

i Capital International Value Fund ARSN 134 578 180



Quarterly Investment Report
For the period 1 January 2026 to 31 March 2026

CONTENTS

2	ICIVF at a glance
4	Performance Review
4	Market Review and Outlook
6	Fund Performance
8	Portfolio Information
9	Fund Information
10	Glossary

Investment Objective

To achieve long-term capital appreciation

Who should invest?

Investors seeking a value investing style, exposure to the global stock markets, who are able to adopt a long-term outlook and endure performance fluctuations

Entry Fee

Nil

Withdrawal Fee

Nil

Exit Fee

Nil

Transfer Fee

Nil

Bid/Offer Spread

Nil

Performance Fee

20.50% p.a. only chargeable if the following three criteria are met in the same period

1. Market value exceeds 6% annual rate of return *and*
2. Market value exceeds 6% annual compound rate of return *and*
3. Both annual and annual compound returns must still be above 6% if a performance fee is chargeable

Management Fee

Approx. 1.5375% p.a. of the NAV

Administration Cost

Approx. 1.4492% p.a. of the NAV. These expenses are paid as and when they occur.

Other Expenses

As our direct investor, no commission or additional fees associated with distributors or financial advisers are applicable to you.

A number of other expenses can be paid from the fund if incurred. However, we decided not to recover these expenses from the Fund, e.g.

- Printing of quarterly and annual reports
- Costs associated with establishing the fund
- Professional assistance operating the fund
- Independent performance verification.

ICIVF AT A GLANCE

Inception Date	1 July 2009
Minimum Investment (AUD)	\$20,000
Additional Investment (AUD)	\$2,000
Income Distribution	Annually (if any)

The table below gives an example of how the fees and costs in the Fund are charged based on your investment over a one year period. The example does not include the performance fee that may apply to your investment as we do not have a reasonable basis for estimating the performance fee.

Example	Fee charged per year for an investment balance of \$50,000.00.
Management Fee	$\$50,000.00 \times 1.5375\% = \768.75
Administration Cost	$\$50,000.00 \times 1.4492\% = \724.60
Total Fee Per Year	\$1,493.35

PERFORMANCE REVIEW

By 31 March 2026, the Fund has, from its inception in July 2009, delivered an annual compound return of 2.54%, net of expenses. Comparative benchmark figures are shown in **figure 3** and **table 1**.

During the 1 January 2026 to 31 March 2026 quarter, the Fund returned -4.15% after fees. For the 1-year

ending 31 March 2026, the Fund returned 1.48% after fees which compares with the returns of MSCI ACWI Index and ASX200 in AUD (benchmark) of 7.68% and 8.14%. Furthermore, the Fund has risen by 31.09% from its lowest point of A\$0.5905 as at 31 October 2022 (excluding distributions), as compared with the benchmark's returns of 55.87% and 23.58%.

MARKET REVIEW AND OUTLOOK

Speaking on Thursday, 14 May 2026 in the China-US presidential summit state banquet held in the Great Hall of the People's impressive banquet hall, President Trump thanked President Xi for what he described as a "magnificent welcome". In a speech that was filled with facts, Trump talked about the relationship between the American and Chinese people all the way back to America's founding days.

Trump said that *"From the beginning, our citizens have shared a deep sense of mutual respect. Founding Father Benjamin Franklin published the sayings of Confucius in his colonial newspaper and today's sculpture, recognizing that ancient Chinese sage is carved into the face of the United States Supreme Court very proudlyThe appreciation ran in both directions. Chinese admirers of President George Washington gifted a stone tablet honouring his memory to adorn the Washington monument. It bears the words of a Chinese official who called the great general and statesman a hero among menAcross the centuries, this mutual esteem grew into a relationship that reflected the tremendous talent and potential of our two people. Chinese workers helped lay the railroad tracks that connected our Atlantic Coast to the Pacific. American travellers to China helped spread literacy and modern medicine. And at the request of China's ambassador, it was President Theodore Roosevelt who provided the funds to establish President Xi's alma mater, Tsinghua University."*



In an exclusive venue, Xi Jinping hosts Trump in Zhongnanhai, Beijing as part of a two-day summit, nearly nine years after Trump's first presidential visit.

Source: <https://www.scmp.com>

In the first visit by a US President since 2017, the world has undergone tremendous changes. China in particular has reformed and transformed by leaps and bounds. Just ask anyone who goes to China after 9 long years.

The Economic Complexity Index (ECI) summarises a country's productive capabilities by looking at what it exports - specifically how diverse its export basket is - and how common or rare those products are across countries. High complexity countries are home to a range of sophisticated, specialised capabilities and are therefore able to produce a highly diversified set of complex products.

A country's economic complexity depends not only on how many products it makes, but also on what those products reveal about its underlying know-how. Some products are widely produced around the world, while others can only be made by a few countries. The latter tend to require more specialised capabilities. Complexity therefore takes into account both the diversity of a country's exports and how common or rare those products are globally, as well as the sophistication and diversity of the other products made by peer exporters.

In this way, economic complexity summarises the breadth and sophistication of the productive capabilities embedded in a country's exports.

The ECI has been shown to explain differences in income levels across countries and to predict future economic growth better than most single indicators. In 2017, the ECI for the US was still higher than for China (**figure 1**). By 2024, China was way ahead of the US.

Recent data from the Organization for Economic Cooperation and Development confirms what experts have long predicted: China has pulled ahead of the United States in research and development (R&D) investment. In 2024, China invested US\$1.03 trillion in R&D (adjusted for purchasing power parity), more than the United States' US\$1.01 trillion (**figure 2**).

Figure 1 The Economic Complexity Index

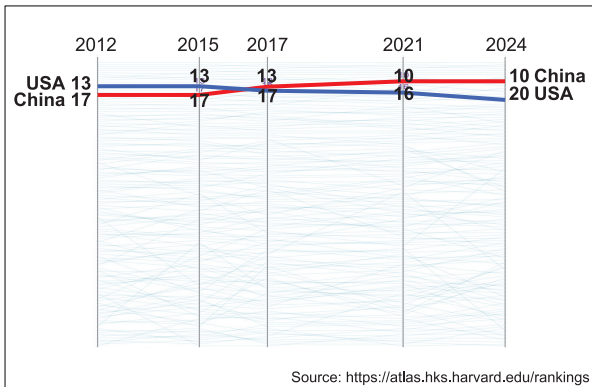
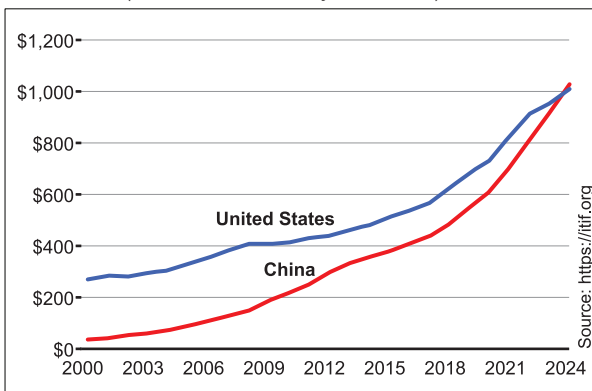


Figure 2 Gross Expenditures On R&D, Current Prices, 2000-2024 (Billions of PPP-Adjusted US\$)



R&D is a critical driver of competitiveness, boosting productivity, economic growth, and innovation, and for decades, the United States was the world's largest investor. In 1960, the United States accounted for 69% of global R&D expenditures, meaning it invested more in R&D than the rest of the world combined. But between 1960 and 2023, the United States' share fell to below 30%, while China's R&D investment grew at unprecedented rates. Since 2004, China's investment in R&D has grown by more than 12% annually (when adjusted for inflation), more than triple the US growth rate over the same period.

When Donald Trump departed Beijing on Friday, 15 May, he would have seen for himself the new global economy and power structure that he has to face. In his long flight back to Washington, he would have plenty of time for reflections on the new global realities. Not only are China, her leaders and people incredibly resourceful and resilient, it pays for Donald Trump to ponder on why Tan Teng Boo keeps saying the strongest economy in the world is China.

In my commentary, I have advised that there are many solid reasons for the present bull run in Chinese stocks will continue for many more years. The above is one additional bullish reason.

To recapitulate, China fundamentally transformed and reformed her economy such that no single export destination, no matter how large, can shut Chinese products out, either directly or indirectly or no country can slow the country down with tariffs and other restrictions. China took the difficult and longer-term approach – she fundamentally transformed and reformed her economy so that the Chinese companies can make top quality products at highly competitive prices on highly competitive terms. In short, China's Communist Party made China's economy the most competitive in the world.

While Trump 2.0 is still trying to decouple from China after Trump 1.0 and Joe Biden failed, the world's 2nd largest economy has already achieved de facto decoupling from the United States quietly and effectively. Years ago, many would have thought that such a process was impossible and if it happened, China's economic growth would be severely impacted. In the said 25 years, China's economy has instead grown from US\$1.223 trillion in 2000 to US\$19.4 trillion in 2025. China achieved an average rate of 8% annually in her GDP growth from 2000 to 2025. At the same time, China's GDP per capita has grown by leaps and bounds.

At the time of writing this commentary, the *i* Capital International Value Fund still has a substantial amount of its NAV invested in Chinese stocks, which are in the early stages of a secular bull run. As a result of this, I still strongly recommend investors to invest into the *i* Capital International Value Fund. Its NAV can be viewed at either www.funds.icapital.biz or www.capitaldynamics.com.au.

Best wishes.

陳鼎武

Tan Teng Boo
 Managing Director
 Capital Dynamics (Australia) Limited
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 16th May 2026

FUND PERFORMANCE 1

Figure 3 Total return (%)

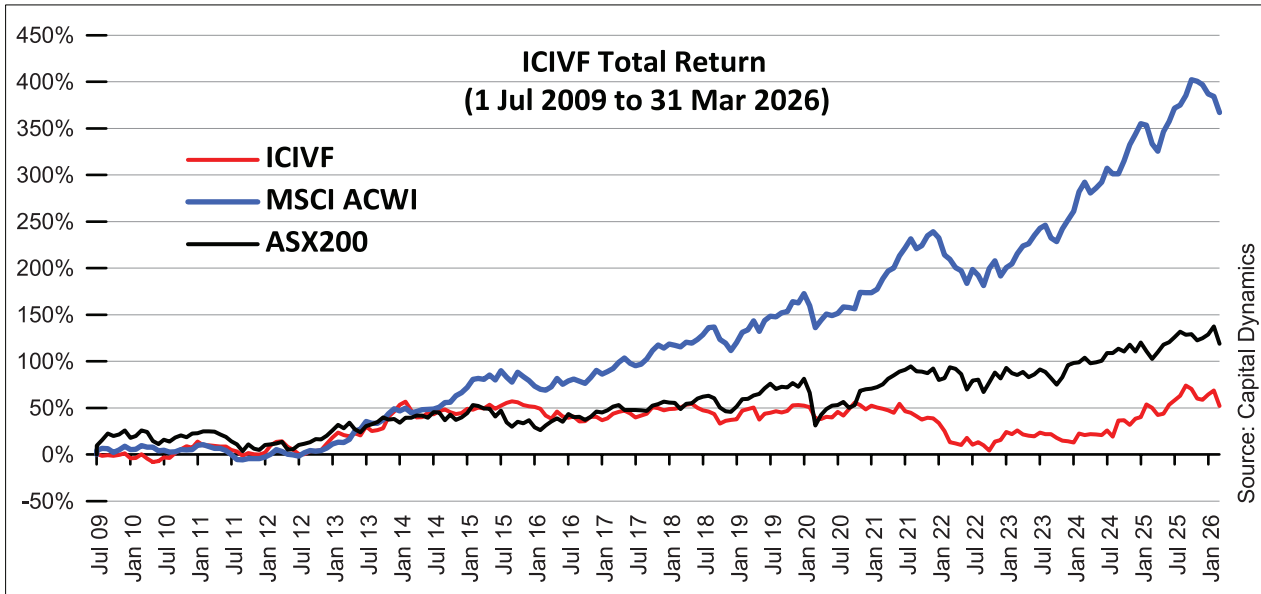


Table 1 Cumulative Total Return and Compound Return

	Cumulative Total Return (%)			Compound Return (%)
	1-Year-Return	2-Year-Return	Since Inception	Since Inception
ICIVF (AUD)	1.48%	26.05%	52.18%	2.54%
MSCI ACWI (AUD)	7.68%	19.00%	366.87%	9.63%
ASX200 (AUD)	8.14%	7.41%	118.94%	4.79%

FUND PERFORMANCE 2

Table 2 Top 3 performing stocks (current holdings only) (in local currency)

	Quarter ending 31 March 2026 (% of change)
HANS LASER TECHNOLOGY INDUSTRY GROUP CO LTD	48.77%
FRENCKEN GROUP LTD	47.83%
SUSS MICROTEC SE	2.19%

The table above presents the top 3 performing stocks your fund held at sometime within the referenced quarter. The stocks do not necessarily need to be bought at the start of the quarter (i.e. 1 January 2026), and held till the end of the quarter (i.e. 31 March 2026). Stock performance will only be measured over the specific period that your fund held the stock in the referenced quarter. This

means that, for example, if Hans Laser Technology Industry Group Co. Ltd was bought on 2 January 2026 and sold on 20 March 2026, its performance is only measured over 2 January 2026 to 20 March 2026 and not over the full quarter. Similarly, if it was bought on 21 January 2026 and sold on 23 March 2026, its performance is measured over the period 21 January 2026 to 23 March 2026.

FUND PERFORMANCE 3

Table 3 shows the percentage gain or loss of each company held by your Fund as at 31 March 2026. This table assumes no impact from currency movements or constant exchange rates.

Table 3 Percentage gain or loss arising from stock price changes.

Security	Average Cost (A\$)	Price Mar 2026 (A\$)	% Change
ALIBABA GROUP HOLDING LTD	16.10	21.83	35.61%
CONCORD NEW ENERGY	0.05	0.03	-39.72%
FRENCKEN GROUP LTD	1.48	2.27	53.11%
HANS LASER TECHNOLOGY INDUSTRY GROUP CO LTD	9.63	13.11	36.23%
ICAPITAL.BIZ BERHAD	1.08	0.81	-25.11%
K2 ASSET MANAGEMENT HOLDINGS	0.28	0.08	-72.78%
PACIFIC BIOSCIENCE OF CALIFORNIA INC	36.80	1.70	-95.37%
PICO FAR EAST HLDG LTD	0.44	0.43	-2.50%
PING AN INSURANCE GROUP OF CHINA LIMITED	14.71	9.92	-32.57%
SAM ENGINEERING EQUIPMENT	1.53	1.11	-27.51%
SG MICRO CORP	17.40	14.26	-18.06%
SUSS MICROTEC SE	83.37	85.20	2.19%
XIAOMI CORP	3.65	6.06	66.03%

Table 4 shows the percentage gain or loss arising from currency movements as at 31 March 2026. This table assumes no change in stock prices or constant stock prices.

Table 4 Percentage gain or loss arising from currency movements.

Security	Average Cost (A\$)	Price 2025 (A\$)	% Change
ALIBABA GROUP HOLDING LTD	16.10	16.91	5.01%
CONCORD NEW ENERGY	0.05	0.08	51.97%
FRENCKEN GROUP LTD	1.48	1.55	4.98%
HANS LASER TECHNOLOGY INDUSTRY GROUP CO LTD	9.63	9.65	0.28%
ICAPITAL.BIZ BERHAD	1.08	1.18	8.80%
K2 ASSET MANAGEMENT HOLDINGS	0.28	0.28	0.00%
MUNTERS GROUP AB	27.55	27.39	-0.56%
PACIFIC BIOSCIENCE OF CALIFORNIA INC	36.80	42.75	16.19%
PICO FAR EAST HLDG LTD	0.44	0.49	12.36%
PING AN INSURANCE GROUP OF CHINA LIMITED	14.71	16.99	15.47%
REXLOT HOLDINGS LTD	0.10	0.13	29.42%
SAM ENGINEERING EQUIPMENT	1.53	1.63	6.03%
SG MICRO CORP	17.40	17.71	1.78%

PORTFOLIO INFORMATION

Table 5 Percentage of assets held as cash

	Cash (%)	Equities (%)
End of Dec 25	8.97%	91.03%
End of Jan 26	2.16%	97.84%
End of Feb 26	1.84%	98.16%
End of Mar 26	5.42%	94.58%

Table 6 Top 5 holdings as at 31 March 2026

	65.86%
HANS LASER TECHNOLOGY INDUSTRY GROUP CO LTD	19.35%
ALIBABA GROUP HOLDING LTD	16.91%
PING AN INSURANCE GROUP OF CHINA LIMITED	11.52%
PICO FAR EAST HLDG LTD	9.45%
FRENCKEN GROUP LTD	8.62%

Table 7 Portfolio breakdown for equities by region as at 31 March 2026 (in AUD)

	100.00%
Hong Kong	54.29%
China	24.98%
Singapore	9.12%
Germany (Euro)	8.38%
Malaysia	2.44%
United States	0.76%
Australia	0.04%

FUND INFORMATION

About *i* Capital International Value Fund

The *i* Capital International Value Fund invests in listed securities in Australia and internationally.

The strategy is driven by an intelligently eclectic “Bamboo value investing” philosophy with an emphasis on the margin of safety created by stock selections based on divergences between market prices and the underlying intrinsic values of the companies.

The objective of Capital Dynamics (Australia) Limited (CDAL) is to seek long-term capital appreciation whilst reducing the margin of error when investing. This is achieved with a rigorous, innovative and well-defined value investing approach.

Unlike conventional value investing, CDAL adopts a bottom-up approach to portfolio construction, overlaid with a macro view. The objective of CDAL is to obtain a sound investment framework that allows for a clear perspective of how economies, markets and sentiment interact and how this interaction influences its investments.

About the Group

Capital Dynamics is an independent global fund manager and investment adviser, not tied to any bank, insurer, stockbroker or political organisation.

Our managed funds and investment advisory service are all directly accessible by individual, corporate and institutional investors around the world, and we also offer individually managed accounts to wholesale investors. Currently we manage over US\$300m, from our offices in Kuala Lumpur, Hong Kong, and Sydney. Our investment advisory service is provided via *i* Capital newsletter, a weekly publication, and www.icapital.biz. It is available in English and Chinese.

Philosophies

Independence, intelligence and integrity drive all business and investment decisions at Capital Dynamics. Integrity is central to our corporate culture, and to our loyal clients of many years, our word has proven to be our bond. Capital Dynamics has some of the most stringent compliance policies in the industry.

As a global fund manager, our “Bamboo value investing” philosophy is unique, and has enabled Capital Dynamics to generate sustained superior returns. Based on long-only investment principles, our value investing approach is given flexibility with the addition of macroeconomic factors and further investment intelligence from our team of fund managers and analysts. We go behind the commercial veneer of companies, travelling globally to research first hand.

GLOSSARY

ECI (Economic Complexity Index)

The Economic Complexity Index (ECI) is a measure of a country's productive capabilities based on the diversity and sophistication of its exports.

Purchasing Power Parity (PPP)

Purchasing Power Parity (PPP) is an economic adjustment method used to compare currencies based on their relative purchasing power.

NOTES

Past performance is not a reliable indicator of future performance. Performance is calculated in Australian dollars, net of ongoing fees and expenses and assumes reinvestment of distributions.

Capital Dynamics (Australia) Limited (CDAL) (ABN 53 129 846 260 | AFSL 326283) is the responsible entity and issuer of *i* Capital International Value Fund (“Fund”). The Product Disclosure Statement (“PDS”), the Additional Information Booklet (“AIB”) dated 30 September 2023 and the Target Market Determination (“TMD”) dated 30 November 2023 are the current offer documents for the Fund. You can obtain a copy of the PDS, AIB and TMD from CDAL’s website www.capitaldynamics.com.au, or contact CDAL at 1300 798 655, or email CDAL at info@capitaldynamics.com.au.

Before making any investment decision you will need to consider your particular investment needs, objectives and financial circumstances. You should also consider the PDS in deciding whether to acquire, or continue to hold, units in the Fund.

Disclaimer: The information in this Quarterly Investment Report is not intended to provide advice. It has not been prepared taking into account any particular investor’s or class of investor’s investment objectives, financial situation or needs, and should not be used as the basis for making investment, financial or other decisions. To the extent permitted by law, no liability is accepted for any loss or damage as a result of any reliance on this information. None of CDAL nor any of its related entities guarantees the performance of the Fund or the repayment of capital or any particular rate of return or any distribution.

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