

iCapital Seeks Shareholder Approval For Dividend Reinvestment Plan Proposal

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icapital.biz Berhad plans to hold an EGM to seek shareholder approval for the proposed establishment of a Dividend Reinvestment Plan (DRP).

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.

It then 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.

Tan Teng Boo, the Designated Person of ICAP, said: “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.”