

icapitalbiz's EGM on Dec 29 to get shareholders' nod over DRP



By [Asila Jalil](#) - December 26, 2023 @ 3:27pm



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KUALA LUMPUR: icapital.biz Bhd will hold an extraordinary general meeting (EGM) on Dec 29 to seek shareholder approval for the proposed establishment of a dividend reinvestment plan (DRP).

All shareholders were encouraged to vote in favour of the DRP as icapital.biz said the DRP will narrow the gap between its share price and net asset value (NAV) while allowing shareholders to increase their stake in the company.

"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 our shareholders invested in the 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. 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," said icapital.biz designated person Tan Teng Boo.

The proposed DRP will work hand-in-hand with the company's dividend policy, which was introduced on Sept 29 to narrow the discount between its share price and NAV per share.

The company's dividend policy consists of the aggregate of the 1.0 per cent base rate and the 8.0 per cent top-up rate.

On Oct 2, icapital.biz announced the introduction of a DRP to allow shareholders to have the option to reinvest their dividends into new shares without incurring material transaction costs.

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 10am on Dec 27.

As of Dec 20, icaital.biz's total net NAV stood at RM494.2 million with 140 million shares outstanding.

On a three-year basis from Dec 21, 2020 to Dec 20, 2023, the MSCI Malaysia index is down 14.84 per cent, while icapital.biz's NAV and share price had risen 19.72 per cent and 44.23 per cent respectively.

On a two-year basis, the MSCI Malaysia Index is down 2.38 per cent while the company's NAV and share price had risen 2.62 per cent and 29.44 per cent respectively.