

## Frequently Ask Question (FAQ)

1. Who is the general partner that launches this fund?  
Swordfish Solutions Sdn. Bhd a Securities Commission of Malaysia licensed Private Equity Management Corporation.
2. Who is the issuer company that holding this fund?  
Space Capital Berhad which is the Fund Company.
3. How much is the fund size of Space Capital Berhad?  
The fund size of SCB is RM900 million
4. What is the instrument of buying this fund?  
Cumulative Redeemable Preference Shares (CRPS)
5. What is the offering for Space Capital Berhad?  
36,000 lots of CRPS at a subscription price of RM1.00 each CRPS lot, comprising 25,000 CRPS at RM25, 000 per lot.
6. What is the minimum investment amount?  
5, 000 USD
7. How long is the fund period?  
Up to 5 years. Maturity date being 30<sup>th</sup> June 2026.
8. How much is the targeted return on investment (ROI)?  
Targeted minimum ROI of 12% per annum. The CRPS holders are given option to withdraw their dividend in cash or reinvest the dividend into the fund.
9. How often can I get my dividend?  
The returns in form of dividend are payable half yearly on pro-rata basis every 30<sup>th</sup> of June and 31<sup>st</sup> of December until winding up of fund after 5 years. Dividends will be paid within 7 workings days after dividend entitlement dates, directly transferred to the bank account given to us.
10. What happen if the company failed to pay the dividend on the financial year?  
If the company has failed to pay the dividend on the financial year, it will be carried forward to the following financial year.
11. Is there any carried interest for general partner if they didn't' convert their shares after 5 years?  
General partners will earn Carried Interest of 30% over a hurdle of 12% p.a. return to investors. The remaining 70% is for Limited Partners / Investors.
12. What is the redemption of CRPS by Space Capital Berhad?  
Full redemption of Principle Capital Sum with accrued dividend upon 3 to 5 years or investors (limited partners) will have the option to receive shares of the investee companies as consideration for the redemption of CRPS or cash.

13. What happen to my funds if I do early redemption?

There is no dividend payment for early redemption of less than 3 years investment period as this would disrupt the investment strategy. Therefore, early redemption will be penalized in form of redemption fee up to 50% on total investment amount.

14. What is the minimum lock up period?

3 Years

15. When is the maturity date of this fund?

Maturity date is 30<sup>th</sup> June 2026 or upon conversion of SCB's CRPS to TGI IPO shares, whichever earlier.

16. What is the issuance date of the CRPS by the company?

The date of issuance of CRPS by the company to the subscriber, commencing from 15<sup>th</sup> October 2020.

17. What is the subscription price of CRPS offer by Space Capital Berhad?

RM1.00 per CRPS, payable by the Subscriber to the company on the subscription date.

18. What if TGI fails to be listed?

Space Capital Berhad would redeem up to 50% of the Subscription Amount shall TGI fails to be listed as an IPO company, together with unpaid interest thereon during the investment period of 5 years.

19. What if the company winding up?

In the event any liquidation, dissolution, winding up or other return on repayment of capital of the company, the subscribers shall be entitled to have the assets available for distribution among the members applied first in payment of a sum equivalent to the aggregate of the subscription price for the CPRS and any unpaid preference dividend in priority to any capital, dividend or other payments to holders of ordinary shares or any other class of shares of the company.

20. What is cooling-off period?

Cooling-off period is the right given to investors to request a full refund of their investment minus the administration fees (5%), within 14 business days from the date of receipt of the successful initial investment transaction request.

21. Who is entitled to the cooling-off period?

Cooling-off is applicable to investors who are investing with SCB for the first time. The first-time investor may cancel the investment that he has made by submitting a cooling-off request to SCB within 7 business days from the date of investment to receive a full refund of the investment into your account.

22. Where can you get the cooling-off period form?

The form will be provided upon request.

23. When can you get your refund upon submission of the cooling-off period form?

You will receive the refund within 14 days from the date of receipt of the cooling-off notice by SCB.

24. Can the subscriber of CRPS vote during general meeting?

The Subscriber shall have no right to receive any notice of and attend all general meetings of the Company provided that the CRPS shall not carry any right to vote at any general meeting of the Company except in any of the following circumstances;

- i. The business of the meeting included any resolution that varies the rights attached to the CRPS, the creation of further shares ranking in any respect in priority to with the CRPS shall deemed to be variation of the rights attached to CRPS
- ii. The business of meeting includes any resolution for the liquidation, dissolution or winding up of the Company
- iii. The business of the meeting includes any proposal to affect any arrangement.
- iv. In such other circumstances as may be expressly provided under the Companies Act 2016 or any other laws from time to time in respect of the CRPS

In any aforesaid circumstances, if voting by way of show of hand, each Subscriber shall have one (1) vote and if voting by way of poll, each Subscriber shall have one (1) vote for each CRPS held by him/her/it.

25. Can I transfer my fund to a third party before listed?

Yes.

26. Can I have nominees/beneficiaries for my investment?

Yes, we have our strategic partners Octowill Inc, is a global legacy management company. It is the next generation distributed and decentralized block chain Technology for Inheritance planning.

27. Is the nomination creditor proof?

Yes

28. Is there any extra charge for nomination?

No, it's free of charge.

29. What is the entry age and maximum age to invest?

18 and older. If below 18, their Guardian/Parent co-signs.

30. Why should I invest in Private Equity Fund?

Private Equity focuses on investments that return multiples and not percentages

31. What is the risk to invest in a Private Equity Fund?

Riskier investments as in Pre-IPO where it is not yet listed, but PEMC takes many risk managements actions to ensure risk is minimal. This is because the reward for the PEMC is tied to the investor. PEMC makes money with the investor and is NOT an Agency.

**32. Stock market is not performing, why should I buy now?**

PEMC investments are NOT stock market tied/dependent rather its opportunities investments where investors monies are pooled together to get big discounts or stronger returns guarantees. E.g. Asset worth 100mil is bought for 80mil as it's a cash payment and sold at 160 mil to another buyer in a year, hence doubling the money. Such opportunities are often only available to Ultra High Net Individuals (people worth above USD100 mil)

**33. I can manage by myself investing in stocks, why should I invest in PEMC?**

It is not about stocks or property or mutual funds or PEMC or other investments. Unless investing is your fulltime job, investing means diversifying your portfolio as returns will be different in each area based on economics. PEMC is ONE of your portfolios. Some investments you directly manage and some you let the fulltime professionals manage. This is what a Sophisticated Investor means. Even Bill Gates has professional managers managing his investments.

**34. What is the process to proceed the investment?**

Fill up our subscription & KYC Form and submit with FULL Payment along with the listed documents. If everything is in order, you are on boarded as PEMC Client upon approval by Swordfish Solutions. This will happen within 2 or less working days upon submission. Investor will be informed and be able to check status on their client portal. A formal agreement will also be emailed to investor. The KYC portion is mandatory for all financial related organizations in the world and the data collected WILL NOT be shared to any party except to lawful agencies upon request.

**35. Can I invest by cash?**

Subscriber have to make their payment through banking SOP, cash is not accepted. The quantum to transfer in Investor's local currency will be sent via email to their registered details.

**36. Which country citizen cannot invest?**

Iran, North Korea, Syria, Sudan, and Israel. We also discourage Citizens or entities from the United States of America to subscribe as our clients.

**37. Can I still hold the fund after listed?**

Yes, as long as it's within the 5 years fund period.

**38. Is income / dividend received by this fund taxable?**

There is no Capital Gains Tax (CGT) in Malaysia. Other countries please check with your local tax consultant. PEMC investment returns are Capital Gains hence no tax. However, if you are a Full Time Investor. This is considered a JOB/OCCUPATION, hence you are required to declare as such and pay the Income Tax. And if investments are through a company, the same applies as its income NOT capital gains. This is the MAIN REASON you become a PASSIVE investor and place funds into investment vehicles like PEMC. Passive means not managing it yourself or treating it like your job.

The Inland Revenue Department will question and investigate you if you are trading as your income and will be found out when you make a lot of money and will be taxed.

Everything is electronic nowadays. Almost impossible to hide when monies regularly come into your account from an actively traded broker account.

Only Bursa Malaysia Registered Local Traders get an Income Tax exemption of 70% where they only pay income tax on 30% of their trading income

**39. How do I subscribe to SCB?**

There are 2 options to approach us on subscribing to SCB.

- A. Approaching our Marketing Arm (VT Smart Venture Sdn. Bhd.)
- B. Approaching Swordfish Solutions directly

We encourage you to only approach and respond to us via these official channels.

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