

# Ingenious

## **Ingenious Growth Fund – William Du’s Speech**

12 December 2009

Distinguished Guests, ladies and gentlemen.

Good morning. It is both an honor and privilege to stand before you and welcome you to the launching ceremony of Ingenious Growth Berhad today. Thank you very much for taking the time off from your busy schedule to grace this event.

The launching of Ingenious Growth Fund (IGF) today marks a very important milestone for our company and the private equity industry in Malaysia.

IGF is the very first private equity fund of its kind to provide an alternative investment opportunity for retail investors, whom previously do not have the privileged to participate. Most private equity fund targets the super rich, financial institutions and corporate investors, with a minimum investment of at least RM5 million and above.

We believe that every investor should be given the access to invest in private equity, which usually provides consistent returns, if not superior returns to investors.

Private equity is an asset class that covers investments primarily in unlisted companies at early, growth or matured stages of their development. In growth stage, companies usually have gone through the struggling period, and they have gained market share, profitable, and aggressively seeking out opportunities to expand their business.

*Ladies & Gentlemen,*

Do you know why private equity funds are able to provide higher and consistent return on investments to investors? The main reasons are:

- i. *Control.* Private equity fund managers have more control and influence over the investee companies, compared to conventional mutual fund managers. We seek Board

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participation and key executive positions in the companies to ensure that the companies deliver their milestones.

- ii. *Alignment of interest.* Our main objectives are to safeguard investors' capital and grow it. If investors do not profit from our investments, we do not get any profit sharing. Thus, we will work very hard to ensure that the investee companies meet or exceed their targeted milestones.

In order to achieve the desired results, we have developed several guidelines in our investment approach:

- i. We invest in companies that we can add value.
- ii. We adopt active participation in the management of investee companies.
- iii. We set several milestones and key performance indicators for our investee companies.
- iv. Always seek the best exit strategies for our investments, be it IPO, trade sale, etc.

With our network of investors, co-investors, and business leaders, we empower entrepreneurs with both financial and intellectual capital to transform emerging companies into world changing companies.

*Ladies & Gentlemen,*

IGF aims to raise RM50 million to invest in high growth companies, with the objective of achieving consistent returns and long-term capital gains for its investors. To safeguard investors' interest and capital, the Fund implements the best practices in private equity management, with enhanced corporate governance, disclosures and investors relations policies in place.

Upon closing of the Fund, we will invest in V Telecoms Berhad, a high growth telecommunication company that provides high bandwidth connectivity to businesses and homes. The investment into V Telecoms will enable the Company to deploy its Metro-Ethernet (Metro-E) network expansion to selected areas covering 20,000 connections to offices and subsequently growing to 50,000 connections within the next five years.

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Due to the lack of liquidity during the global financial crisis recently, we are seeing a tremendous demand for private equity funding. We will continue to develop innovative products and services in our commitment to achieve and surpass our investors' financial objectives.

Today, we are proud to establish the Ingenious Growth Fund, setting a new standard within the industry.

Besides, Ingenious aims to attract foreign investors by offering more dynamic investment opportunities within Malaysia, and further contribute to economic growth and development of Malaysia.

*Ladies & Gentlemen,*

Before I end my speech, on behalf of Ingenious Haus Group, I would like to thank all our investors, partners, clients, and friends, for continuously contributing to our success. Thank you for giving us the opportunities to serve you better.

We would like to thank our partners, VCB Capital and SJ Securities, for their support and kind assistance in promoting our Fund to their investors. Last but not least, I would like to thank all Ingenious' and V Telecoms' staff, who works very hard to make this event a success.

To all our distinguished guests, thank you very much for being here today. I conclude by quoting Eleanor Roosevelt: *“The future belongs to those who believe in the beauty of their dreams”*. At Ingenious, we have big dreams, and we need your support to realize our dreams. We look forward to establishing strong partnerships with you.

Cheers!

**William Du.**