City of London rejects ICAP's claim on guideline breach

KUALA LUMPUR (Oct 10): City of London Investment Management Company Ltd (CLIM) has refuted icapital.biz Bhd's (ICAP) claim that it has breached the Securities Commission's (SC) guideline pertaining to its purported increased shareholdings in ICAP.

Accprding to the UK-based investment management company, it is actually not a shareholder in ICAP per se.

"CLIM is an investment adviser and does not hold any shares in ICAP, either as nominee or as bene cial owner, and has disclosed clearly how its clients' shares in ICAP are held.

"CLIM has not breached any SC guideline and no client holding, as managed by CLIM, exceeds 20%," said CLIM's head of corporate governance Simon Westlake in an email response to

theedgemarkets.com. The guideline for public o erings of securities of

closed-end funds limit
shareholders from holding more than 20% of the funds.
open

Yesterday, ICAP said in a statement that CLIM had upped its shareholdings in the company to 20.08% after making purchases in the open market, thus breaching SC's guideline.

ICAP said since its rst announcement of a 5.12% stake in the fund's shares in 2011, CLIM has been steadily increasing its shareholding.

Westlake today said his team has still not received a satisfactory response from ICAP's board in respect to some concerns it has raised pertaining to the company's nancial management.

The UK-based rm unsuccessfully tried to seek board representation in ICAP in 2012 and 2014. It has been objecting to the reelection of ICAP's directors.

ICAP, the only closed-end fund listed on Bursa Malaysia, is managed by Capital Dynamics Asset Management Sdn Bhd with investment advice provided by Capital Dynamics Sdn Bhd. Both rms were founded by Tan Teng Boo.

9 October 2019
City of London open market purchase of icapital.biz breached SC's guidelines
20 November 2012
Laxey-aligned hedge fund City of London sells iCapital.biz shares
21 November 2012
Laxey-aligned City of London sells icapital.biz shares