash or stock dividends, while maintaining the NAV at an appropriate level.

4.6 TAXATION POLICY

Information concerning the tax status and policy of icapital.biz and the taxation of shareholders residing in Malaysia is contained in Section 14 of this Prospectus.

If any potential investor is in any doubt about the taxation consequences of acquiring, holding or disposing icapital.biz Shares or whether he is subject to tax (whether in Malaysia or in any jurisdiction other than Malaysia), he should seek advice from his own professional adviser.

4.7 OVERSEAS INVESTORS

Persons residing in territories other than in Malaysia should consult their professional advisers as to whether they require any governmental or other consents or need to observe any formalities to enable them to apply for, acquire, hold or dispose icapital.biz Shares.

4 BUSINESS OVERVIEW OF ICAPITAL.BIZ (Cont'd)

4.8 EMPLOYEES

As at the Latest Practicable Date, icapital.biz has no employees as roles such as Fund Manager, Custodian and Investment Adviser are outsourced to service providers. Roles such as secretarial duties and accounting are also outsourced to external professionals.

4.9 CONTINUOUS DISCLOSURE REQUIREMENTS

Similar to all other companies listed on the Main Board, icapital.biz will be subjected to the various requirements of the Listing Requirements, including those governing continuing disclosures. CEFs which are listed on Bursa Securities are also subject to additional disclosure requirements which include the following:-

- (i) immediate announcement to Bursa Securities of any proposal to change the CEF's investment policies and objectives;
- (ii) additional information to be disclosed in the annual reports and accounts of a CEF, amongst others, composition of investment portfolio, information on unlisted instruments, analysis of realized and unrealized surpluses, total number of transactions in Securities entered into during the reporting period as well as others;
- (iii) additional information to be disclosed in the quarterly report of the CEF to be given to Bursa Securities for public release which includes the computation of the CEF's NAV per share in accordance with the SC Guidelines – CEF and the extent to which the CEF has invested in Securities listed on other stock exchanges, investment in other investment vehicles, investment in Securities of unlisted companies and derivatives; and
- (iv) a CEF must provide to Bursa Securities for public release, its NAV per share on a weekly basis.

4.10 VALUATION OF INVESTMENTS

Valuations of assets (listed and unlisted) of icapital.biz shall be as prescribed by the SC Guidelines – CEF.

Valuation of listed securities shall be marked-to-market on a daily basis.

Valuation of unlisted securities shall be based on methods deemed to be fair and reasonable that are acceptable to the Fund Manager and the Board of Directors of icapital.biz. Valuation shall be carried out on a half yearly basis.

Valuations of unlisted fixed income securities shall be carried out on a weekly basis based on market quotations gathered from at least three (3) financial institutions from a panel of active financial institutions that are governed by the Banking and Financial Institutions Act, 1989 (BAFIA), whereby the fair market values will be determined involving a process of price evaluation in the context of relative liquidity, interest and credit risks.

4 BUSINESS OVERVIEW OF ICAPITAL.BIZ (Cont'd)

4.11 PERFORMANCE INDICATORS AND BENCHMARKS

Performance Indicators

The following may be used to indicate the performance of icapital.biz:-

- (i) the change / movement in the NAV per Share, which measures the performance of the fund manager in managing the assets. The NAV per Share will be provided to Bursa Securities on a weekly basis;
- (ii) the change / movement in icapital.biz's share price which is dependent on the demand for and supply of icapital.biz Shares on the Main Board. The change / movement in share price measures the actual investment returns that investors will get from investing in icapital.biz; and
- (iii) the total return, which comprises returns from both dividend income and capital growth.

Performance Benchmark

Various share market indices such as the KLCI and the EMAS Index can be used as benchmarks to assess icapital.biz's investment performance. Information on these benchmarks can be obtained from Bursa Securities' website.

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5 INFORMATION ON THE FUND MANAGER, THE CUSTODIAN AND THE INVESTMENT ADVISER

5.1 INFORMATION ON THE FUND MANAGER

5.1.1 Introduction

By the Fund Management Agreement, icapital.biz appointed CDAM to be the Fund Manager responsible for managing the investments of icapital.biz. CDAM was incorporated on 8 June 1996 as a private limited company under the Act and commenced its operations in 1997, when it obtained its Fund Manager's licence issued by the SC. To date, CDAM holds a Fund Manager's licence, issued under the SIA, which expires on 22 May 2006, after which CDAM will apply for the necessary renewal. The issued and paid-up share capital of CDAM as at the Latest Practicable Date is RM2,000,000 comprising 2,000,000 ordinary shares of RM1.00 each.

Funds under CDAM's management have consistently outperformed the KLCI and the EMAS Index over the last seven (7) years. From 27 April 1998 to 31 December 2004, funds under CDAM's management achieved an impressive compound return of 22.32% per annum (*Source: Messrs. Hewitt Associates¹*) versus a compound return of 5.84% per annum for the KLCI and a compound return of 4.82% per annum for the EMAS Index (*Source: Daily Diary issued by Bursa Securities and www.bursamalaysia.com*) over the same period. The funds under CDAM's management have outperformed the KLCI and EMAS Index in every single year since 1998 and have never recorded a negative return during the said period. For 2004, the funds under CDAM's management have achieved a respectable annual return of 16.21% (*Source: Messrs. Hewitt Associates¹*) compared with an annual return of 14.29% and 9.56% for KLCI and EMAS Index respectively over the same period (*Source: Daily Diary issued by Bursa Securities and www.bursamalaysia.com*). As at 31 August 2005, CDAM manages fifty-three (53) discretionary accounts for various types of investors with a total portfolio value of approximately RM160.7 million.

CDAM's clients include individuals, reputable corporations and institutions, who among others, are ACE Synergy Insurance Bhd (part of ACE Ltd, an insurance company listed on the New York Stock Exchange), KESM Industries Bhd and Cement Industries (Sabah) Sdn Bhd. As at 31 August 2005, CDAM has six (6) employees in an executive capacity and three (3) employees in a non-executive capacity.

As at the Latest Practicable Date, the Fund Manager does not have any equity holding in icapital.biz. icapital.biz is a debtor of CDAM in respect of RM6,317 incurred from the date of incorporation of icapital.biz to 31 May 2005, which consists of preliminary and pre-operating expenses.

The salient terms of the Fund Management Agreement are set out in Section 5.1.4 of the Prospectus.

¹ CDAM has requested Hewitt Associates to verify its time weighted rate of return ("TWRR") from 27 April 1998 to 31 December 2004. The scope of Hewitt Associates' verification covers the following:

- (a) Review and confirm that the formulas provided by CDAM are appropriate for calculation of the TWRR;
- (b) Review and confirm that the formulas are correctly applied;
- (c) Checking the correctness of extraction and input of amounts and dates of cashflow to calculate the TWRR;
- (d) Checking the calculation of market values of the composite investment portfolio as at 31 December 1998, 1999, 2000, 2001, 2002, 2003 and 2004, which is limited to verifying the correctness of the last transacted price at the relevant dates; and
- (e) Review and confirm the accuracy of the TWRR for 1999-2004, actual and annualised TWRR for 27 April 1998 to 31 December 1998 and for 27 April 1998 to 31 December 2004.

5 INFORMATION ON THE FUND MANAGER, THE CUSTODIAN AND THE INVESTMENT ADVISER (Cont'd)

5.1.2 Key strengths and investment philosophy/approach

CDAM's investing framework is built after years of experience and research and is based on the following two (2) key factors:-

(i) The 3 'T's

CDAM practises and recognises the importance of "Independence", "Intelligence" and "Integrity" in the provision of its fund management services.

Independence of thought and action comes naturally at CDAM. This is because CDAM is not associated with any financial institutions, large corporations or government organisations, allaying potential conflicts of interest. With a clear focus, its efforts are concentrated on providing the best possible fund management service.

CDAM does not act on tips, rumours, hearsay, etc. but only on an intimate knowledge of investments, based on intelligent and objective analysis.

While it sounds abstract, CDAM believes that integrity will in the long run show in the investment returns you receive.

Anchored on the values of these 3 'T's, CDAM has gradually and successfully built up its recognition and reputation in the investment industry, locally and regionally. The persistent application of the 3 'T's philosophy holds the key to CDAM's consistent success in the stock market. Please refer to Section 5.1.3 and Section 6.9.1 of this Prospectus for CDAM's performance track record.

(ii) Adaptation

There are various investment approaches which are applied by investors worldwide. Nevertheless, the concern is the ability of fund managers to identify or if necessary, modify and adapt a suitable approach/method to suit the investing environment and the needs of their clients. Backed by Tan Teng Boo's innate understanding of the Malaysian economy, Bursa Securities and the companies listed on Bursa Securities, his insight into the major foreign economies and equity markets, and his familiarity of the different methods of investment analysis, CDAM has the knowledge and experience in modifying and adapting the various investment methods to suit the investing environment and the investment objectives.

What comprises CDAM's value investing philosophy?

CDAM's value investing investment philosophy is formulated within CDAM's investment framework set out above. Aptly summarised as "Intelligently Eclectic", it contains the following two (2) components; (1) Value investing; and (2) Top-down analysis.

1. Value investing

CDAM's objective is to seek capital appreciation while reducing the margin of error when investing. This is achieved with a rigorous, innovative and well-defined value investing approach. This ensures that CDAM's main guiding principle of having a margin of safety is adhered to.

5 INFORMATION ON THE FUND MANAGER, THE CUSTODIAN AND THE INVESTMENT ADVISER (Cont'd)

CDAM's stock selections are based on divergences between market prices and the underlying intrinsic values of the companies. This way a margin of safety is built in. The wider the divergence, the higher the margin of safety.

Guided by Benjamin Graham's famous counsel "*Investing is most intelligent when it is most business-like*", the vital goal is to determine the company's value and what is driving the valuation. Various valuation methods are used such as discounted cash flow, dividend yield, price-earnings ratio, free cash flow and asset value depending on how appropriately it reflects the company's intrinsic value. Key qualitative factors such as management quality and economics of the business are also taken into consideration.

A value investor will not be easily influenced by market trends and conditions. For instance, during a market downturn, the investment decision of a value investor will not be affected by investors' behavioural decision to sell down their stocks. It is neither a one-decision approach nor is it a buy-and-hold strategy.

Value investing has demonstrated itself as a superior investment approach over long periods of time. Famous practitioners of this approach include Benjamin Graham, Warren Buffett, Philip Fisher and more.

2. Top-down analysis

The top-down component starts with a broad analysis of the global economy, paying close attention to the major foreign economies before proceeding to analysing the Malaysian economy in detail. CDAM's objective is to obtain a sound framework that allows it to have a clear perspective of how economies, sentiments and markets interact and how this interaction influences the investment of CDAM. In this respect, CDAM emphasises the following three (3) fundamental drivers for its top-down approach:

- (a) Economic growth;
- (b) Inflation and interest rates; and
- (c) Corporate earnings.

Why not use only value investing?

When investing in Bursa Securities, CDAM adapt its value investing philosophy by incorporating some top-down elements that affect company valuations.

CDAM's research and experience tells it that different countries and stock markets with different economic, political and corporate structures may demand different investment approaches. In some equity markets, for example, value investing can be used to the exclusion of the other methods while in others, a top-down bias may be more suitable. For Bursa Securities, CDAM recognises that the Malaysian economy is small and very open i.e., its external trade is high in relation to its GDP. In addition, the majority of the companies listed on Bursa Securities have their operations oriented towards the economy of Malaysia. Hence, their earnings and businesses are easily and significantly affected by the local and global business cycles and conditions.

CDAM believes that incorporating economic variables and structure into its investment philosophy plays an essential part in its value investing framework.

5 INFORMATION ON THE FUND MANAGER, THE CUSTODIAN AND THE INVESTMENT ADVISER (Cont'd)

Why not use only top-down analysis?

Based on CDAM's research and experience, it has found that a major weakness of any top-down approach is that investment analysts cannot forecast with sufficient accuracy. This makes a portfolio constructed with such an approach inherently speculative and cannot be employed with consistent success. CDAM understands and recognizes this weakness. This is the main reason why its investment philosophy is driven primarily by value investing.

The ability to translate the significance of events and interpret them in terms of the market has enabled CDAM to successfully incorporate the top-down elements into its value investing philosophy.

Why an "Intelligently Eclectic" investment philosophy?

CDAM's distinctive value approach is developed, amongst others, from Graham & Dodd, Warren Buffett, price-earnings ratio, discounted cash flow, economic analysis and cycles and much more. CDAM believes that no technology application, i.e. computers with its mechanical system or formula, can replace human judgement. CDAM puts continuous efforts in studying various investment approaches, focusing on their strengths and weaknesses and their suitability/application to the local market. Constant innovation and adaptation are made to suit the local environment.

Equipped with this thorough research, CDAM takes on an "Intelligently Eclectic" investment philosophy. CDAM believes that the application of the two (2) components, ie value investing and top-down analysis, is crucial to its philosophy. At the same time, CDAM has the ability and experience to modify, incorporate and integrate these two components into an investment approach to enable CDAM to deliver better results. CDAM believes that this will provide it with an unsurpassed edge in identifying investment opportunities for the Company.

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5 INFORMATION ON THE FUND MANAGER, THE CUSTODIAN AND THE INVESTMENT ADVISER (Cont'd)

5.1.3 Performance

ACGR of return of CDAM

Table 1 below shows the ACGR of return of funds under CDAM's management as compared with those of local indices:-

Table 1 : ACGR of return of funds under CDAM's management, KLCI and EMAS Index from 27 April 1998 – 31 December 2004	
ACGR of return of funds under CDAM's management (%) ⁽¹⁾	22.32
ACGR of return of KLCI (%) ⁽²⁾	5.84
ACGR of return of EMAS Index (%) ⁽²⁾	4.82

Note:
 (1) Source: Messrs. Hewitt Associates
 (2) Source: Daily Diary issued by Bursa Securities and www.bursamalaysia.com

Based on Table 1, funds under CDAM's management achieved an impressive ACGR of return of 22.32% for the period between 27 April 1998 and 31 December 2004 and has outperformed the KLCI and Emas Index by at least 16.48 percentage points and 17.50 percentage points, respectively.

Annual Return

Table 2 and Chart 1 shows that funds under CDAM's management have not experienced any negative year of return despite the turbulent and difficult environment in the Malaysian economy during the last seven (7) years:-

Table 2: Annualised returns of fund under CDAM's management, KLCI and EMAS Index					
	Annualised return (%)				
	CDAM ⁽¹⁾	KLCI ⁽²⁾	CDAM outperformed KLCI	EMAS Index ⁽²⁾	CDAM outperformed EMAS Index
	(a)	(b)	(a)-(b)	(c)	(a)-(c)
1998 ⁽³⁾	33.83	-8.11	41.94	-8.77	42.60
1999	57.18	38.59	18.59	40.46	16.72
2000	0.95	-16.33	17.28	-22.59	23.54
2001	8.70	2.42	6.28	3.42	5.28
2002	12.71	-7.15	19.86	-4.83	17.54
2003	39.65	22.84	16.81	24.37	15.28
2004	16.21	14.29	1.92	9.56	6.65
Cumulative (%)	284.56	46.17	238.39	37.00	247.56

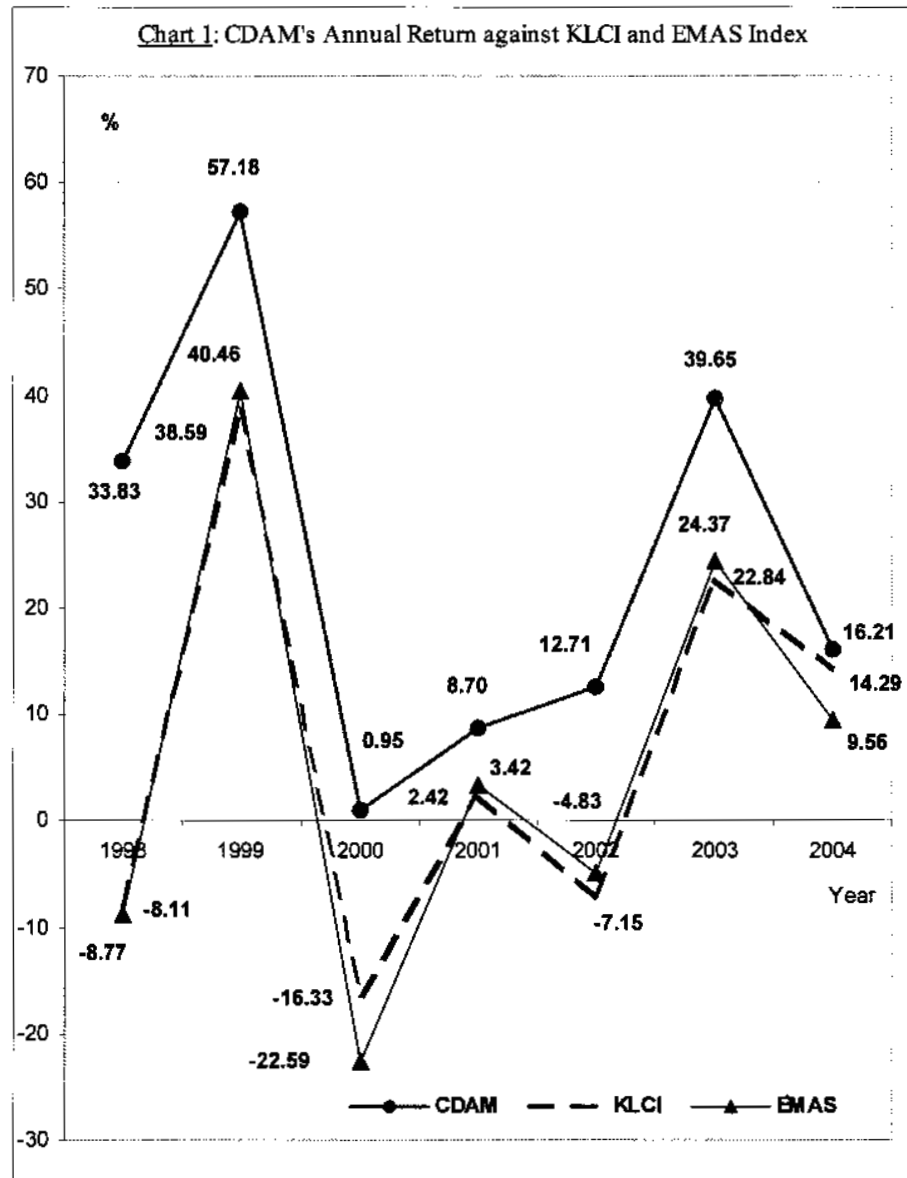
Note :

(1) Source: Messrs. Hewitt Associates

(2) Source: Daily Diary issued by Bursa Securities and www.bursamalaysia.com

(3) Annualised from 27 April 1998 to 31 December 1998

5 INFORMATION ON THE FUND MANAGER, THE CUSTODIAN AND THE INVESTMENT ADVISER (Cont'd)



Based on **Chart 1**, funds under CDAM's management have consistently outperformed the local indices from the period between 27 April 1998 to 31 December 2004.

In 1998, funds under CDAM's management achieved a positive return of 33.83% against negative returns of 8.11% for the KLCI and negative returns of 8.77% for the EMAS Index.

In addition, funds under CDAM's management achieved a positive return of 0.95% as compared to the KLCI and EMAS Index, which registered negative returns of 16.33% and 22.59% respectively in 2000.

Finally, in 2002, funds under CDAM's management once again achieved a positive return of 12.71% while the KLCI recorded a negative return of 7.15% and the EMAS Index recorded a negative return of 4.83%.

5 INFORMATION ON THE FUND MANAGER, THE CUSTODIAN AND THE INVESTMENT ADVISER (Cont'd)

5.1.4 Salient Terms of the Fund Management Agreement

A summary of the salient terms of the Fund Management Agreement is as follows:-

(i) **Primary duties of the Fund Manager**

The primary duties of the Fund Manager are, amongst others, to purchase, subscribe or otherwise acquire, sell, redeem, retain, exchange, close out, vary or otherwise invest on behalf of icapital.biz in any Securities and/or Other Permitted Assets.

(ii) **Conditions of the Fund Management Agreement**

(a) the Fund Management Agreement is conditional upon the satisfaction by icapital.biz of the conditions prescribed by Bursa Securities for the listing and quotation of the entire enlarged issued and paid-up share capital of icapital.biz on the Main Board being effected within six (6) months from the date of the Fund Management Agreement or such other period which CDAM and icapital.biz may agree upon (“FMA Approval Period”);

(b) in the event that Bursa Securities or the SC or other relevant authorities impose any material or adverse conditions on CDAM or icapital.biz or the terms of the Fund Management Agreement, an appeal can be made as per the terms of the Fund Management Agreement; and

(c) if all the approvals are not satisfied or waived within the FMA Approval Period or at any time any of the approvals is not obtained, CDAM or icapital.biz may elect to terminate the Fund Management Agreement by written notice to the other party.

(iii) **Fees payable to CDAM by icapital.biz**

(a) **The first quarter payment:**

$(0.75\% \text{ divided by } 4) \text{ multiply by } NAV^{(\text{first quarter})}$

$NAV^{(\text{first quarter})}$, being the NAV of the portfolio initially deposited by icapital.biz in the accounts held and maintained by the Custodian.

(b) **Quarterly payments thereafter:**

$(0.75\% \text{ divided by } 4) \text{ multiply by } NAV^{(\text{quarter})}$

$NAV^{(\text{quarter})}$, being the NAV of the portfolio based on the last business day of the preceding quarterly fee period.

5 INFORMATION ON THE FUND MANAGER, THE CUSTODIAN AND THE INVESTMENT ADVISER (Cont'd)

- (iv) Termination
- (a) Save as otherwise provided in the Fund Management Agreement, it shall continue and remain in full force unless and until terminated by CDAM or icapital.biz by giving to the other party not less than six (6) months' notice in writing.
 - (b) icapital.biz is at liberty to terminate the appointment of CDAM by notice in writing to CDAM, if SC revokes its approval for CDAM to provide fund management services to icapital.biz or CDAM is disqualified under the SC Guidelines-CEF to provide fund management services.
 - (c) Either party is at liberty to terminate the Fund Management Agreement by notice in writing to the other party upon the happening of any of the following events:
 - if the other party commits a material breach of the Fund Management Agreement which is incapable of remedy or which if capable of being remedied, is not remedied by the expiry of thirty (30) days of service of a written notice by the non-defaulting party requiring it to be remedied;
 - if the other party passes a resolution to wind-up (other than for the purpose of reconstruction, amalgamation or merger) or an order is passed for the winding-up of the other party; or
 - a receiver or receiver and manager is appointed over the assets of the other party or upon the happening of a like event.
 - (d) Save for termination as provided in paragraphs (iv) (b) and (iv) (c) above, any termination of the Fund Management Agreement by icapital.biz will require the prior approval of the shareholders of icapital.biz by way of a special resolution in accordance with the provisions of the Articles of Association of icapital.biz.

5.1.5 CDAM's Directors' Profile

The profiles of the Directors of CDAM are as follows:-

- (a) YM Tunku Tan Sri Dato' Seri Ahmad bin Tunku Yahaya

YM Tunku Tan Sri Dato' Seri Ahmad bin Tunku Yahaya, aged 76, is an honours graduate in Economics from the University of Bristol and a fellow of the Chartered Association of Certified Accountants. YM Tunku Tan Sri Dato' Seri Ahmad bin Tunku Yahaya was the Group Chief Executive Officer of Sime Darby Berhad from 1982 to 1993 before assuming his current position as the Independent Non-Executive Director and Deputy Chairman of Sime Darby Berhad.

5 INFORMATION ON THE FUND MANAGER, THE CUSTODIAN AND THE INVESTMENT ADVISER (Cont'd)

YM Tunku Tan Sri Dato' Seri Ahmad bin Tunku Yahaya started his career at Dunlop Estates Bhd in 1959 and later moved on to join DMIB Berhad in 1962. In 1979, he moved to Sime Darby Berhad.

He was a Director of Bank Negara Malaysia ("BNM") from 1966 to 1995 and during his tenor with BNM, YM Tunku Tan Sri Dato' Seri Ahmad bin Tunku Yahaya was appointed as Chairman of BNM's Audit Committee from 1989 to 1995.

His other directorships include Tractors Malaysia Holdings Berhad and the Kuala Lumpur City Centre group of companies including the Chairman of KLCC Property Holdings Berhad.

(b) Michael Vitus Wong Kuan Lee

Michael Vitus Wong Kuan Lee, aged 67, holds a Law Degree from the University of Singapore. He is currently a consultant and former chief executive partner of Shook Lin & Bok, a leading legal firm in Kuala Lumpur.

He started his career as Division 1 officer in the Malaysian Department of Inland Revenue in 1962 and later moved on to join Shook Lin & Bok in 1964.

Prior to his appointment as a Director of Bank Negara Malaysia from 1981 to 1987, he was a Senator in Parlimen Malaysia from 1977 to 1981.

Michael Vitus Wong Kuan Lee was a director in Sime Darby Berhad between 1991 and 2005 and in Tractors Malaysia Holdings Berhad between 2004 and 2005. He currently holds a directorship in Keck Seng (M) Berhad and Malaysia Deposit Insurance Corporation.

(c) Tan Teng Boo

Please refer to Section 5.1.6 for the profile of Tan Teng Boo.

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5 INFORMATION ON THE FUND MANAGER, THE CUSTODIAN AND THE INVESTMENT ADVISER (Cont'd)

5.1.6 The Designated Person

Tan Teng Boo is the person appointed by the Fund Manager as the Designated Person and will be responsible for managing the investments of icapital.biz.

The profile of Tan Teng Boo is as follows:-

Tan Teng Boo, aged 51, is the founder and Managing Director of CDAM and CDSB. He has been involved in the investment industry since 1988 when he founded CDSB. He holds a valid Fund Manager's Representative's Licence issued under the SIA, which expires on 22 May 2006, after which he will apply for the necessary renewal.

Tan Teng Boo graduated with an honours degree in Economics from Sussex University in 1977 and started his career as an economics reporter with Reuters in 1974. Backed by vast experiences in journalism, rubber, stockbroking and the property industries, he founded CDSB in 1988. CDSB was set up by him to specifically provide independent investment advisory and research services. CDSB is Malaysia's first independent licensed investment adviser that provides quality, independent and objective research to subscribers. Testament to CDSB's quality in its investment advice, the company has passed the test of time under the helm of Tan Teng Boo and has been continuously involved in the same business for the last sixteen (16) years and supported by a following of long-term subscribers. Some of *i* Capital's subscribers include Parlimen Malaysia, Bursa Securities, Public Bank Berhad, Permodalan Nasional Berhad, Kumpulan Wang Simpanan Pekerja, Khazanah Nasional Berhad and Cundill Investment Research Ltd (an international fund management company that is based in Canada).

Tan Teng Boo is instrumental in the formation and management of CDAM and CDSB since their inception. As Managing Director, he has grown CDAM from a fund manager with a small portfolio in 1998 to a portfolio value of approximately RM160.7 million as at 31 August 2005. With both local and foreign investors and an investment focus on Malaysian securities, he has successfully steered CDAM to become one of Malaysia's leading independent fund managers whose funds under his management have consistently outperformed the KLCI and the EMAS Index in terms of annual compounded growth rate of return and annual return over the last seven (7) years by a wide margin. Funds under CDAM's management have consistently outperformed the local indices in the range of between 1.92 percentage points and 42.60 percentage points (since the commencement of its operations on 27 April 1998 to 31 December 2004) and has never recorded a negative return during the same period. Further details on the performance of funds under CDAM's management are set out in Sections 5.1.3 and 6.9.1 of this Prospectus.

As a highly regarded investment expert in Malaysia, the views and opinions of Tan Teng Boo are frequently sought by the mass media which include Bloomberg, Financial Times, The Asian Wall Street Journal, International Herald Tribune, Far Eastern Economic Review, CNBC Asia, The Star, Nanyang Siang Pau, Sin Chew Daily, Oriental Daily, The Business Times Singapore, etc.

5 INFORMATION ON THE FUND MANAGER, THE CUSTODIAN AND THE INVESTMENT ADVISER (Cont'd)

Due to his enthusiasm in the stock market coupled with his working experiences, academic background, research and analysis, he has developed insights into the local stock market and various foreign equity markets over the last thirty-three (33) years. In addition, he possesses an innate understanding of the Malaysian economy and is very well versed with the major foreign economies. His passion in fund management over the years has enabled him to be very familiar with the different methods of investment analysis and approaches, i.e. understanding strengths and weaknesses of the respective investment analysis and approaches and their suitability of application for different investment objectives and circumstances. A great proponent of CDAM's 3 'I' investment philosophy, Tan Teng Boo, together with his insights and business acumen, maintains this investment approach in order to provide the best professional service to his clients.

The salient terms of appointment of Tan Teng Boo, as the designated person is as follows:-

(i) Primary duty of the Designated Person

The primary duty of the Designated Person is to manage the investments of icapital.biz.

(ii) Commencement and termination of appointment

(a) The commencement of the Designated Person's appointment shall be the date icapital.biz is listed on the Main Board ("Effective Date") and, subject to paragraphs (b) and (c) below, continue for so long as the Fund Management Agreement remains in effect.

(b) The appointment of the Designated Person may be terminated by the Designated Person or the Fund Manager by giving ninety (90) days' prior written notice.

(c) Notwithstanding paragraph (b), in the event that any of the following occurs:

- the Designated Person becomes permanently incapacitated by accident or ill health from performing his duties for an aggregate period of ninety (90) days in any period of three hundred and sixty-five (365) consecutive days;
- the Designated Person commits any serious or persistent breach of his appointment as Designated Person and such breach remains unremedied for a period of fourteen (14) days following receipt of a written notice from the Fund Manager informing the Designated Person of such breach or non-compliance;
- the Designated Person has committed an act of bankruptcy or compounded with any of his creditors generally;
- the Designated Person resigns or is removed as the Managing Director of the Fund Manager; or

5 INFORMATION ON THE FUND MANAGER, THE CUSTODIAN AND THE INVESTMENT ADVISER (Cont'd)

- the Designated Person is in breach of his representations and warranties set out in the letter of appointment and such breach remains unremedied for a period of fourteen (14) days following receipt of a written notice from the Fund Manager informing the Designated Person of such breach or non-compliance,

the Fund Manager shall be entitled by notice in writing to the Designated Person to terminate his appointment without prior notice and without payment in lieu of notice (save for any amounts by way of quantum meruit).

(iii) Fees and Expenses

- (a) The Designated Person will be paid an annual fee of RM120,000 by the Fund Manager, payable quarterly in advance, and the first payment of RM30,000 being due on the first day of the month following the Effective Date, and thereafter, payable on a quarterly basis.
- (b) The Designated Person will be entitled to be reimbursed by the Fund Manager for all expenses, costs and fees incurred by him in performing his duties as Designated Person.

5.1.7 Material litigation

CDAM is not engaged in any material litigation or arbitration proceedings either as plaintiff or defendant and the Board of Directors of CDAM has no knowledge of any proceedings pending or threatened against CDAM or any facts likely to give rise to any proceedings which might materially affect the financial position and business of CDAM.

5.2 INFORMATION ON THE CUSTODIAN

5.2.1 Introduction

Deutsche Bank established a presence in Kuala Lumpur in 1967 and has since expanded its activities in the Malaysian market. Deutsche Bank combines local expertise with the resources of its regional and global network to offer a vast range of products and services to both international and domestic clients. These include amongst others, banks, stockbrokers, insurance companies, fund managers and trustee corporations.

Deutsche Bank's custody department began operations in 1994 and as at 31 August 2005, employs twenty-four (24) staff, comprising eighteen (18) employees in an executive capacity and six (6) employees in a non-executive capacity.

The directors of Deutsche Bank are YAB Tun Mohamed Dzaiddin bin Haji Abdullah, Kuah Hun Liang, Dato' Mohamed Nizam bin Abdul Razak, Kenneth Charles Borda and Chim Wai Kin.

5 INFORMATION ON THE FUND MANAGER, THE CUSTODIAN AND THE INVESTMENT ADVISER (Cont'd)

5.2.2 Custodial Services

The Custodian is a multinational corporation with a satisfactory financial standing with a good reputation and will have sufficient resources to assume the duties of a Custodian of the Company. The Custodian on behalf of icapital.biz will hold the investments of the Company. The Company will maintain a securities account with the Custodian who will handle all matters relating to the registration of securities acquired by the Company. The Custodian, on behalf of the Company, will also receive all dividends and distribution paid on the Company's investment.

The Custodian does not have any equity holding in the Company nor has it extended any credit facility to the Company.

5.2.3 Salient Terms of the Custodian Agreement

A summary of the salient terms of the Custodian Agreement is as follows:-

(i) Primary duties of the Custodian

The primary duties of the Custodian are to:

- (a) accept all Securities and/or Other Permitted Assets which may from time to time be deposited by icapital.biz with the Custodian;
- (b) administer the portfolio of icapital.biz in accordance with and subject to the provisions of the Custodian Agreement; and
- (c) follow the instructions of the Fund Manager in accordance with and subject to the terms of the Custodian Agreement.

(ii) Conditions of the Custodian Agreement

- (a) the Custodian Agreement is conditional upon the satisfaction by icapital.biz of the conditions prescribed by Bursa Securities for the listing and quotation of the entire enlarged issued and paid-up share capital of icapital.biz on the Main Board being effected within six (6) months of the date of the Custodian Agreement or such other period which Deutsche Bank and icapital.biz may agree upon ("**Custodian Approval Period**");
- (b) in the event that Bursa Securities, the SC or other relevant authorities impose any material or adverse conditions on Deutsche Bank or icapital.biz or the terms of the Custodian Agreement, an appeal can be made as per the terms of the Custodian Agreement; and
- (c) if all the approvals are not satisfied or waived within the Custodian Approval Period or at any time any of the approvals is not obtained, Deutsche Bank or icapital.biz may elect to terminate the Custodian Agreement by written notice to the other party.

5 INFORMATION ON THE FUND MANAGER, THE CUSTODIAN AND THE INVESTMENT ADVISER (Cont'd)

(iii) Fees payable to Deutsche Bank by icapital.biz

The fees payable to the Custodian are as follows:-

A portfolio fee of 0.04% per annum and a transaction fee of RM65 per receipt/delivery. The Custodian's portfolio fee is calculated based on icapital.biz's asset valuation (Securities only) on a monthly basis. The transaction fee is incurred when there is a receipt or delivery of Securities in and out of icapital.biz's custody account with the Custodian, whether against payment or free of payment. These fees are inclusive of registration services and corporate action services. Cash transactions directly related to securities settlement will be waived. Clean cash payments will be subject to normal bank charges.

(iv) Termination

- (a) Save as otherwise provided in the Custodian Agreement, it shall continue and remain in full force unless and until terminated by icapital.biz by giving the Custodian not less than thirty (30) days' notice in writing or terminated by the Custodian by giving icapital.biz not less than ninety (90) days' notice in writing.
- (b) icapital.biz is at liberty to terminate the appointment of Deutsche Bank by notice in writing to Deutsche Bank, if SC revokes its approval for Deutsche Bank to provide custodial services to icapital.biz or Deutsche Bank is no longer permitted to provide custodial services.
- (c) Either party is at liberty to terminate the Custodian Agreement by notice in writing to the other party upon the happening of any of the following events:
- if the other party commits a material breach of the Custodian Agreement which is incapable of remedy or which if capable of being remedied, is not remedied by the expiry of thirty (30) days of service of a written notice by the non-defaulting party requiring it to be remedied;
 - if the other party passes a resolution to wind-up (other than for the purpose of reconstruction, amalgamation or merger) or an order is passed for the winding-up of the other party; or
 - a receiver or receiver and manager is appointed over the assets of the other party or upon the happening of a like event.

5 INFORMATION ON THE FUND MANAGER, THE CUSTODIAN AND THE INVESTMENT ADVISER (Cont'd)

5.2.4 Key Personnel's Profile

Kamala Devi, Head Domestic Custody Operations of Deutsche Bank, has been in the securities industry for twenty (20) years. She has extensive experience in registrar services and custodial services and was part of the pioneer team involved in setting up the global securities services of Deutsche Bank ten (10) years ago.

Juliana John, Deputy Head Domestic Custody Operations of Deutsche Bank, has worked with Mayban Securities Sdn Bhd, CIMB Securities Sdn Bhd and United Overseas Bank (Malaysia) Bhd prior to joining Deutsche Bank ten (10) years ago. In total she has approximately eighteen (18) years of experience in securities settlement. Equipped with extensive product knowledge and skills, she is responsible for team building, client delivery, risk management and compliance to internal/regulatory requirements.

5.2.5 Financial Information

The financial highlights of Deutsche Bank for the past three (3) financial years ended 31 December 2004 are set out as follows:-

	FYE 2002	FYE 2003	FYE 2004
	RM mil	RM mil	RM mil
Paid-up capital	125.043	143.043	143.043
Shareholders' fund	361.674	345.274	448.528
Operating profit / (loss) (before provisions)	129.193	(38.035)	192.404
Pre-tax profit / (Loss)	73.330	(81.418)	127.258
Profit after tax and minority interest	48.658	(55.400)	103.254

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5 INFORMATION ON THE FUND MANAGER, THE CUSTODIAN AND THE INVESTMENT ADVISER (Cont'd)

5.3 INFORMATION ON THE INVESTMENT ADVISER

5.3.1 Introduction

CDSB was incorporated on 5 July 1988 under the Act as a private limited company and commenced operations when it obtained its Investment Adviser's licence in 1989. CDSB is Malaysia's first independent licensed Investment Adviser. As at the Latest Practicable Date, the issued and paid-up share capital of CDSB is RM500,000 comprising 500,000 ordinary shares of RM1.00 each.

Currently, CDSB holds a valid Investment Adviser's licence which expires on 13 April 2006, after which CDSB will apply for the necessary renewal. In addition, CDSB also holds two permits for publication issued under the Printing Presses and Publications Act, 1984 for *i* Capital and 《资本投资》, its English and Chinese newsletters respectively, which expires on 31 August 2006 and 15 January 2006, respectively, after which CDSB will apply for the necessary renewals.

The obligations of the Investment Adviser to icapital.biz are to provide continuous advice and recommendations to icapital.biz as to the purchase, holding or disposal of any or all of the Securities or other assets which icapital.biz may own or contemplate acquiring from time to time after having regard to the investment policies and objectives of icapital.biz. As at 31 August 2005, CDSB has seventeen (17) employees in an executive capacity and one (1) employee in a non-executive capacity.

The salient terms of the Investment Advisory Agreement are set out in Section 5.3.3 of this Prospectus.

The Investment Adviser does not have any equity holding in the Company nor has it extended any credit facility to the Company. Pursuant to the Public Issue, icapital.biz had also entered into the Licensing Agreement with CDSB for the use of the Trade Marks. The salient terms of the Licensing Agreement are set out in Section 5.3.4 of this Prospectus.

5.3.2 Key Strengths

CDSB realises that there is a continuous growing demand for investment advisory services. Since 1989, the publication of a weekly investment report, *i* Capital and 《资本投资》, in two (2) languages, i.e. English and Chinese has marked a milestone for CDSB in widening its recognition in the local financial industry. The investment advisory services are provided by a team of experienced analysts, headed by Tan Teng Boo.

On 23 July 2002, CDSB successfully marked another milestone with the launch of its first investment portal, www.icapital.biz, available for subscription by the public. www.icapital.biz has been operating as an independent investment advisory portal since then. The portal also contains no advertisement to remain free from any possible conflicts of interest.

5 INFORMATION ON THE FUND MANAGER, THE CUSTODIAN AND THE INVESTMENT ADVISER (Cont'd)

Its subscribers comprise of listed and unlisted corporations, institutions and individuals. Amongst others are Parlimen Malaysia, Bursa Securities, Public Bank Berhad, Permodalan Nasional Berhad, Khazanah Nasional Berhad, Kumpulan Wang Simpanan Pekerja and Cundill Investment Research Ltd (an international fund management company that is based in Canada). Certain of these subscribers have been long standing customers of CDSB for more than fifteen (15) years, a reflection of their confidence in CDSB's credibility and credentials.

5.3.3 Salient Terms of the Investment Advisory Agreement

A summary of the salient terms of the Investment Advisory Agreement is as follows:-

(i) **Primary duty of the Investment Adviser**

The primary duty of the Investment Adviser is to provide continuous advice and recommendations to icapital.biz as to the purchase, holding or disposition of any or all of the Securities and/or Other Permitted Assets or other assets which icapital.biz may own or contemplate acquiring from time to time.

(ii) **Conditions of the Investment Advisory Agreement**

- (a) the Investment Advisory Agreement is conditional upon the satisfaction by icapital.biz of the conditions prescribed by Bursa Securities for the listing and quotation of the entire enlarged issued and paid-up share capital of icapital.biz on the Main Board being effected within six (6) months from the date of the Investment Advisory Agreement or such other period which CDSB and icapital.biz may agree upon ("IAA Approval Period");
- (b) in the event that Bursa Securities, the SC or other relevant authorities impose any material or adverse conditions on CDSB or icapital.biz or the terms of the Investment Advisory Agreement, an appeal can be made as per the terms of the Investment Advisory Agreement; and
- (c) if all the approvals are not satisfied or waived within the IAA Approval Period or at any time any of the approvals is not obtained, CDSB or icapital.biz may elect to terminate the Investment Advisory Agreement by written notice to the other party.

(iii) **Fees payable to CDSB by icapital.biz**

The fees payable to CDSB under the Investment Advisory Agreement and the frequency of payments are as follows:-

(a) **The first quarter payment:**

(0.75% divided by 4) multiply by NAV^(first quarter)

5 INFORMATION ON THE FUND MANAGER, THE CUSTODIAN AND THE INVESTMENT ADVISER (Cont'd)

NAV^(first quarter), being the NAV of the portfolio initially deposited by icapital.biz in the accounts held and maintained by the Custodian.

- (b) Quarterly payments thereafter:

(0.75% divided by 4) multiply by NAV^(quarter)

NAV^(quarter), being the NAV of the portfolio based on the last business day of the preceding quarterly fee period.

- (iv) Termination

- (a) Save as otherwise provided in the Investment Advisory Agreement, it shall continue and remain in full force unless and until terminated by CDSB or icapital.biz by giving to the other party not less than six (6) months' notice in writing.
- (b) icapital.biz is at liberty to terminate the appointment of CDSB by notice in writing to CDSB, in the event the Investment Adviser's licence of CDSB is not renewed for any reason.
- (c) Either party is at liberty to terminate the Investment Advisory Agreement by notice in writing to the other party upon the happening of any of the following events:
- if the other party commits a material breach of the Investment Advisory Agreement which is incapable of remedy or which if capable of being remedied, is not remedied by the expiry of thirty (30) days of service of a written notice by the non-defaulting party requiring it to be remedied;
 - if the other party passes a resolution to wind-up (other than for the purpose of reconstruction, amalgamation or merger) or an order is passed for the winding-up of the other party; or
 - a receiver or receiver and manager is appointed over the assets of the other party or upon the happening of a like event.
- (d) Save for termination as provided in paragraphs (iv) (b) and (iv) (c) above, any termination of the Investment Advisory Agreement by icapital.biz will require the prior approval of the shareholders of icapital.biz by way of a special resolution in accordance with the provisions of the Articles of Association of icapital.biz.

5 INFORMATION ON THE FUND MANAGER, THE CUSTODIAN AND THE INVESTMENT ADVISER (Cont'd)

5.3.4 Salient terms of the Licensing Agreement

A summary of the salient terms of the Licensing Agreement is as follows:-

(i) Conditions of the Licensing Agreement

The Licensing Agreement is conditional upon the satisfaction by icapital.biz of the conditions prescribed by Bursa Securities in the approval-in-principle of Bursa Securities for the listing and quotation of the entire enlarged issued and paid-up share capital of icapital.biz on the Main Board being effected within a period of six (6) months from the date of the Licensing Agreement or such other period which CDSB and icapital.biz may agree upon (“**LA Approval Period**”).

(ii) License fee payable to CDSB by icapital.biz

In consideration of CDSB granting icapital.biz a non-transferable and non-exclusive licence to use the Trade Marks as part of the name of icapital.biz, icapital.biz shall pay an annual fee of RM10.00 to CDSB.

(iii) Termination

(a) Upon the happening of (1) the termination of the Investment Advisory Agreement for any reason whatsoever; or (2) the termination of the Fund Management Agreement for any reason whatsoever, the Licensing Agreement shall be terminated automatically on the same day as the termination of the Investment Advisory Agreement and/or the Fund Management Agreement.

(b) Upon happening of the following events:-

- icapital.biz fails to satisfy the conditions prescribed by Bursa Securities in its approval in principle within the LA Approval Period;
- A petition is filed or a resolution is passed to wind up icapital.biz;
- If icapital.biz commits a material breach of any law, regulation or directive governing it and does not or cannot rectify such material breach and in CDSB’s reasonable opinion, the occurrence of such material breach or the continuation of such material breach is prejudicial to the reputation and goodwill of CDSB; or
- If icapital.biz commits any breach of the Licensing Agreement and such breach (capable of being remedied) is not rectified within a period of fourteen (14) days from the date of written notice is given by CDSB demanding rectification of such breach or if icapital.biz commits any breach of the Licensing Agreement and such breach cannot be rectified,

CDSB shall be at liberty to terminate the Licensing Agreement summarily by giving ninety (90) days notice in writing to icapital.biz.

5 INFORMATION ON THE FUND MANAGER, THE CUSTODIAN AND THE INVESTMENT ADVISER (Cont'd)

On termination of the Licensing Agreement, icapital.biz shall take all requisite steps to effect the change of name of icapital.biz so that the new name of icapital.biz does not contain any of the Trade Marks.

5.4 KEY INVESTMENT PERSONNEL OF CDAM AND CDSB

The key investment personnel in CDAM are as follows:-

Tan Teng Boo, whose profile is set out in Section 5.1.6.

Farah Sabrina binti Roslan joined CDAM in 2005 as an investment analyst. Her work focuses on research and analysis of a portfolio of listed companies and the relevant industries. She graduated from the University of South Australia with a Bachelor of Management, majoring in Marketing and also holds a Diploma in Banking (Dean's List) from Universiti Teknologi MARA (UiTM). She is also currently pursuing a Masters of Science in Finance from Strathclyde University, UK. She has passed the Fund Manager's Representative's examination conducted by the SC and has yet to obtain the Fund Manager's Representative licence pending the fulfilment of the pre-requisite working experience of three (3) years. Prior to this, she was in the banking industry, focusing on unit trust investments.

The key investment personnel in CDSB are as follows:-

Low Guat Meng joined CDSB as an economics analyst in 1994. Her current research responsibilities focus on the economies of Malaysia, the PRC and Japan. In the past 10 years, her work has entailed extensive research and analysis of various economies and major economic issues.

She holds a Bachelor of Economics (Honours) from La Trobe University, Australia. She is also a Director of CDSB and a licensed Investment Representative.

Sim Biow Ming Myra joined CDSB in 2000 as an Executive Assistant to the Managing Director. She holds a Bachelor of Commerce, majoring in Economics, from the University of Otago, New Zealand. Amongst others, she is responsible for the Chinese edition of the company's investment analysis and assists the Managing Director in company research.

Nor Azian binti Aminuddin joined CDSB as a Research Support Assistant in 1997. She is responsible for maintaining an in-house investment library and research databases. She graduated from Universiti Teknologi MARA (UiTM) Shah Alam with a Diploma in Statistics and is currently pursuing a degree in Mass Communications.

Looi Kean Heng joined CDSB as an investment analyst in 2002. His work focuses on research and analysis on a portfolio of listed companies and the relevant industries. Prior to this, he was engaged in the civil engineering field. He graduated from the University of Birmingham, UK with a First Class Honours in Civil Engineering and has passed Level III of the Chartered Financial Analyst program.

Lim Tze Cheng joined CDSB in 2003 as an investment analyst. His work focuses on research and analysis on a portfolio of listed companies and the relevant industries. Prior to this, he was in the audit industry, attached with BDO Binder. He is a graduate of the University of Malaya with a First Class Honours in Accounting.