

# **SUPPLEMENTARY INFORMATION MEMORANDUM**

## **Dated 15<sup>th</sup> Day of May 2019**

### **MCIL INTERNATIONAL LIMITED**

(Company No. LL14041)

**This Supplementary Information Memorandum replaces and supersedes the previous Information Memorandum dated 8<sup>th</sup> day of December 2017**



**mcil**  
INTERNATIONAL

**THE FUND NAME:**  
**MCIL Fund**

**PROMOTER AND MANAGER :**  
**MCIL International Limited**  
(Company No. LL14041)

**AUDITORS:**  
**Approved Auditors in Labuan**

THIS SUPPLEMENTARY INFORMATION MEMORANDUM IS INTENDED TO PROVIDE INFORMATION TO ASSIST YOU TO CONSIDER INVESTING IN MCIL FUND. IT DOES NOT AMOUNT TO A RECOMMENDATION, OFFER OR INVITATION, EITHER EXPRESSLY OR BY IMPLICATION, TO MAKE AN INVESTMENT IN MCIL INTERNATIONAL LIMITED THIS DOCUMENT MAY NOT CONTAIN ALL THE INFORMATION THAT YOU NEED TO EVALUATE INVESTING IN MCIL FUND.

YOU ARE ADVISED TO CAREFULLY READ AND UNDERSTAND THE CONTENTS OF THE SUPPLEMENTARY INFORMATION MEMORANDUM BEFORE CONSIDERING INVESTING. YOU ARE ALSO ADVISED TO CONSULT A PROFESSIONAL AND INDEPENDENT INVESTMENT ADVISER PRIOR TO MAKING ANY INVESTMENT DECISION IN MCIL FUND.

MCIL FUND SHALL NOT BE OFFERED TO MALAYSIAN RESIDENTS IN ANY PART OF MALAYSIA EXCEPT IN LABUAN.

## **RESPONSIBILITY STATEMENTS**

THE BOARD OF DIRECTORS, PROMOTER AND / OR MANAGER HAVE SEEN AND APPROVED THIS SUPPLEMENTARY INFORMATION MEMORANDUM, THEY COLLECTIVELY AND INDIVIDUALLY ACCEPT FULL RESPONSIBILITY FOR THE ACCURACY OF INFORMATION CONTAINED HEREIN. HAVING MADE ALL REASONABLE ENQUIRIES, AND TO THE BEST OF THEIR KNOWLEDGE AND BELIEF, THEY CONFIRM THERE ARE NO FALSE OR MISLEADING STATEMENT OR OTHER FACTS WHICH, IF OMITTED, WOULD MAKE ANY STATEMENT IN THIS SUPPLEMENTARY INFORMATION MEMORANDUM FALSE OR MISLEADING.

MCIL FUND SEEKS TO PROVIDE REGULAR INCOME TO INVESTORS BY INVESTING IN A WIDE RANGE OF HIGHLY LIQUID ASSETS SUCH AS FIXED INCOME, MONEY MARKETS, STOCKS, FUTURE, FORWARDS, OTHER COLLECTIVE INVESTMENT SCHEMES AND MANAGED ACCOUNTS OR FUNDS GLOBALLY.

MOST MARKETS AND SECURITIES HAVE REGULAR PRICE MOVEMENTS AND IF THIS IS MONITORED AND ANALYZED CLOSELY, IT CREATES A RECOGNIZABLE PRICE TREND AND PATTERN OR 'SWING' WHICH CAN BE EXPLOITED BY FUND MANAGERS. THE WIDE INVESTMENT MANDATE OF THIS FUND IS TO GIVE MANAGER THE FLEXIBILITY TO CAPITALIZE ON THE PRICE 'SWINGS' OF A WIDE RANGE OF DIVERSE MARKETS TO GENERATE POSITIVE RETURNS.

MCIL FUND POSSIBLY WILL ALSO INVEST IN THE RESPECTIVE MARKET MANAGED BY SUB-MANAGER TO RIDE ON THEIR SYSTEM AND EXPERTISE. IN DOING SO, THE MANAGER WILL STUDY THEIR TRACK RECORD AND EXPERTISE TO ENSURE GOOD PERFORMANCE. ONE OF THE KEY CONSIDERATIONS WHICH THE MANAGER WILL LOOK AT, BESIDES CONSISTENT GOOD PERFORMANCE AND SYSTEMATIC TRADING STRATEGY, IS THEIR INVESTMENT STRATEGY MUST BE CONSISTENT WITH THE MCIL FUND. THE MCIL FUND MAY ALSO FULLY CAPITALIZE THE LEVERAGE OPPORTUNITY IN SOME MARKETS SUCH AS COMMODITY INTEREST TO MAXIMIZE RETURNS.

MCIL FUND MAY ALSO INVEST IN QUOTED & UNQUOTED EQUITY, REGULATED & NON-REGULATED FUND, OR ANY SEGREGATED FUND RELATED PRIVATE PLACEMENT AND RELATED SECURITIES. PRIVATE PLACEMENT SECURITIES ARE NOT REGISTERED WITH THE RELEVANT SECURITIES AND EXCHANGE COMMISSION AND OFTEN NOT LISTED. THEY ARE NOT GUARANTEED BY ANY GOVERNMENT OR OTHER PERSON. THE PRICE AT WHICH INVESTORS ARE ABLE TO SELL PRIVATE PLACEMENT SECURITIES IS UNCERTAIN. THEIR LISTED PRICE MAY GOES UP OR DOWN DEPENDING ON GENERAL FINANCIAL MARKET CONDITIONS AND THE AVAILABILITY OF BETTER RATES OF RETURN OF OTHER INVESTMENT INSTRUMENTS. THERE MAY BE NO LIQUID MARKET FOR THESE SECURITIES. INVESTORS WHO WISH TO SELL THEIR SECURITIES MAY BE UNABLE TO DO SO AT A PRICE ACCEPTABLE TO THEM, OR AT ALL.

THERE ARE CERTAIN RISK FACTORS WHICH PROSPECTIVE INVESTORS SHOULD CONSIDER. TURN TO SECTION 7 OF THIS SUPPLEMENTARY INFORMATION MEMORANDUM FOR "RISK FACTORS". THERE IS ALSO A RISK THAT DIVIDENDS WILL NOT BE PAID, INCLUDING MCIL FUND DOES NOT HAVE SUFFICIENT DISTRIBUTED INCOME THAT CAUSED THE BOARD OF DIRECTORS DECIDED NOT TO PAY A DIVIDEND. ACCORDINGLY, IN THE EVENT THAT MCIL FUND DOES NOT PAY A DIVIDEND, AN INVESTOR HAS NO ENTITLEMENT TO DEMAND FOR THE DIVIDEND.

YOU SHOULD, THEREFORE, CAREFULLY CONSIDER WHETHER THIS INVESTMENT IS SUITABLE FOR YOU IN LIGHT OF YOUR FINANCIAL CONDITION. THIS BRIEF STATEMENT CANNOT DISCLOSE ALL THE RISKS AND SIGNIFICANT ASPECTS OF MCIL FUND. THIS DOCUMENT ALSO DOES NOT PURPORT TO CONTAIN ALL THE INFORMATION THAT YOU MAY NEED TO EVALUATE A POTENTIAL INVESTMENT.

## **STATEMENT OF DISCLAIMER**

YOU ARE ADVISED TO READ AND UNDERSTAND THE FULL CONTENTS OF THIS SUPPLEMENTARY INFORMATION MEMORANDUM, IF IN DOUBT, YOU ARE STRONGLY ADVISED TO CONSULT A PROFESSIONAL ADVISER.

A COPY OF THIS SUPPLEMENTARY INFORMATION MEMORANDUM HAS BEEN LODGED WITH THE LABUAN FINANCIAL SERVICES AUTHORITY (“**LFSA**”) AS A PRIVATE MUTUAL FUND AND IS GOVERNED UNDER LABUAN FINANCIAL SERVICES AND SECURITIES ACT 2010. THE CONTENTS OF THIS SUPPLEMENTARY INFORMATION MEMORANDUM MAY BE CHANGED TO COMPLY WITH RELEVANT GUIDELINES ISSUED BY THE LFSA FROM TIME TO TIME.

THE LODGMENT OF THIS SUPPLEMENTARY INFORMATION MEMORANDUM WITH THE LFSA SHOULD NOT BE TAKEN AS AN INDICATION THAT THE LFSA RECOMMENDS ANY INVESTMENT IN MCIL INTERNATIONAL LIMITED OR ASSUMES RESPONSIBILITY FOR THE CORRECTNESS OF ANY STATEMENT MADE, OR OPINION OR REPORT EXPRESSED IN THIS SUPPLEMENTARY INFORMATION MEMORANDUM.

THE LFSA IS NOT LIABLE FOR ANY NON-DISCLOSURES OR MISLEADING STATEMENTS IF ANY ON THE PART OF MCIL INTERNATIONAL LIMITED AND IS NOT RESPONSIBLE FOR THE CONTENTS OF SUPPLEMENTARY INFORMATION MEMORANDUM. THE LFSA MAKES NO REPRESENTATION ON THE ACCURACY AND COMPLETENESS OF THIS SUPPLEMENTARY INFORMATION MEMORANDUM, AND EXPRESSLY DISCLAIMS ANY LIABILITY WHATSOEVER ARISING FROM, OR WHERE THERE IS ANY RELIANCE ON THE WHOLE OR ANY PART OF, ITS CONTENTS.

THE CONTENTS IN THIS SUPPLEMENTARY INFORMATION MEMORANDUM ARE INTENDED TO PROVIDE BACKGROUND INFORMATION OF MCIL FUND ONLY. IT DOES NOT AMOUNT TO A RECOMMENDATION, SOLICITATION, OFFER OR INVITATION, EITHER EXPRESSLY OR BY IMPLICATION, TO MAKE AN INVESTMENT IN THE MCIL FUND. THIS DOCUMENT ALSO DOES NOT PURPORT TO CONTAIN ALL THE INFORMATION THAT YOU MAY NEED TO EVALUATE AN INVESTMENT IN MCIL FUND. INVESTORS ARE ADVISED NOT TO RELY SOLELY ON THE CONTENTS IN THIS SUPPLEMENTARY INFORMATION MEMORANDUM AND TO MAKE THEIR OWN EVALUATION TO ASSESS THE MERITS AND RISKS OF INVESTING IN MCIL FUND. IN CONSIDERING AN INVESTMENT IN MCIL FUND, ALL INVESTORS ARE ADVISED TO CONSULT QUALIFIED PROFESSIONAL INVESTMENT ADVISERS BEFORE DECIDING ON PROCEEDING WITH ANY INVESTMENT. MCIL FUND IS NOT OFFERED TO MALAYSIAN RESIDENTS IN MALAYSIA EXCEPT IN LABUAN.

NO REDEEMABLE PREFERENCE SHARES IN MCIL FUND WILL BE ISSUED OR SOLD BEFORE THE ACKNOWLEDGEMENT ISSUED BY THE LFSA.

**MUHAMMAD JACKSON YEOH ABDULLAH**  
MANAGING DIRECTOR  
MCIL INTERNATIONAL LIMITED

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## 1. DEFINITIONS

In this Supplementary Information Memorandum, the following abbreviations or words should have the following meanings unless expressly stated:

<b><i>Agent</i></b>	means person who is registered as agents with the Board of Directors.
<b><i>Act</i></b>	means the Labuan Financial Services and Securities Act 2010.
<b><i>Auditor</i></b>	means as the word assigned to that word in the Act.
<b><i>Base Currency</i></b>	means currency in United States Dollars denomination.
<b><i>Business Day</i></b>	means every public working day in Labuan excluding any public holidays.
<b><i>Board of Directors</i></b>	means board of directors of MCIL International Limited.
<b><i>Commencement Date</i></b>	means the day of which the investments of MCIL Fund may first be made and is the next Business Day after the Initial Offer Period closed date.
<b><i>Cooling-Off Period</i></b>	means a period set by the Board of Directors within which investors may cancel the investment and the Board of Directors shall return the invested sum by the investor net-off any cost incurred.
<b><i>Financial Year End</i></b>	means each period of twelve months ending on 31 <sup>st</sup> December of each year.
<b><i>Supplementary Information Memorandum</i></b>	refers to the Supplementary Information Memorandum of MCIL International Limited dated 15 <sup>th</sup> day of May 2019.
<b><i>Initial Offer Period</i></b>	means three (3) months period after MCIL Fund have lodged its first Supplementary Information Memorandum.
<b><i>LFSA / the Authority</i></b>	means the Labuan Financial Services Authority.
<b><i>Lock-in Period</i></b>	means two (2) years or twenty-four (24) months of investment tenure.

<b><i>Long-Term</i></b>	means a period of 12 months. If the last day of the period end of 12 months falls on a public holiday, it shall be the next Business Day.
<b><i>Maturity Day</i></b>	means the next Business Day immediately following the end of Lock-In Period of the respective investment and /or Redeemable Preference Share class.
<b><i>MCIL Fund</i></b>	means MCIL International Limited.
<b><i>Premature Redemption</i></b>	means the selling of investment and/or Redeemable Preference Shares subscribed by the investor of MCIL Fund before the expiry of the Maturity Day of the investment and/or Redeemable Preference Shares.
<b><i>Redeemable Preference Shares</i></b>	means the Non-Cumulative Redeemable Preference Shares issued by MCIL Fund and made available for subscription at the offer price in accordance with the terms and conditions of this Supplementary Information Memorandum.
<b><i>Redemption</i></b>	means the selling of Redeemable Preference Shares held by investors to MCIL Fund or repurchase of Redeemable Preference Shares by MCIL Fund from investors.
<b><i>Redemption Fee</i></b>	means redemption charges or fees imposed on investors when they sell their Shares.
<b><i>Redemption Notice</i></b>	means notice and/or request given to the Board of Directors by the investors to redeem investment in MCIL Fund and/or Redeemable Preference Shares.
<b><i>Securities</i></b>	means any tradable financial asset including both debt and equity such as debt paper, certificate of deposit, banknotes, bonds, debentures, promissory notes, stock, shares or derivatives such as forwards, futures, options and swap irrespective whether they are listed in an exchange or not.
<b><i>Sub-manager</i></b>	means a third party hired by the Manager or the Board of Directors to assist in the management of MCIL Fund or specific portfolio.
<b><i>Subscription Fee/ Sales Charge</i></b>	means an amount imposed to investor by MCIL Fund that not exceeding a pre-described percentage of the Redeemable Preference Shares subscribed.

<b><i>Subscription Date</i></b>	means the first Business Day of each calendar month after the end of the Initial Offering Period and/or such other day or days as the Board of Directors may determine, either generally or in any particular case.
<b><i>The Custodian</i></b>	means a company who has been appointed by the Board of Director to be the custodian of MCIL Fund's assets.
<b><i>The Manager/ Manager/ We/ Us</i></b>	means MCIL International Limited who also investment manager of MCIL Fund.
<b><i>USD</i></b>	Means United States Dollars
<b><i>Valuer</i></b>	means firm(s) appointed by the Board of Directors to value MCIL Fund's direct real estate in accordance with this Supplementary Information Memorandum.

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## 2. INTERPRETATION

### *About this Supplementary Information Memorandum*

This Supplementary Information Memorandum contains new / additional key information in relation to its first Information Memorandum that lodged with LFSA on 8<sup>th</sup> day of December 2017 as a private mutual fund and it is governed under the Labuan Financial Services and Securities Act 2010. This Supplementary Information Memorandum shall replace and supersede all terms and conditions stated in the first Information Memorandum lodged to LFSA and shall be guided by relevant guidelines issue by LFSA from time to time.

LFSA is not liable for any non-disclosure or misleading statement(s), if any in this Supplementary Information Memorandum and has no responsibility for the contents of this Supplementary Information Memorandum. LFSA takes no representation on the accuracy and completeness of this Supplementary Information Memorandum, and expressly disclaims any liability whatsoever arising from, or in reliance upon, the whole or any part of contents herein.

### *Defined words and expressions*

Certain capitalized words and expressions used in this Supplementary Information Memorandum have defined meanings which are explained in the Definitions.

All references to the plural herein shall also mean the singular and to the singular shall also mean the plural unless the context otherwise requires.

### *Offer and issuer*

The offer contained in this Supplementary Information Memorandum is an offering to prospective investors to subscribe to a total of fifty million (50,000,000) Redeemable Preference Shares each with a par value of USD one (USD 1.00). MCIL Fund attempts to raise a total of USD fifty million (USD 50,000,000.00) with the ability to raise more or less.

Although at this juncture MCIL Fund only offers to issue a single class Redeemable Preference Shares, MCIL Fund is allowed to issue other classes of shares in the event that it decided to do so in a later date subject to the compliance of relevant laws and guidelines then by the LFSA.

### *How to obtain a Supplementary Information Memorandum and Application Form*

This Supplementary Information Memorandum may be obtained in electronic format that can be downloaded from MCIL International Limited's website [www.mcilintl.com](http://www.mcilintl.com). However, please be reminded that this Supplementary Information Memorandum is a private and confidential document. The ability to download this Supplementary Information Memorandum electronically does not mean and should not be assumed that this is as a recommendation, offer or invitation by the Board of Directors to make an investment in MCIL Fund. The Supplementary Information Memorandum downloaded from the website shall be used as an information and reference document only.

***Restrictions on distribution***

This Supplementary Information Memorandum is intended to provide background and salient information to assist you to understand the investment objectives of MCIL Fund. It does not constitute a recommendation, offer or invitation, either expressly or implication, to make an investment in MCIL Fund. This Supplementary Information Memorandum also does not purport to contain all the information that you may need to evaluate a potential investment.

You are advised to read and understand the contents of this Supplementary Information Memorandum and you are strongly advised to consult a professional and independent financial or investment adviser before making any investment decision in MCIL Fund. This Fund shall not be offered to Malaysian residents in any part of Malaysia except in Labuan.

***Tenure and Geographical***

Subject to terms and conditions stated in clause 9.9 and 13.4 hereinafter, MCIL Fund offers investments for period of two (2) years or twenty-four (24) months to potential investors MCIL Fund shall operate perpetually, unless the Board of Directors have foresee that MCIL Fund is unsustainable due to unforeseen circumstance.

MCIL Fund is open to invest into generic investment in various financial instrument include but not limited to quoted & unquoted equity, regulated & non regulated fund, or any segregated fund related private placement and related securities in Europe, London, Middle East and Asia Region in particular China, Singapore, Malaysia and Vietnam.

***Exclusive distributor***

In order to ensure MCIL Fund is distributed by approved party, MCIL Fund will only be distributed by exclusive distributor appointed by the Board of Directors. The exclusive distributor may also provide nominee account in which shares belonging to clients are held, making buying and selling those shares easier.

***No representations other than this Supplementary Information Memorandum***

Unless appointed in writing by the Board of Directors, no person is authorized to give any information or to make any representation in connection with this Supplementary Information Memorandum.

This Supplementary Information Memorandum does not take into account your investment objectives, financial situation or risk appetite. It also does not provide financial product or investment advice. You should carefully consider these factors in light of your personal circumstances. If you do not understand any part of this Supplementary Information Memorandum, it is strongly recommended that you seek professional guidance before deciding whether nor not to invest. After obtaining independent and professional financial and investment advice and where you have still have doubts regarding MCIL Fund, you are asked to not invest.

### **3. CORPORATE DIRECTORY**

#### **BOARD OF DIRECTORS**

Name: Muhammad Jackson Yeoh Abdullah  
Designation: Managing Director  
Email: jacksonyeoh@mcilintl.com

Name: Ahmad Hafiz Kamal  
Designation: Executive Director  
Email: ahmadhafiz@mcilintl.com

#### **PROMOTER AND MANAGER**

Name: MCIL International Limited (Company No. LL14041)  
Registered Office: Unit Level 9F(2), Main Office, Financial Park Labuan Jalan Merdeka, 87000 F.T. Labuan, Malaysia.  
Business Address: Unit Level 14(B) & 14(C), Main Office Tower, Financial Park Labuan Complex Jalan Merdeka, 87000 F.T. Labuan, Malaysia.  
Telephone Number: +6087-599233  
Email: ccs@mcilintl.com

#### **COMPANY SECRETARY**

Name: BBS Corporate Services Limited (Company No. LL15572)  
Business Address: Unit Level 9F(2), Main Office, Financial Park Labuan Jalan Merdeka, 87000 F.T. Labuan, Malaysia.  
Telephone Number: +6087 - 416 111  
Facsimile Number: +6087 - 416 116  
Email: info@bbstrust.com

#### **FUND ADMINISTRATOR**

Name: BBS Corporate Consulting Limited (Company No. LL13824)  
Business Address: Unit Level 9F(2), Main Office, Financial Park Labuan Jalan Merdeka, 87000 F.T. Labuan, Malaysia  
Telephone Number: +6087 416 111  
Facsimile Number: +6087 416 116  
Email: info@bbscorp.my

#### **AUDITORS**

As of date of this Supplementary Information Memorandum, MCIL Fund has not confirmed on appointment of Auditors, the proposed Auditors for the Company will be any approved Auditors in Labuan.

## 4. KEY DATA OF MCIL FUND

This section provides the summary of the information of MCIL Fund for investors' easy reference. Investors are advised to read and understand the whole Supplementary Information Memorandum and if necessary, consult a qualified adviser before making any investment decision.

FUND INFORMATION	
<b>Fund Name</b>	MCIL Fund
<b>Investment Objective</b>	MCIL Fund aims to provide regular income for investors seeking long-term investment.
<b>Principal Investment Strategy</b>	MCIL Fund is focusing and open to invest into generic investment in various financial instrument include but not limited to quoted & unquoted equity, regulated & non regulated fund, or any segregated fund related private placement and related securities in Europe, London, Middle East and Asia Region in particular China, Singapore, Malaysia and Vietnam.
<b>Investor Profile</b>	May be considered by investors who: <ul style="list-style-type: none"> <li>• Seek regular income</li> <li>• Have high risk tolerance in long-term investments</li> <li>• Seek investment in international money market</li> </ul>
<b>Redeemable Preference Shares</b>	Fifty million only (50,000,000) Redeemable Preference Shares issued for subscription by MCIL International Limited with the ability to raise more or less.
<b>Initial Offer Price</b>	USD one only (USD 1.00) each per Redeemable Preference Share.
<b>Performance Indicator</b>	A return of twelve percent (12%) per annum.
<b>Tenure</b>	Minimum of two (2) years or twenty-four (24) months.
<b>Lock-in Period</b>	This investment shall be Lock-in for a period of two (2) years or twenty-four (24) months.

<b>Investment Roll-over</b>	Any Redeemable Preference Shares not redeemed upon the expiry of Lock-in Period will automatically be rolled-over into the same Redeemable Preference Shares class with similar terms and conditions without prior notification to the investors.
<b>Investor's Risk Barometer</b>	High risk with more than two (2) years or twenty-four (24) months investment horizon.
<b>Financial Year End</b>	A period of twelve (12) months ending 31 <sup>st</sup> December of every year.
<b>DISTRIBUTION</b>	
<b>Dividend Distribution Policy</b>	MCIL Fund intended to distribute dividend every quarter subject to absolute discretion of the Board of Directors and availability of distributed income.
<b>REDEMPTION</b>	
<b>Redemption Policy</b>	MCIL Fund shall redeem the Redeemable Preference Shares at the end of Lock-in Period. However, the Board of Directors reserves the rights to redeem the Redeemable Preference Share at any point of time during the Lock-in Period when it deemed fit and necessary.
<b>Redemption Price</b>	At par value of USD One only (USD 1.00) per Redeemable Preference Share.
<b>Redemption Notice</b>	Investor must submit Redemption Notice to the Board of Directors at least forty-five (45) Business Days before the intended redemption date or Maturity Day of the Redeemable Preference Shares. The Board of Directors may reject or delay the processing for payment of redemption proceed in the event the investors failed to submit a complete Redemption Notice or part of the information stated in the Redemption Notice is incomplete or incorrect.

<b>FEES, CHARGES AND EXPENSES</b>	
<p>There are fees and charges involved. Investors are advised to consider the fees and charges before investing in MCIL Fund.</p> <p>The Manager reserves the right to reduce or waive any fees and/or charges on its absolute discretion.</p> <p>This table below describes the fees and charges that you may <b><i>DIRECTLY</i></b> incur when you invest in MCIL Fund:-</p>	
<b>Subscription Fee/ Sales Charge</b>	MCIL Fund shall charge an upfront subscription fee up to five percent (5%) of the Redeemable Preference Shares issued and subscribed by the investors.
<b>Premature Redemption</b>	Premature Redemption is not allowed. However, the Board of Directors has at its absolute discretion to allow Premature Redemption on a case to case basis and charge a premature penalty charge of up to fifteen percent (15%) of the total premature Redeemable Preference Shares redeemed.
<p>This table describes the fees and charges that you may <b><i>INDIRECTLY</i></b> incur when you invest in MCIL Fund:-</p>	
<b>Management Fee</b>	Two percent (2%) per annum of the Redeemable Preference Shares issued and subscribed chargeable at end of every Financial Year End.
<b>Directors Fee</b>	Zero-point one percent (0.1%) per annum based on Redeemable Preference Shares issued and subscribed as at every quarter of the financial year and payable to each Director on quarterly basis.
<b>Redemption Fee</b>	No redemption fee shall be charged if the redemption is made on or after Maturity Day.
<b>Transfer Fee</b>	Up to zero-point five percent (0.5%) of the Redeemable Preference Shares issued and subscribed at the point of transfer. The Manager reserves the right to reject any transfer request that may contravene the interest of MCIL Fund.

<b>TRANSACTION INFORMATION</b>	
<b>Minimum Initial Investment during the Offer Period</b>	Minimum USD Seventy Thousand only (USD 70,000.00) or any amount equal or not less than Ringgit Malaysia Two Hundred and Fifty Thousand (RM 250,000.00) or an amount equivalent in any foreign currency (exclusive of any subscription fee) or such other amount as is consistent with MCIL Fund being registered under Labuan Law.
<b>Minimum Subsequent Investment during the Offer Period</b>	Minimum USD Ten Thousand only (USD 10,000.00) or any amount equal (exclusive of any subscription fee) or such other amount as is consistent with MCIL Fund being registered under Labuan Law.
<b>Minimum Redemption Amount</b>	No minimum redemption amounts.
<b>Cooling-Off Period</b>	The period of three (3) Business Days from the date the Manager receives the duly completed transaction form. A Cooling-Off right is only given to an eligible investor.

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## **5. BACKGROUND OF MCIL FUND**

MCIL International Limited and / or MCIL Fund was incorporated as a Labuan company under the provisions of the Labuan Companies Act 1990 on 12<sup>th</sup> of September 2017.

This Supplementary Information Memorandum contains new / additional key information in relation to its first Information Memorandum that lodged with LFSA on 8<sup>th</sup> day of December 2017 as a private mutual fund and it is governed under the Labuan Financial Services and Securities Act 2010. This Supplementary Information Memorandum shall replace and supersede all terms and conditions stated in the first Information Memorandum lodged to LFSA and shall be guided by relevant guidelines issue by LFSA from time to time.

The offer contained in this Supplementary Information Memorandum is an offering to prospective investors to subscribe to a total of fifty million (50,000,000) Redeemable Preference Shares with a par value of USD one (USD 1.00) each. MCIL Fund attempts to raise a total of USD fifty million (USD 50,000,000.00) with the ability to raise more or less.

MCIL Fund currently plans to issue a single class Redeemable Preference Shares. However, MCIL Fund is allowed to issue multi-classes of other type of shares in the event that it decided to do so in a later date subject to the compliance of relevant laws and guidelines then by issued by LFSA.

MCIL Fund plans to provide regular income to investors as well as to provide long-term returns from various financial instrument. However, the investors should fully understand the risks and rewards in funds such as this with a heavy focus, possible at any time in the investment period, on only a single or a few financial instruments. Investors should be reminded that past performance do not mean or should be assumed to assure that the present or future performance can continue or be repeated.

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## 6. INVESTMENT STRATEGY

MCIL Fund attempts to provide regular income to investors when hold to expiry of the Lock-in Period. MCIL Fund is focusing and open to invest into generic investment in various financial instrument include but not limited to quoted and unquoted equity, regulated and non-regulated fund, or any segregated fund related to private placement and related securities which are domiciled in Europe, London, Middle East and Asia Region in particular China, Singapore, Malaysia and Vietnam. MCIL Fund also allows the investors to participate in large-scale enterprises, projects and development that would normally be far out of reach. This may be done by enabling investors to allocate a suitable proportion of their assets to invest into a specific investment portfolio without acquiring a directly held portfolio. MCIL Fund may also acquire stakes or securities of companies in profitable and potential business or investment.

A proportion of the MCIL Fund's assets may be managed by Sub-manager who is specialized in an identified area of investment relevant to MCIL Fund's objective including investing in other collective investment schemes.

MCIL Fund will apply a bottom-up approach to investable assets selection, the objective of which is to deliver out-performance by targeting absolute return to provide for regular income to investors. From time to time MCIL Fund may adopt an aggressive weighting to financial instrument which the Manager believes offer the prospect of out-performance and conversely, may underweight to sectors which the Manager believes will under-performed.

MCIL Fund will adopt an unconstrained investment strategy where the Manager will invest by exploiting opportunities across the broader markets, irrespective of whether the securities which MCIL Fund invest in are listed in any recognized exchange or not, or assigning weightage, restrictions and limitation to MCIL Fund's asset exposure to any market, sector, issuer, counter party or securities. The Manager is also not restricted by other investment limitation which forces the Manager to diversify investment into a diverse portfolio. The Manager may appoint Sub-manager to manage part the MCIL Fund to meet the MCIL Fund's objective.

Although the Manager may have during the period of investment an unconstrained investment strategy there can be no assurance that MCIL Fund's investments will be successful or that the objectives of MCIL Fund will be achieved. Investment results may vary substantially over time.

There are several risks associated with this investment approach, many of which are beyond the control of the Manager and the Board of Directors. Please refer to the following Risk Factors section that lists all potential investment risks relating to investment in MCIL Fund.

The minimum amount required for initial investment is USD seventy thousand (USD 70,000.00). Subsequent subscriptions must be made in an amount not less than USD ten thousand (USD 10,000.00) or as the Board of Directors may generally or in any particular case determine from time to time.

The Board of Directors has the right to exclude category(s) of persons (including United States Persons), whose participation may adversely affect MCIL Fund.

## **7. RISK FACTORS**

In evaluating an investment in MCIL Fund, the prospective investors should carefully consider all the information contained in this Supplementary Information Memorandum, including but not limited to the following general and specific risk factors.

### **7.1. Dividend Payment**

The ability to pay future dividend and the ability to sustain our dividend policy in the future are largely dependent on the performance of MCIL Fund. Hence, in determining the size of any dividend recommendation, MCIL Fund will also take into consideration a number of factors, including but not limited to the financial performance, cash flow requirements, debt servicing and financing commitments, availability of distributed reserves and profits/tax credits, future expansion plans, loan covenants and compliance with regulator. There is risk that dividends will not be paid, including where the Board of Directors or the Manager decides not to pay a dividend and therefore in such circumstances, investors have no entitlement to any payments of dividends.

### **7.2. Concentration and Single Issuer**

MCIL Fund may invest large investments in a single issuer or security to meet its objective. In the event that this single issuer becomes insolvent or default on its securities, MCIL Fund will be considered as unsecured creditor and will have no preferential claims to any assets held by the issuer. This excessive concentration into single issuer can also give rise to possible liquidity risk if the issuer failed to make any repayment or commitment to repay any debt securities. However, in order to mitigate this risk, the Manager endeavors to mitigate this risk by employing a systematic investment process incorporating sound risk management process.

### **7.3. Market Risk**

Generally, the investment return on a particular asset is correlated to the return on other assets from the same market, region or asset class. Market risk is impacted by broad factors such as interest rates, availability of credit, economic uncertainty, changes in laws and regulations (including government responses to financial crises and laws relating to taxation of MCIL Fund's investment), trade barriers, currency exchange controls, political environment, investor sentiment and significant external events (e.g. natural disasters). These factors may affect the level and volatility of the prices of securities or other financial instruments and the liquidity of MCIL Fund's investments. Volatility or illiquidity could impair MCIL Fund's profitability or result in losses. MCIL Fund may maintain substantial trading positions that can be adversely affected by the level of volatility in the financial markets; the larger the positions, the greater the potential for loss.

#### **7.4. Liquidity Risk**

MCIL Fund may invest in investment instruments that later become illiquid or otherwise restricted. MCIL Fund might only be able to liquidate these positions at disadvantageous prices, should the Board of Directors determine, or it become necessary, to do so. The decision to hold or liquidate such securities is at the sole discretion of the Manager. Illiquidity in certain markets could make it difficult for MCIL Fund to liquidate positions on favorable terms, thereby resulting in losses of MCIL Fund. In addition, some of the securities that MCIL Fund may acquire may be traded on public exchanges, each exchange typically has the right to suspend or limit trading in the securities which it lists. Such a suspension could render it difficult or impossible for MCIL Fund to liquidate its positions and would thereby expose MCIL Fund to losses. MCIL Fund therefore may be locked into an adverse price movement for several days or more which may result in immediate and substantial loss to investors. This risk is even more prominent in MCIL Fund where it is allowed to invest in single issuer, securities and/or sector.

#### **7.5. Management Risk**

Poor management of MCIL Fund may jeopardize the investment of investors. Therefore, it is important for the Manager to set investment policies and appropriate strategies to be in line with the investment objective before any investment activities can be considered, there can be no guarantee that these measures will produce the desired results. However, this risk can be mitigated by strong corporate governance process in which the investment team will report regularly to the Board of Directors to ensure compliance to the investment mandate.

#### **7.6. Loan Financial Risk**

Some of the investments undertaken by MCIL Fund may be partly financed by loans. Investors should be aware that they might be asked to provide additional funds or security to top up on the loan margins of MCIL Funds borrowed, if the value of these investments goes down. Investors may be asked to bear the additional responsibilities and interest costs of financing the loan. Investors may also under these circumstances risk losing their initial capital.

#### **7.7. Political and Economic Risks**

The performance of MCIL Fund may be affected by unforeseen changes in economic and market conditions, uncertainties such as political developments, military conflict and civil unrest, changes in government policies, the imposition of restrictions on the transfer of capital and in legal, regulatory and tax requirements.

#### **7.8. Currency Risk**

MCIL Fund may invest in assets that are denominated in a currency other than the Base Currency of that Fund. Accordingly, the value of an investor's investment may be affected favorably or unfavorably by fluctuations in the rates of the different currencies, as changes in the exchange rate between the Base Currency of MCIL Fund and the

designated currency of a class may lead to a depreciation and losses of the value of such investments made. However, the Manager may enter into hedging contracts with any bank to mitigate this currency risk if it is anticipated that the exchange rate fluctuation between these currencies will have significant negative impact on MCIL Fund.

### **7.9. Inflation Risk**

This risk refers to the likelihood that an investor's investments does not keep pace with inflation, thus resulting in the investor's decreasing purchasing power even though the investment in monetary terms may have increased.

### **7.10. Possible Effect of Substantial Redemptions**

Substantial redemptions of Redeemable Preference Shares could require MCIL Fund to liquidate its positions more rapidly than otherwise desired in order to raise the cash necessary to fund the redemptions. Illiquidity in certain securities could make it difficult for MCIL Fund to liquidate positions on favorable terms, which could result in losses or a decrease in the Redeemable Preference Shares of MCIL Fund. MCIL Fund is permitted to borrow cash necessary to make payments in connection with redemption of the Redeemable Preference Shares when it determines that it would not be advisable to liquidate portfolio assets for that purpose. MCIL Fund is also authorized to pledge portfolio assets as collateral security for the repayment of such loans. In these circumstances, the continuing investors will bear the risk of any subsequent decline in the value of MCIL Fund's assets.

### **7.11. Deferral of Redemption Payment**

During the period of deferral, the Board of Directors may be required to realize assets in MCIL Fund to fund redemption requests, and this may entail disposals on a forced sale basis which will adversely impact MCIL Fund's financial performance.

### **7.12. Portfolio Turnover**

The investment strategy of MCIL Fund will involve the taking of frequent trading positions, and, as a result, turnover, processing fee or any other associate expenses of MCIL Fund may significantly exceed those of other investment entities of comparable size.

### **7.13. Short Selling**

MCIL Fund's investing program might include short selling. Short sales can, in certain circumstances, substantially increase the impact of adverse price movements on MCIL Fund's portfolio. A short sale of an investment instrument involves the risk of a theoretically unlimited increase in the market price of the investment instrument which could result in an inability to cover the short position or a theoretically unlimited loss. There can be no assurance that investment instruments necessary to cover a short position will be available for purchase.

#### **7.14. Regulatory Change**

Investing and trading in Securities, and particularly in derivatives, may be subject to regulatory change. The possible regulatory changes which may result from these developments are unclear at this time. This process could result in new regulations or restrictions having a material adverse impact on the operations of MCIL Fund. Further, there can be no assurance any such changes would not materially impact the ability of the Manager to implement the strategy described herein.

#### **7.15. Volatility Risk**

MCIL Fund's investment program may involve the purchase and sale of relatively volatile securities and other instruments. Fluctuations or prolonged changes in the volatility of such instruments can adversely affect the value of investments held by MCIL Fund.

#### **7.16. Country Risk**

MCIL Fund invest into generic investment in various financial instrument include but not limited to quoted and unquoted equity, regulated and non-regulated fund, or any segregated fund related to private placement and related securities which are domiciled in Europe, London, Middle East and Asia Region in particular China, Singapore, Malaysia and Vietnam. Any adverse changes in the countries' economic fundamentals, social and political stability, currency movements and foreign investments policies in countries may have an impact on the prices of the securities that invests in and consequently may also affect MCIL Fund's Redeemable Preference Shares.

#### **7.17. Non-compliance Risk**

This risk arises from non-compliance with laws, rules and regulations, prescribed practices and the management company's internal policies and procedures, for example, due to oversight by the management company. Such non-compliance may force the Board of Directors to sell down the investments at a loss to rectify non-compliance and in turn affect the value of investors' investment in the wholesale fund.

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## **8. FEES, CHARGES AND EXPENSES**

There are fees and charges involved. Investors are advised to consider the fees and charges before investing in MCIL Fund. **The Manager reserves the right to reduce or waive any fees and/or charges on its absolute discretion.**

### **8.1. Subscription Fee**

MCIL Fund shall charge an upfront subscription fee up to five percent (5%) of the Redeemable Preference Shares issued and subscribed by the investor Shares.

### **8.2. Premature Redemption Fee**

A premature redemption is not allowed in MCIL Fund. The Manager has absolute discretion to allow premature redemption on a case-to-case basis and deduct a penalty charge of up to fifteen percent (15%) of the total of Redeemable Preference Shares.

### **8.3. Redemption Fee**

No Redemption Fee shall be charged if the redemption is made on or after Maturity Day

### **8.4. Management Fee**

The Manager will charge yearly fee of two percent (2%) per annum of the Redeemable Preference Shares issues and subscribed at the end of Financial Period, payable annually.

The Manager will also be entitled to be reimbursed for all out of pocket expenses properly incurred by it in the performance of its duties for MCIL Fund including, without limitation to travelling and related costs of attending meetings in relation to the investments and prospective investments of MCIL Fund.

### **8.5. Directors Fee**

The proposed director fee payable to director is zero-point one percent (0.1%) per annum based on the Redeemable Preference Shares issued and subscribed as at end of every quarter of the financial period and it is payable to each director on quarterly basis.

### **8.6. Transfer Fee**

Share transfer fees is up to zero-point five percent (0.5%) of the Redeemable Preference Shares issued and subscribed at the point of transfer. The Manager reserves the right to reject any share transfer request that may have negative impact and interest on MCIL Fund.

## 8.7. Others Fees

Fees and expenses that are directly related to MCIL Fund and are necessary for the running of MCIL Fund may be charged to MCIL Fund. These fees and expenses including but not limited to the following:

- Auditors' fee
- Tax advisers' fee
- Taxes
- Tax vouchers
- Cost of printing reports
- Committee members' fee
- Fund initial set-up cost, licensing and other fund maintenance cost
- Insurance premium on Fund's physical assets (if any)
- Company's government fee
- Professional fee\*

\*Note: These include fees paid to professionals such as consultants, investment advisers, Sub-managers and valuers for the provision of services including but not limited to, advisory, research, valuation and so on for the benefits of MCIL Fund.

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## 9. TRANSACTION INFORMATION

### 9.1. Borrowing Policy

When deemed appropriate, MCIL Fund may employ leverage including, without limitation, through borrowing cash, securities and other instruments and entering into derivative transactions and repurchase agreements. MCIL Fund may pledge assets as security for borrowings. The use of leverage by MCIL Fund will increase the risk of an investment. For the purposes of making investments, MCIL Fund may borrow an amount equal to up to fifty percent (50%) of the total Redeemable Preference Shares. The total leverage in MCIL Fund will not normally exceed an amount equal to up to fifty percent (50%) of the total Redeemable Preference Shares. MCIL Fund may also borrow for the purposes of satisfying redemption requests or paying expenses, if required.

### 9.2. Dividend Distribution Policy

MCIL Fund intended to distribute dividend every quarter subject to absolute discretion of the Board of Directors and availability of distributed income.

### 9.3. Redemption Policy

The Board of Directors shall redeem the Redeemable Preference Shares at the end of Lock-in Period. However, the Board of Directors reserves the rights to redeem at the share based on the Redeemable Preference Shares at any point of time during the Lock-in Period when it deem fit and necessary. The Redemption Policy of the MCIL Fund with respect of this Redeemable Preference Shares will be determined by the Board of Directors at their sole discretion.

### 9.4. Investment Restriction

Although MCIL Fund will generally make direct investments, there is no restriction preventing MCIL Fund from investing indirectly through one or more wholly-owned subsidiaries or other vehicles where the Board of Directors consider that this would be commercially and/or tax efficient and/or provide the only practicable means of access to the relevant instrument or strategy.

### 9.5. Investment Information

#### (a) Operational Currency

The operational currency of the MCIL Fund will be in USD.

#### (b) Minimum Initial Subscription Amount

The minimum initial investment per applicant is USD seventy thousand (USD 70,000.00) or such lesser amount as the Board of Directors may generally or in any particular case determine, provided that such amount is not less than Ringgit Malaysia two hundred and fifty thousand (RM 250,000.00) (exclusive of any



subscription fee) or any amount equivalent in any foreign currency or such other amount as is consistent with MCIL Fund being registered under Labuan Law.

To comply with the Labuan Financial Services and Securities Act 2010 for the establishment of private mutual fund. MCIL Fund should not have more than fifty (50) investors in view that the minimum initial investment by investors are capped at USD seventy thousand (USD 70,000.00),

(c) **Minimum Subscription Amount for Subsequent Subscriptions**

Subsequent subscriptions must be made in an amount not less than USD ten thousand (USD 10,000.00), or the Board of Directors may generally or in any particular case determine from time to time.

(d) **Subscription in currencies other than United State dollars**

In the event that subscription monies are received in any currency other than the requested currency, namely, USD, conversion into the requested currency will be arranged by the Board of Directors and/or its appointed exclusive distributors at the risk and expense of the applicant. Any bank charges in respect of electronic transfers will be deducted from subscriptions and the net amount only invested in MCIL Fund.

(e) **Subscription Procedure**

Subscribers of the MCIL Fund during the Initial Offering Period must send their completed Application Form (refer to Annexure I) so as to be received by the Board of Director and/or its appointed exclusive distributors by no later than 5:00 p.m. (Labuan time) on the last Business Day of the Initial Offering Period. Cash subscription monies must be sent by electronic transfer, net of bank charges, so that cleared funds are received in the bank account of MCIL Fund.

After the Initial Offer Period, subscribers and investors who wish to apply for additional units must send their completed Application Form so as to be received by the Board of Directors and/or its appointed exclusive distributors by no later than 5:00 p.m. (Labuan time) on the last Business Day prior to the applicable Subscription Day. Applications received after this time will be dealt with on the next Subscription Day unless the Board of Directors determine otherwise. Cash subscription monies must be sent by electronic transfer, net of bank charges, so that cleared funds are received in the bank account of the MCIL Fund.

Applications may be sent by email provided the original follows promptly. None of Board of Directors and/or its appointed exclusive distributors accepts any responsibility for any loss caused as a result of non-receipt or illegibility of any application sent by facsimile or for any loss caused in respect of any action taken as a consequence of such facsimile instructions believed in good faith to have originated from properly authorised persons.

The Board of Directors and/or its appointed exclusive distributors may reject any application in whole or part and without giving any reason for doing so. If an application is rejected, the subscription monies paid, or the balance thereof, as the case may be, will be returned (without interest) as soon as practicable to the account from which the subscription monies were originally remitted, at the risk and cost of the applicant.

Once a completed Application Form has been received by the Board of Directors and/or its appointed Exclusive Distributors, it is irrevocable. **Please note that the share certificates will not be distributed to investors in respect of MCIL Fund.**

**The Board of Directors and/or its appointed exclusive distributors shall not accept cash investment directly into MCIL Fund.**

## 9.6. Redemption

### (a) Redemption Notice

Investor must submit Redemption Notice to the Board of Directors at least forty-five (45) Business Days before the intended redemption date or Maturity Day of the Redeemable Preference Shares. The Board of Directors may reject or delay the processing for payment of redemption proceed in the event the investors fail to submit a complete Redemption Notice or part of the information stated in the Redemption Notice is incomplete or incorrect.

The Redemption Notice should send to the address below:-

Attn: The Board of Directors of MCIL International Limited  
Address: Unit Level 9F(2), Main Office, Financial Park Labuan Jalan Merdeka,  
87000 F.T. Labuan, Malaysia.

### (b) Redemption Price

The redemption price at par value of USD one only (USD 1.00) per Redeemable Preference share.

### (c) Lock-in Period

The Lock-in period shall have the same tenure and meaning as per described in the MCIL Fund key features of the investment subscribed by the investor.

#### (i) Redemption Procedure and Notice Period

Investors wishing to redeem their Redeemable Preference Shares should send a completed Redemption Notice (refer to Annexure II) to the Board of Directors and/or exclusive distributors, so as to be received by the Board of Directors and/or exclusive distributors no later than 5:00 p.m. (Labuan time) on a Business Day falling at least forty-five (45) Business Days (or such shorter period as the Board of Directors may generally or in any particular case permit) prior to the relevant Redemption Day. Unless the Board of Directors agree otherwise, any Redemption

Notice received after this time will be held over and dealt with on the next Redemption Day.

The Redemption Notice may be sent by **email** to the following email address:-

- (a) Attn to The Fund Manager: ccs@mcilintl.com
- (b) C.c to The Fund Administrator: info@bbscorp.my

The redemption proceeds will not be paid until the original Redemption Notice is received by the Board of Directors and/or exclusive distributors. None of the Board of Directors, and/or exclusive distributors accepts any responsibility for any loss caused as a result of non-receipt or illegibility of any Redemption Notice sent by facsimile or for any loss caused in respect of any action taken as a consequence of such facsimile instructions believed in good faith to have originated from properly authorized persons.

The Board of Directors and/or exclusive distributors will confirm, in writing, receipt of all Redemption Notice that are received in good order. An investor who does not receive a confirmation within five (5) Business Days should contact the Board of Directors and/or exclusive distributors to confirm receipt.

A Redemption Notice may not be revoked by the investor save where redemption has been suspended by the Board of Directors in the circumstances set out in this Supplementary Information Memorandum.

The Board of Directors are authorised and permitted at its sole discretion to take such action as it reasonably considers necessary or desirable, to suspend any redemption request. Provided however that the Board of Directors may not suspend redemption request for more than six (6) months from the date of Redemption Day in respect of which it fall due.

**(ii) Payment of Redemption Proceeds**

Payment of redemption proceeds will normally be made within thirty (30) Business Days of the later of:-

- (a) the relevant Redemption Day; and
- (b) the date on which the Board of Directors and/or exclusive distributors has received the original of the Redemption Notice and such other documentation as may be required.

The Board of Directors are authorised and permitted at its sole discretion to take such action as it reasonably considers necessary or desirable, to defer any redemption payment. Provided however that the Board of Directors may not defer redemption payment for more than three (3) months from the date of Redemption payment is due to be paid in respect of which an investor's redemption request is first made.

## **9.7. Valuation**

### **(a) Valuation Day**

The Business Day immediately preceding each Redemption Day or Subscription Day and/or such other day or days as the Board of Directors may determine, either generally or in any particular case.

### **(b) Suspension of Valuations**

The Board of Directors are authorised and permitted at its sole discretion to take such action as it reasonably considers necessary or desirable, to suspend valuation date. Provided however that the Board of Directors may not suspend it for more than three (3) months from the date of valuation is due to be carried-out.

## **9.8. Cooling-Off Period**

The cooling-off right is only given to an eligible investor. An eligible investor is a person who is investing in MCIL Fund approved by the Board of Directors. The cooling-off right allows investor the opportunity to reverse an investment decision which could have been unduly influenced by certain external elements or factors.

The refund to the investor pursuant to the exercise of his cooling-off right shall be the sum of:

- (a) the Redeemable Preference Shares on the day were first purchased; and
- (b) the sales charge originally imposed on the day the Redeemable Preference Shares were purchased.

The cooling-off period shall be within three (3) Business Days which shall be effective from the date the Board of Directors receives the duly completed transaction form. Investor may exercise cooling-off right on any Business Day by giving written notice to the Board of Directors.

Cooling-off application should be made before the cut-off time of 5.00 p.m. on any Business Day. The cut-off time will be determined based on the time and date stamp made at the Board of Director's office.

## **9.9. Investment Roll-over**

Any Redeemable Preference Shares not redeemed upon the expiry of Lock-in Period will automatically be rolled-over into the same Redeemable Preference share class with the similar terms for another two (2) years or twenty-four (24) months Lock-in Period without prior notification to the investors.

## 10. INFORMATION ON SHAREHOLDERS AND DIRECTORS

Details of shareholder and shareholding in MCIL Fund are as follows:-

Name	Position in MCIL Fund	No. of Share Held	Percentage
Muhammad Jackson Yeoh Abdullah	Managing Director	6,000	60%
Ahmad Hafiz Kamal	Executive Director	4,000	40%
Total :-		10,000	100%

### *Responsibility of Board of Directors*

The Board of Directors are responsible for the overall management and control of the MCIL Fund in accordance with its Memorandum of Association and Articles. However, the Board of Directors in their capacity as such are not responsible for the day-to-day operations and administration of the MCIL Fund, nor are they responsible for making or approving any investment decisions having delegated such investment responsibilities to the Manager pursuant to the Management Agreement and the day-to-day administrative functions to the Administrator pursuant to the Administration Agreement in accordance with their powers of delegation as set out in the Articles of Association. The Board of Directors will review, on a periodic basis, the performance of the Investment Manager, the Administrator, the Custodian, if any and any other service providers.

The details profile of MCIL Fund's Board of Directors are as follow:

#### **Muhammad Jackson Yeoh Abdullah** **Managing Director**

A Malaysian, aged 47. He graduated from the Institute of Commercial Management in UK with a Diploma in Business Management, before completing his Bachelor of Science in Finance in University College London. In 1993, he obtained his license to become a certified Dealer Representative from the then Kuala Lumpur Commodities Exchange (KLCE).

He started his career in 1994 as a Technical Analyst for Pi Capital, a global advisory firm with offices in US and Asia catering for investment banking client. In 1996, he joined Okachi (Malaysia) Sdn Bhd, one of the country's leading futures brokerage houses and served as a Business Development Manager and Division Manager. During this period, he headed a team of marketing personnel to provide consultancy to his clients regarding trading futures in KLCE, that he amassing extensive experience especially in the field of technical analysis.

Since 2001, he has been a financial investment and business development consultant working closely with numerous companies across the region of Malaysia, Singapore and Vietnam-

Though starting off in the area of technical analysis, he has over the years diversified himself into various areas of expertise, including marketing and business development among others. Today, he is a highly successful Business Development Consultant, advocating a powerful

combination of analytical strength, keen understanding of market behaviour as well as people skills to effectively recruit marketing agents and generate investment funds for companies.

**Ahmad Hafiz Kamal**  
**Executive Director**

A Malaysian, aged 43, he begins his career as an advocate and solicitor with Lachaman Lalchand & Associates in the late 90's during which time he had been entrusted to handle civil litigation and criminal cases. He had also experienced advising various clients in numerous exercises ranging from private debt securities, syndicated financing, structured & project financing, privatization and build-operate-transfer/build-operate-own projects including privatization, mergers & acquisitions, energy & power related transactions, oil & gas, joint ventures to telecommunication projects and building contracts.

Being exposed to valuable corporate assignments during his law practice had somewhat developed his interest into joining the corporate world. He soon joined Arab-Malaysian Merchant Bank (AMMB) as a personal assistant to Dato Jaspal Singh, the then C.E.O of AMMB and was involved in advising companies in various sectors and industries listed on the Main Board and Second Board of Kuala Lumpur Stock Exchange on mergers & acquisitions transactions. Few years later he had been offered to join Mara Holdings Sdn Bhd (NADICORP HOLDINGS) and had acted as Dato Mohd Nadzmi Salleh's (Executive Chairman & President of ERL, Badminton Association of Malaysia & MARA Holdings) personal assistant in formal corporate matters. His involvement in the corporation covers a wide spectrum of corporate advisory work which also includes sports entertainment and charity events for the masses.

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## **11. ARTICLES FOR THE REDEEMABLE PREFERENCE SHARES**

The rights, privileges, restrictions and conditions of the investors of Redeemable Preference Shares are governed by the Articles of MCIL Fund. Any prospective investors should examine these documents thoroughly and consult a professional legal counsel concerning his rights, privileges, restrictions and conditions before subscribing for the Redeemable Preference share of MCIL Fund. Copies of the Articles of MCIL Fund are available for inspection by an interested investor at the Registered Office of MCIL Fund's office during normal business working hours on any Business Day. The below statements in this Supplementary Information Memorandum are only a summary, and do not purport to be complete.

MCIL Fund has issued and paid up capital of 10,000 ordinary share of USD1.00 each. In the event of liquidation, the ordinary shares rank only for a return of the nominal paid up on those shares before any payment to the investors of the Redeemable Preference Shares or any other shares ranking pari passu with the Redeemable Preference Shares in a liquidation event.

The investors of the ordinary shares shall be entitled to attend, vote at all general meetings and to take any action by written resolution. Ordinary shares carry one (1) vote each on a poll. The investors of ordinary shares are entitled to dividend after the investor of Redeemable Preference Shares.

The Redeemable Preference Shares investors is entitled to receive notice, attend, speaks and voting rights in its own class of share only.

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## 12. FINANCIAL PROJECTION

### 12.1 Proforma Statement of Comprehensive Income

MCIL International Limited

Projected Income Statement for the financial year ended 31 December

(All figures are in USD )

	<u>Proforma Income Statement</u>					
	<u>Year 1</u>	<u>Year 2</u>	<u>Year 3</u>	<u>Year 4</u>	<u>Year 5</u>	<u>Total</u>
<b>Revenue</b>						
Interest income	38,000	91,200	148,200	220,400	277,400	775,200
Investment Return	570,000	1,368,000	2,223,000	3,306,000	4,161,000	11,628,000
Management Fee	76,000	182,400	296,400	440,800	554,800	1,550,400
Subscription Fee	250,000	350,000	500,000	650,000	750,000	2,500,000
<b>Total Revenue</b>	<b>934,000</b>	<b>1,991,600</b>	<b>3,167,600</b>	<b>4,617,200</b>	<b>5,743,200</b>	<b>16,453,600</b>
<b>Operating Expenses</b>						
Director Fees	(9,500)	(13,300)	(19,000)	(24,700)	(28,500)	(95,000)
Administrative Expenses	(30,000)	(31,500)	(33,075)	(34,729)	(36,465)	(165,769)
Auditors' Remuneration	(10,000)	(10,500)	(11,025)	(11,576)	(12,155)	(55,256)
Marketing Expenses	(118,750)	(166,250)	(237,500)	(308,750)	(356,250)	(1,187,500)
Professional Fees	(60,000)	(63,000)	(66,150)	(69,458)	(72,930)	(331,538)
Other Operating Expenses	(50,000)	(52,500)	(55,125)	(57,881)	(60,775)	(276,282)
<b>Total Operating Expenses</b>	<b>(278,250)</b>	<b>(337,050)</b>	<b>(421,875)</b>	<b>(507,094)</b>	<b>(567,076)</b>	<b>(2,111,345)</b>
<b>Profit Before Tax</b>	<b>655,750</b>	<b>1,654,550</b>	<b>2,745,725</b>	<b>4,110,106</b>	<b>5,176,124</b>	<b>14,342,255</b>
Taxation	(19,673)	(49,637)	(82,372)	(123,303)	(155,284)	(430,268)
<b>Profit After Taxation</b>	<b>636,078</b>	<b>1,604,914</b>	<b>2,663,353</b>	<b>3,986,803</b>	<b>5,020,840</b>	<b>13,911,988</b>
<b>Net Profit b/f</b>		66,078	302,991	743,344	1,424,147	-
Distribution of Dividend	(570,000)	(1,368,000)	(2,223,000)	(3,306,000)	(4,161,000)	(11,628,000)
<b>Profit After Distribution of Dividend c/f</b>	<b>66,078</b>	<b>302,991</b>	<b>743,344</b>	<b>1,424,147</b>	<b>2,283,988</b>	<b>2,283,988</b>

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**12.2. Proforma Statement of Financial Position****MCIL International Limited****Projected Financial Position as at financial year ended 31 December***(All figures are in USD)*

	Year 1	Year 2	Year 3	Year 4	Year 5
<b><u>ASSETS</u></b>					
<b>Non Current Assets</b>					
Investment	3,800,000	9,120,000	14,820,000	22,040,000	27,740,000
<b>Total Non Current Assets</b>	<b>3,800,000</b>	<b>9,120,000</b>	<b>14,820,000</b>	<b>22,040,000</b>	<b>27,740,000</b>
<b>Current Assets</b>					
Bank and Cash Equivalents	1,026,078	2,592,991	4,458,344	6,944,147	9,228,988
<b>Total Current Assets</b>	<b>1,026,078</b>	<b>2,592,991</b>	<b>4,458,344</b>	<b>6,944,147</b>	<b>9,228,988</b>
<b>TOTAL ASSETS</b>	<b>4,826,078</b>	<b>11,712,991</b>	<b>19,278,344</b>	<b>28,984,147</b>	<b>36,968,988</b>
<b><u>EQUITY AND LIABILITIES</u></b>					
<b>Equity</b>					
Ordinary Shares	10,000	10,000	10,000	10,000	10,000
Participatings Shares	4,750,000	11,400,000	18,525,000	27,550,000	34,675,000
Retained Earnings	66,078	302,991	743,344	1,424,147	2,283,988
<b>Total Equity</b>	<b>4,826,078</b>	<b>11,712,991</b>	<b>19,278,344</b>	<b>28,984,147</b>	<b>36,968,988</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>4,826,078</b>	<b>11,712,991</b>	<b>19,278,344</b>	<b>28,984,147</b>	<b>36,968,988</b>

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**12.3. Proforma Cash Flow Statement**

MCIL International Limited

Projected Cash Flow Statement for the financial year ended 31 December

*(All figures are in USD )*

	Year 1	Year 2	Year 3	Year 4	Year 5	Total
<b><u>Cash In flow</u></b>						
Participating Shares Subscribed	4,750,000	6,650,000	9,500,000	12,350,000	14,250,000	47,500,000
Subscription Fee	250,000	350,000	500,000	650,000	750,000	2,500,000
Interest income	38,000	91,200	148,200	220,400	277,400	775,200
Investment Return	570,000	1,368,000	2,223,000	3,306,000	4,161,000	11,628,000
Management Fee	76,000	182,400	296,400	440,800	554,800	1,550,400
<b>Total Cash Inflow</b>	<b>5,684,000</b>	<b>8,641,600</b>	<b>12,667,600</b>	<b>16,967,200</b>	<b>19,993,200</b>	<b>63,953,600</b>
<b><u>Cash Out Flow</u></b>						
Investment	(3,800,000)	(5,320,000)	(5,700,000)	(7,220,000)	(5,700,000)	(27,740,000)
Redemption of Participating Shares	-	-	(2,375,000)	(3,325,000)	(7,125,000)	(12,825,000)
Operating Expenses						
Director Fees	(9,500)	(13,300)	(19,000)	(24,700)	(28,500)	(95,000)
Administrative Expenses	(30,000)	(31,500)	(33,075)	(34,729)	(36,465)	(165,769)
Auditors' Remuneration	(10,000)	(10,500)	(11,025)	(11,576)	(12,155)	(55,256)
Marketing Expenses	(118,750)	(166,250)	(237,500)	(308,750)	(356,250)	(1,187,500)
Professional Fees	(60,000)	(63,000)	(66,150)	(69,458)	(72,930)	(331,538)
Other Operating Expenses	(50,000)	(52,500)	(55,125)	(57,881)	(60,775)	(276,282)
Taxation	(19,673)	(49,637)	(82,372)	(123,303)	(155,284)	(430,268)
Dividend paid to shareholders of Participating Shares	(570,000)	(1,368,000)	(2,223,000)	(3,306,000)	(4,161,000)	(11,628,000)
<b>Total Outflow</b>	<b>(4,667,923)</b>	<b>(7,074,687)</b>	<b>(10,802,247)</b>	<b>(14,481,397)</b>	<b>(17,708,360)</b>	<b>(54,734,612)</b>
<b>Net Increase in Cash &amp; Cash Equivalent</b>	<b>1,016,078</b>	<b>1,566,914</b>	<b>1,865,353</b>	<b>2,485,803</b>	<b>2,284,840</b>	<b>9,218,988</b>
<b>Cash &amp; Cash Equivalent at the beginning of year</b>	<b>10,000</b>	<b>1,026,078</b>	<b>2,592,991</b>	<b>4,458,344</b>	<b>6,944,147</b>	<b>10,000</b>
<b>Cash &amp; Cash Equivalent at end of the year</b>	<b>1,026,078</b>	<b>2,592,991</b>	<b>4,458,344</b>	<b>6,944,147</b>	<b>9,228,988</b>	<b>9,228,988</b>

## **13. ADDITIONAL INFORMATION**

### **13.1. Board of Directors Discretion**

The Board of Directors have the absolute discretion to accept or reject, in whole or in part, any application for Redeemable Preference Shares of MCIL Fund without giving any reason whatsoever.

### **13.2. Anti-Money Laundering Policy**

The administration of MCIL Fund is fully compliant with current anti-money laundering requirements and checks will be made on all applicants. All application for Redeemable Preference Shares must be accompanied by proper identification documents for our verification. We reserve the right to check our investors against various reliable sources for money laundering information. Enhanced due diligence process will be conducted on high risk customers which would require Board of Directors' review and approval. Categorizing of high-risk investors is based on Board of Directors' sole discretion. Any cases which are suspicious will be reported to our internal Money Laundering Prevention personnel and if necessary, the matter will then be reported to the LFSA and/or Bank Negara Malaysia.

### **13.3. Conflict of Interest Policy**

The Board of Directors of MCIL Fund is or may be involved in other financial, investment and professional activities which may, on occasion, cause conflicts of interest in the management of MCIL Fund. In addition, the MCIL Fund may enter into transactions at arm's length with companies in the same group as or controlled directly or indirectly by the Board of Directors. In doing so, all parties shall ensure that the performance of their respective duties will not be impaired by any such involvement.

### **13.4. Termination of the MCIL Fund**

MCIL Fund may be terminated by giving written notice to investors if at any time after the Commencement Date, the Redeemable Preference Shares of MCIL Fund falls below **thirty percent (30%) of original amount invested by investors** or such other amount as we deem to be uneconomical to continue with MCIL Fund. Investors will be paid an amount in accordance with the Redeemable Preference Shares of the MCIL Fund at the point of termination as calculated by the Auditors of the MCIL Fund. For the avoidance of doubt, investors will not be charged any Redemption Fee if the aforesaid is done.

In the event if there is any disruption acts or events, which is beyond the control of the Board of Directors that cause the Board of Directors decided to terminate or liquidate MCIL Fund, any surplus assets after paying of debts, liabilities and fees that associated to this exercise shall be distributed to its investors accordingly.