

## City of London's stake in iCapital.biz above 20% limit

**PETALING JAYA:** It appears that City of London Investment Management Company Ltd, the single largest shareholder of Bursa Malaysia's sole closed-end fund iCapital.biz Bhd (ICAP), has breached a Securities Commission (SC) ruling by holding more than 20% in the fund.

In a filing with Bursa Malaysia on Sept 30, ICAP announced that City of London has an indirect stake of 28.11 million shares or a 20.08% stake in the company after making purchases in the open market.

City of London has been consist-

ently increasing its stake in ICAP.

Under SC's guidelines for public offerings of securities of closed-end funds, it is stated under Section 3.7 that "no shareholder of the closed-end fund shall hold more than 20% of the total issued and paid-up shares of the closed-end fund".

ICAP is managed by Capital Dynamics Asset Management Sdn Bhd with investment advice provided by Capital Dynamics Sdn Bhd, both founded by Tan Teng Boo.

City of London first emerged with a 5.12% stake in ICAP in August 2011.

Since then, it has been increasing its stake in ICAP and made attempts in 2012 and 2014 to seek board representation.

City of London has been buying a substantial number of ICAP shares despite hounding Tan and claiming that he has not been "deploying cash fruitfully".

It has also objected to the election and re-election of ICAP's directors.

As at Oct 2, iCapital.biz has a net asset value (NAV) of RM3.22. Its share price closed at RM2.40 yesterday.

Since its inception on Oct 19, 2005, ICAP has delivered an annualised compounded rate of return of 9% (NAV) and 6.75% (share price) compared with Bursa Malaysia's 3.95%.

In terms of cumulative returns, ICAP has delivered a return of 233% and 147.4% (share price) compared with Bursa's Malaysia's 70.4%.

For the first quarter ended Aug 31, ICAP delivered net profit of RM2.16mil compared with RM1.91mil in the same period of the previous year.

Revenue stood at RM4.58mil from RM4.49mil previously.

**KUALA LUMPUR:** The oil palm plantation industry should pay attention to the criticisms leveraged against it, including land grabbing, environmental disruption and abuse of labour, says economist Prof Jomo Kwame Sundaram.

He said the government, agencies and industry players need to pay attention to the challenges in the industry to sustain its contribution to the economy.

"There is a lot of negative propaganda against it, but you know, it took the Philippines more than 50 years to fight (for coconut oil) and now everybody wants to have extra virgin coconut oil," he told reporters at Khazanah Megatrends Forum 2019 here yesterday. — Bernama