

ICAPITAL.BIZ BERHAD TO HOLD VIRTUAL EGM TO APPROVE DIVIDEND REINVESTMENT PLAN (DRP) ON DECEMBER 29, 2023



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· Shareholders are encouraged to vote in favor of the DRP, which provides an opportunity to reinvest dividends into new ICAP shares for further capital appreciation, while preserving cash as capital to fund future investments

· The deadline to register attendance or the appointment of a proxy is before 10 am on Wednesday, 27 December 2023

KUALA LUMPUR 26 DECEMBER 2023: icapital.biz Berhad (ICAP, 5108), Malaysia's only listed closed-end fund, will be holding an Extraordinary General Meeting (EGM) virtually on December 29, 2023 at 10 am to seek shareholder approval for the proposed establishment of a Dividend Reinvestment Plan (DRP).



Capital Dynamics CEO and icapital.biz Berhad's designated person, Tan Teng Boo (陈鼎武)

All shareholders are encouraged to attend the EGM and vote in favor of the DRP. This is because the DRP not only provides shareholders with an avenue to increase their participation in ICAP stock, but also supports the main goal of this initiative – to narrow the gap between ICAP's share price and its Net Asset Value (NAV), setting the stage for the stock to potentially trade at a premium to the fund's NAV.

The proposed DRP will work hand-in-hand with ICAP's dividend policy, which was formulated after years of hard work and introduced on September 29, 2023. ICAP had introduced this dividend policy to proactively narrow the discount between ICAP's share price and its NAV per share.

The first of its kind globally, ICAP's dividend policy is subject to market and economic conditions and ICAP's value investing investment philosophy. It is formulated as follows: a Base Rate of 1% of ICAP's NAV per share, plus 8% of the difference between ICAP's share price and NAV. This additional 8% is referred to as the Top-up Rate. In summary, this innovative dividend policy consists of the aggregate of the 1% Base Rate and the 8% Top-up Rate.

Then on October 2, 2023, ICAP announced the introduction of a DRP to allow shareholders to have the option to reinvest their dividends into new ICAP shares without incurring material transaction costs.

ICAP's dividend policy and proposed DRP share a common goal: to bring ICAP's share price back to trading at a premium to the fund's NAV — just as it did during ICAP's first 3 years as a listed company — or at least trade at a rational level.

Tan Teng Boo, the Designated Person of ICAP, said: "We encourage all shareholders to attend the EGM virtually and give us their approval for the DRP. We are well aware that the majority of ICAP shareholders invested in our stock because of long-term capital appreciation. We are mindful of this, and this is embedded in the formulation of our DRP and dividend policy."

"The DRP supports our main agenda, which is the long-term capital appreciation of ICAP. At the same time, our innovative dividend policy has been designed with the goal of consistently auto-remedying the NAV-share

price discount without compromising the Fund’s investment philosophy. Thus, if the DRP is approved, shareholders stand to gain both ways — you get dividends as well as capital appreciation.”

A circular to shareholders regarding the proposed DRP has been made available on Bursa Malaysia’s website. The deadline to register attendance or the appointment of a proxy is before **10 am on 27 December 2023, Wednesday.**

As of 20 December 2023, ICAP’s total net NAV stood at RM494.2 million with 140 million shares outstanding. On a three-year basis from 21 December 2020 to 20 December 2023, the MSCI Malaysia index is down 14.84%, while ICAP’s NAV and share price have risen 19.72% and 44.23% respectively. On a two-year basis, the MSCI Malaysia Index is down 2.38% while ICAP’s NAV and share price have risen 2.62% and 29.44% respectively. On a one-year basis, the MSCI Malaysia Index is down 0.59% while ICAP’s NAV and share price have risen 6.01% and 39.90%, respectively.



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