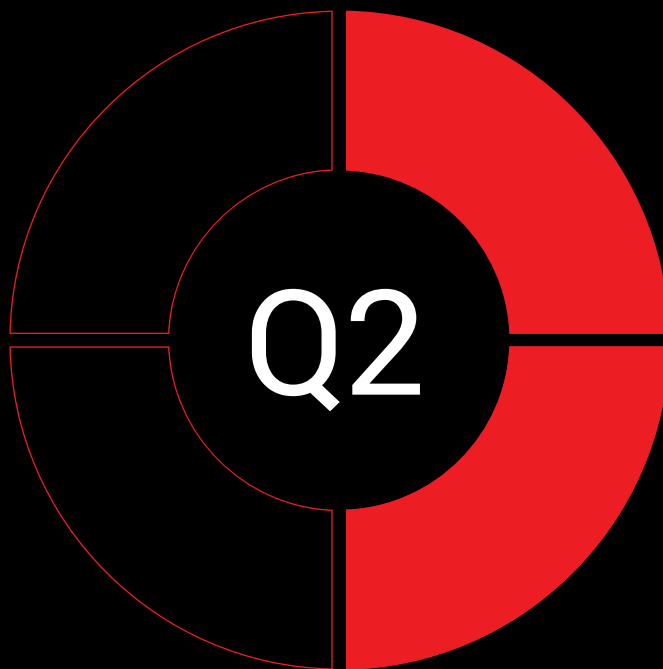


i Capital Global Fund



Quarterly Investment Report
For the period 1 August 2022 to 31 October 2022

CONTENTS

2	ICGF at a glance
4	Performance Review
4	Market Review and Outlook
7	Fund Performance
12	Statement of Comprehensive Income (Unaudited)
13	Statement of Financial Position (Unaudited)
14	Statement of Changes in Net Assets Attributable to Holders of Participating Shares (Unaudited)
15	Statement of Cash Flows (Unaudited)
16	Schedule of Securities (Unaudited)
17	Other Information
19	Glossary
20	Notes

ICGF AT A GLANCE

Investment Objective

The Fund's investment objective is to focus on long-term capital appreciation.

Who should invest?

Eligible Investors ^[1] seeking a value investing style and exposure to the global stock markets, who are able to adopt a long-term outlook and endure performance fluctuations

Buy / Sell Spread

Nil

Management Fee

1.5% p.a.

Performance Fee

Only chargeable if the following three criteria are met in the same period:

1. NAV exceeds 6% annual rate of return *and*
2. NAV exceeds 6% annual compound rate of return *and*
3. Both annual and annual compound returns must still be above 6% after the performance fee is charged

Inception Date

6 July 2007

Minimum Investment (USD)

\$100,000 minimum

Additional Investment (USD)

\$10,000 minimum

Directors of the Fund

Che Hui Shan
Nadzari Yusof Norzan

**Investment
Manager**

Capital Dynamics (S) Private Limited
112 Robinson Road
#11-02 Robinson 112
Singapore 068902
Tel. No. : 62248055/56/58
Fax No. : 62248057
Email: cdpl@icapital.biz
Web site: www.capitaldynamics.com.sg

**Registered Office of the
Fund**

Vistra (Cayman) Limited
P.O Box 31119
Grand Pavilion Commercial Centre
802 West Bay Road
Grand Cayman KY1-1205
Cayman Islands

Administrator

Standard Chartered Bank (Singapore) Limited

Custodian of the Fund

Standard Chartered Bank (Singapore) Limited

**Legal Advisers to
Cayman Law**

Walkers

**Legal Advisers to
Singapore Law**

Rajah & Tann

Auditors of the Fund

Ernst & Young, Cayman Islands

PERFORMANCE REVIEW

This is the second quarterly report of the *i* Capital Global Fund for the financial year ended 30 April 2023.

From 1 Aug 2022 to 31 October 2022, the net asset value (NAV) of the *i* Capital Global Fund (ICGF) decreased US\$106.232 from US\$671.228 to US\$564.996, or a loss of 15.83%. In the same period, the MSCI All Country

World Index (MSCI ACWI) decreased 8.05%. With a new low of US\$564.996 in such a turbulence time, we strongly recommend our investor to take advantage of this opportunity to invest in *i* Capital Global Fund, either for the first time or to subscribe more and benefit from the dollar cost averaging. We remain confident that the NAV of *i* Capital Global Fund will climb steadily from its current low.

MARKET REVIEW AND OUTLOOK

GOLDILOCKS-CHINA

The NAV for the *i* Capital Global Fund fell to a low of US\$564 in October 2022. By January 2023, the NAV has jumped 32.9% to US\$750 (the MSCI ACWI only recovered 10.6% in the same period). The strong performance by the *i* Capital Global Fund is not surprising.

Since my last quarterly commentary, the Chinese government has fully re-opened the country's borders, exiting from the dynamic zero-Covid policy. As a result, the Chinese stocks have rallied strongly. As your Fund's has a high exposure to Chinese stocks, your Fund's NAV naturally gained.

In the Special Fund Gathering that I conducted on Saturday, 7th January 2023, my advice to our investors was very simple and loud and clear – buy Chinese stocks. By logical extension my advice was to invest or invest more in the *i* Capital Global Fund.

A key question is whether this is just a flash in the pan or a sustainable recovery.

Do a quick survey around the world and one will find most countries facing soaring inflation, food supply disruptions and or social instability. The US is desperately trying to tame soaring inflation, Japan saw her inflation at a 41-year high, the UK is still suffering from double-digit inflation and even Singapore is finding it extremely difficult to tame her soaring inflation. Then countries like the UK are also facing food shortages. British supermarket chains have limited the amount of some fresh fruits and vegetables that customers can buy amid shortages blamed on bad weather and BREXIT.

Do another quick survey around the world and you will find that most central banks are still raising interest rates in a desperate attempt to catch up with rising prices. The Reserve Bank of Australia (RBA) has found that it has tightened too little as Australia's inflation keeps soaring out of control. RBA raised its interest rates to a decade high of 3.35% at its first meeting of 2023. Inflation ended 2022 at 7.8%. The US Federal Reserve is facing a complicated situation. Despite a very aggressive monetary tightening, it is not able to cool the still overheated US economy down. The US economic indicators for Jan 2023 were all above expectations.

Do one more survey around the world and you will find that China is not facing out-of-control inflation, food shortages or interest rate hikes. As the rest of the world tightens and tightens, China is easing her monetary policy and steadily lowering her interest rate.

Compare the headline inflation rates of China (**figure 1**) with that of the US (**figure 2**). Inflation in China since 2020 has been running around a healthy 1-2%.

Figure 1 China's Inflation Rate

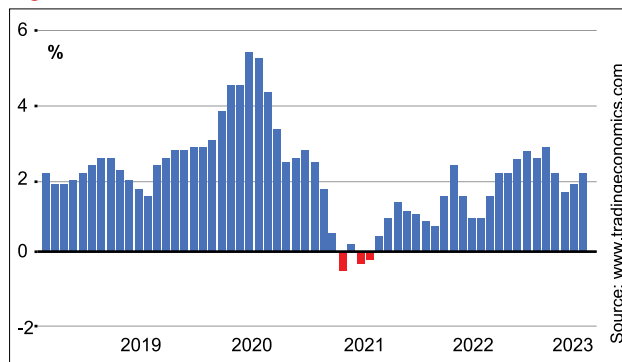
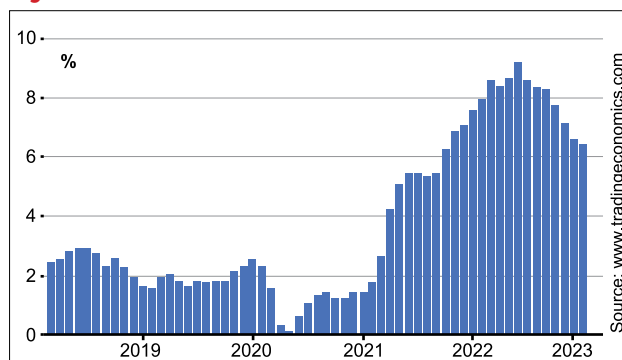
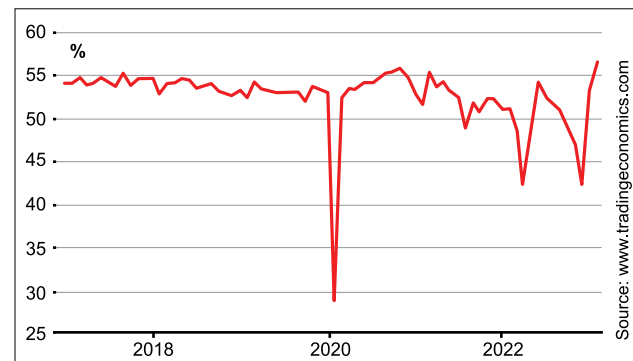


Figure 2 US Inflation Rate



Then, the National Bureau of Statistics reported that the purchasing managers index (PMI) for China's manufacturing sector surged to 52.6% in Feb from 50.1% in Jan (**figure 3**). The reading marked a new high since Apr 2012. China's non-manufacturing PMI, which tracks activity in the services and construction sectors, also jumped to 56.3% in Feb from 54.4% in Jan.

Figure 3 China's Manufacturing PMI



In the end, what we have is this. As the rest of the world panics and grapples with soaring inflation and heading for a sharp slowdown or outright recession, China is in a Goldilocks position. The Chinese government under Xi Jinping has successfully managed to achieve an ideal environment where there is benign inflation and robust economic growth. Investors love such an environment. The Shanghai, Shenzhen, and Hong Kong stock markets will be big beneficiaries of such success.

While more US monetary tightening is ahead for the US economy in 2023, China is heading for a sustainable growth. This is good news for *i* Capital Global Fund as it has a substantial exposure to Chinese stocks. Chinese stocks are expected to continue performing well in the rest of 2023 and beyond.

I do hope investors would take advantage of the unusual opportunity presented by the sharp drop in your Fund's NAV and invest more. The NAV of *i* Capital Global Fund can be viewed at either www.funds.icapital.biz or www.capitaldynamics.com.sg.

Best wishes.

A handwritten signature in black ink, appearing to read '陳鼎武' (Tan Teng Boo).

Tan Teng Boo
Director
Capital Dynamics (S) Private Limited
1st March 2023

FUND PERFORMANCE 1

In some of our 2020 and 2021 monthly commentaries, we have shared with our investors that there is a new phase, a new beginning for the *i* Capital Global Fund. What do we mean?

Figure 1 shows the NAV of the *i* Capital Global Fund against the performance of the MSCI ACWI

since its launch which was just before the financial markets and economies were seriously affected by the 2008 US-led financial crisis. Between 6 July 2007 and 31 October 2022, the NAV of the *i* Capital Global Fund lose 43.50% from US\$1,000.000 to US\$564.996 per share. In the same period, the MSCI ACWI increased 43.73%.

Figure 1 ICGF NAV vs MSCI ACWI

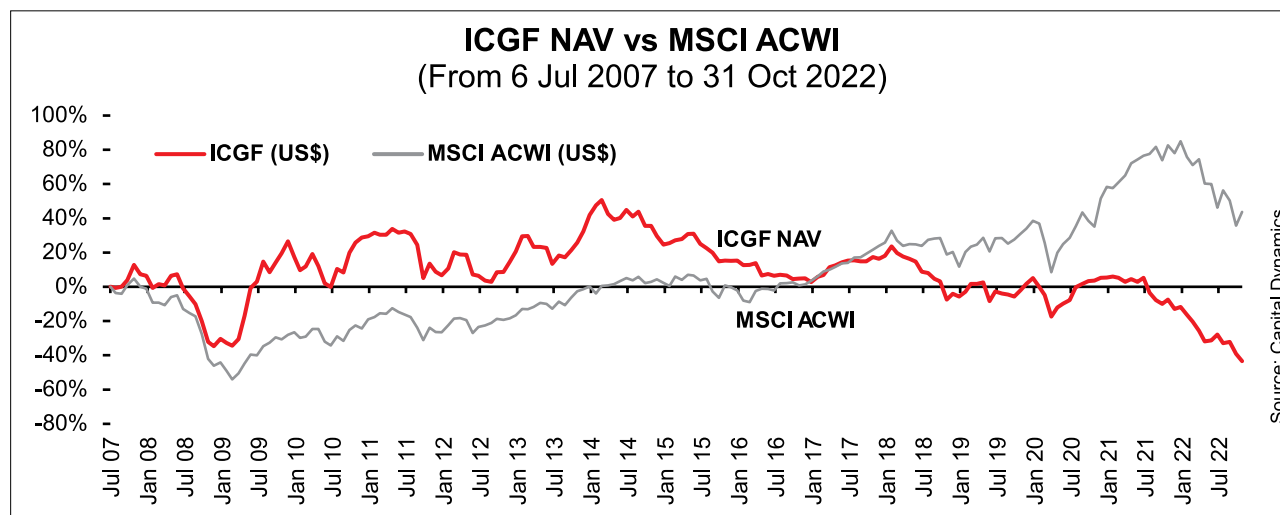


Table 1 Cumulative Total Return and Compound Return

	Cumulative Total Return (%)			Compound Return (%)
	1-Year-Return	2-Year-Return	Since Inception	Since Inception
ICGF (US\$)	-38.91%	-45.49%	-43.50%	-3.66%
MSCI ACWI (US\$)	-21.32%	6.42%	43.73%	2.39%

FUND PERFORMANCE 2

The portfolio of your Fund is spread across 12 companies that are engaged in a wide range of business activities.

The top 5 investments as at 31 October 2022 were

Concord New Energy Group Ltd, Alibaba Group Hldg, Guangdong Provincial Expr-B, Pico Far East Holdings Ltd. and Angel Yeast Co Ltd. They made up 59.51% of the total assets. At the end of October 2022, your Fund had 10.82% of its NAV in cash.

Table 2 Top 5 holdings as at end of October 2022 (in US\$).

	59.51%
CONCORD NEW ENERGY GROUP LTD	15.33%
ALIBABA GROUP HLDG	12.88%
GUANGDONG PROVINCIAL EXPR-B	12.07%
PICO FAR EAST HOLDINGS LTD.	9.77%
WILMAR INTL LTD	9.46%

Table 3 Top performing stocks in local currency from 1 August 2022 to 31 October 2022.

	Financial Year ending 31 October 2022 (% of change)
PACIFIC BIOSCIENCE	93.14%

The table above presents the top performing stock 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 August 2022), and held till the end of the quarter (i.e. 31 October 2022). 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 Pacific Bioscience was bought on 1 August 2022 and sold on 3 October 2022, its performance is only measured over 1 August 2022 to 3 October 2022 and not over the full quarter. Similarly, if it was bought on 31 August 2022 and sold on 31 October 2022, its performance is measured over the period 31 August 2022 to 31 October 2022.

FUND PERFORMANCE 3

Table 4 shows the percentage gain or loss of each company held by your Fund as at 31 October 2022. This table assumes no impact from currency movements or constant exchange rates.

Table 4 Percentage gain or loss arising from stock price changes.

Security	Average Cost (US\$)	Price Oct 2022 (US\$)	% Change
REXLOT HOLDINGS LTD	0.04	0.00	-92.56%
CHINA NEW TOWN DEVELOPMENT CO LTD	0.04	0.01	-83.74%
PICO FAR EAST HOLDINGS LTD.	0.40	0.14	-65.51%
GUANGDONG PROVINCIAL EXPR-B	0.74	0.65	-11.64%
K2 ASSET MGMT HLDG	0.20	0.03	-83.11%
CONCORD NEW ENERGY GROUP LTD	0.06	0.08	38.88%
PING AN INSURANCE GROUP CO -H	12.80	4.05	-68.39%
ANGEL YEAST CO LTD	9.60	5.62	-41.41%
PACIFIC BIOSCIENCE	28.58	8.44	-70.47%
HAN'S LASER TECHNO	6.96	3.91	-43.84%
WILMAR INTL LTD	3.48	2.84	-18.50%
ALIBABA GROUP HLDG	11.18	7.83	-29.97%

Table 5 shows the percentage gain or loss arising from currency movements as at 31 October 2022. This table assumes no change in stock prices or constant stock prices.

Table 5 Percentage gain or loss arising from currency movements.

Security	Average Cost (US\$)	Price Oct 2022 (US\$)	% Change
REXLOT HOLDINGS LTD	0.04	0.04	-1.21%
CHINA NEW TOWN DEVELOPMENT CO LTD	0.04	0.04	-1.11%
PICO FAR EAST HOLDINGS LTD.	0.40	0.40	-0.81%
GUANGDONG PROVINCIAL EXPR-B	0.74	0.73	-1.00%
K2 ASSET MGMT HLDG	0.20	0.17	-17.00%
CONCORD NEW ENERGY GROUP LTD	0.06	0.06	-1.23%
PING AN INSURANCE GROUP CO -H	12.80	12.66	-1.14%
ANGEL YEAST CO LTD	9.60	8.46	-11.85%
PACIFIC BIOSCIENCE	28.58	28.58	0.00%
HAN'S LASER TECHNO	6.96	6.18	-11.25%
WILMAR INTL LTD	3.48	3.36	-3.43%
ALIBABA GROUP HLDG	11.18	11.18	-0.03%

Table 6 Percentage of assets held as cash.

	Equities (%)	Cash (%)	Other Liquidities (%)
End of Jul 22	91.40%	9.08%	-0.48%
End of Aug 22	91.47%	9.15%	-0.63%
End of Sep 22	90.67%	9.98%	-0.65%
End of Oct 22	90.15%	10.82%	-0.97%

Table 7 Portfolio breakdown for equities by currency as at end of October 2022.

	100.00%
HKD	65.56%
AUD	0.09%
CNY	18.46%
USD	5.39%
SGD	10.50%

STATEMENT OF COMPREHENSIVE INCOME (UNAUDITED)

For the financial period ended 31 October 2022

For the financial
period from 30 July
2022 to 31 October
2022
US\$

Investment Income

Dividend income	30,730
-----------------	--------

Total investment income	30,730
-------------------------	--------

Expenses

Management fees	(35,663)
-----------------	----------

Administrative & custodian fees	(19,507)
---------------------------------	----------

Professional fees	(5,301)
-------------------	---------

Other expenses	(14,899)
----------------	----------

Total expenses	(75,370)
----------------	----------

Net investment gain	(44,640)
---------------------	----------

Gain/(loss) on investment and foreign currency transactions

Net realised gain/(loss) on securities transactions	(1,949,714)
---	-------------

Net change in unrealised loss on securities transactions	378,712
--	---------

Net loss on foreign currency transactions	(18,790)
---	----------

Net loss on investment and foreign currency transactions	(1,589,792)
--	-------------

Net change in net assets attributable to holders of participating shares resulting from operations	(1,634,432)
--	-------------

STATEMENT OF FINANCIAL POSITION (UNAUDITED)

As at 31 October 2022

	31 October 2022 US\$
Assets	
Cash and cash equivalents	940,899
Other receivables	11,493
Investments in securities, at fair value (cost US\$ 15,807,172)	7,836,558
Total assets	<u>8,788,950</u>
Liabilities	
Management fee payable	48,588
Other payables	47,600
Total liabilities	<u>96,188</u>
Net assets attributable to the shareholders of the Fund	<u>8,692,762</u>
Net assets attributable to:	
Participating shares	8,692,752
Management shares	10
Net assets attributable to the shareholders of the Fund	<u>8,692,762</u>
Net asset value ("NAV") per participating share	
Based on 15,385 participating shares outstanding (Jul 22:15,385)	<u>565.00</u>

**STATEMENT OF CHANGES IN NET ASSETS
ATTRIBUTABLE TO HOLDERS OF PARTICIPATING SHARES
(UNAUDITED)**

For the financial period ended 31 October 2022

**For the financial
period from 30 July
2022 to 31 October
2022
US\$**

Net change in net assets attributable to holders of participating shares resulting from operations	(1,634,432)
Capital transactions	
Subscription of participating shares during the financial period	-
Redemption of participating shares during the financial period	-
Net change in net assets attributable to holders of participating shares resulting from capital transactions	-
Net change in net assets attributable to holders of participating shares for the period	(1,634,432)
Net assets attributable to holders of participating shares at beginning of period	10,327,184
Net assets attributable to holders of participating shares at end of period	8,692,752

STATEMENT OF CASH FLOWS (UNAUDITED)

For the financial period ended 31 October 2022

For the financial period
from 30 July 2022 to
31 October 2022
US\$

Cash flows from operating activities

Net change in net assets attributable to holders of participating shares resulting from operations (1,634,432)

Adjustment to reconcile net change in net assets attributable to holders of participating shares resulting from operations to net cash used in operating activities :

Changes in operating assets and liabilities:

Investments in securities, at fair value 1,602,719

Other receivables (7,769)

Management fee payable 35,663

Other payables 7,293

Net cash provided by operating activities 3,474

Cash flows from financing activities

Subscription of participating shares -

Redemption of participating shares -

Net cash used in financing activities -

Net change in cash and cash equivalents for the period 3,474

Cash and cash equivalents at the beginning of the period 937,425

Cash and cash equivalents at the end of the period 940,899

SCHEDULE OF SECURITIES (UNAUDITED)

As at 31 October 2022

	Holdings as at 31 October 2022 No. of Shares	Fair Value as at 31 October 2022 US\$	Percentage of total net assets attributable to shareholders at 31 October 2022 %
CAPITAL MARKETS			
K2 ASSET MANAGEMENT HOLDINGS LTD - NPV	249,834	7,029	0.08
DIVERSIFIED CONSUMER SERVICES			
PACIFIC BIOSCIENCES CALIFORNIA	50,000	422,000	4.85
HOTELS, RESTAURANTS & LEISURE			
REXLOT HOLDINGS LTD	53,875,000	144,127	1.66
INTERNET & DIRECT MARKETING RETAIL			
ALIBABA GROUP HOLDING LTD - SPON ADS EAC	143,000	1,119,429	12.88
MACHINERY			
ANGEL YEAST	151,988	753,422	8.67
ELECTRONICS			
HAN'S LASER TECHNOLOGY INDUSTRY GP - 'A'	200,000	693,558	7.98
MEDIA			
PICO FAR EAST HOLDINGS LTD.	6,231,000	849,337	9.77
REAL ESTATE MANAGEMENT & DEVELOPMENT			
CHINA NEW TOWN DEVELOPMENT CO LTD	9,547,650	63,247	0.73
TRANSPORTATION INFRASTRUCTURE			
GUANGDONG PROVINCIAL EXPR-B	1,628,280	1,049,587	12.07
ENERGY			
CONCORD NEW ENERGY GROUP LTD	17,430,000	1,332,255	15.33
PING AN INSURANCE GROUP CO -H	145,000	580,011	6.67
AGRICULTURAL			
WIMAR INTL LTD	300,000	822,556	9.46
		7,836,558	90.15

OTHER INFORMATION

About *i* Capital Global Fund

From its inception in July 2007 to October 2022, the *i* Capital Global Fund performance is -3.66% per annum, as opposed to 2.39% per annum for the MSCI ACWI. The performance for the *i* Capital Global Fund as at 31 October 2022 is shown below:

Performance as at 31 October 2022 (%)

(US\$)	ICGF	MSCI ACWI
Cumulative *	-43.50	43.73
Annualised Return	-3.66	2.39

* Cumulative Returns are measured since inception.

(Note: Information is current as at 31 October 2022.)

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 services 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\$200 million, from our offices in Kuala Lumpur, Singapore, 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.

Capital Dynamics (S) Private Limited (CDPL), a global fund manager based in Singapore, is the investment manager for the *i* Capital Global Fund.

CDPL commenced operations in June 2006 and is part of the established Capital Dynamics group, which provides fund management and investment advisory services to institutional and retail clients. As a global fund manager, CDPL manages the *i* Capital Global Fund, an open-end fund and discretionary accounts.

Capital Dynamics (Australia) Limited (CDAL) obtained its Australian Financial Services License (ASFL 326283) from the Australian Securities and Investments Commission in December 2008. This allows CDAL to provide funds management and financial advisory services to retail and wholesale investors.

Based in Sydney, CDAL was set up with the aim of providing investors with the proven investment success of the Capital Dynamics group through the launch of the *i* Capital International Value Fund (ARSN 134578180), *i* Capital Asia-Pacific ex-Japan BTB Fund (ARSN 646553246) and individually managed accounts.

Launched in July 2009, the *i* Capital International Value Fund invests in global equities and is managed with a focus on long term capital appreciation while providing distributions.

OTHER INFORMATION

Launched in January 2022, *i* Capital Asia-Pacific ex-Japan BTB Fund invests in dividend paying securities and fixed income bonds securities across the Asia-Pacific ex-Japan region while providing distributions.

Capital Dynamics Asset Management Sdn Bhd (CDAM), based in Kuala Lumpur, manages icapital.biz Berhad, a closed-end fund listed on Bursa Malaysia and discretionary accounts.

CDAM has been consistently reporting positive returns since its inception. Between April 1998 and October 2022, CDAM achieved a net compound return of 10.75% per annum and has substantially outperformed the Kuala Lumpur Composite Index every year except in year 2005, 2009, 2012, 2013, 2018 and 2020 which gained 3.55% per annum in the same period.

Capital Dynamics Asset Management (HK) Private Limited holds a Type 9 (Asset Management) licence issued by the Securities and Futures Commission Hong Kong (SFC). Its principal activity is to provide asset management service to corporations, institutions and individual investors.

Besides providing discretionary investment management service for Professional Investors, we manage the *i* Capital China Fund, a retail unit trust fund authorised by the SFC.

Launched in January 2018, the *i* Capital China Fund aims to benefit from China's spectacular past and the magnificent boom that lay ahead. By primarily investing in equity securities issued by companies

listed in Hong Kong, Shanghai and/or Shenzhen, their Capital China Fund targets at achieving attractive long-term capital appreciation.

Capital Dynamics China started off as a representative office in 2013. We quickly set up our Wholly Foreign Owned Enterprise (WFOE) and purchased an office in Shanghai, steadily growing our business in China and familiarising ourselves with the complexities of the country's economic, cultural, political and regulatory landscapes. Capital Dynamics China also conducts an annual China Immersion Programme. Please visit <http://www.cip-cn.com/> for more information.

Our 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-term 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

[1] Goldilocks Economy

A Goldilocks economy is not too hot or too cold but just right—to steal a line from the popular children’s story Goldilocks and the Three Bears. The term describes an ideal state for an economic system. In this perfect state, there is full employment, economic stability, and stable growth. The economy is not expanding or contracting by a large margin. A Goldilocks state is also ideal for investing because as companies grow and generate positive earnings growth, stocks perform well.

[2] Monetary Policy

Monetary policy is a set of actions that can be undertaken by a nation’s central bank to control the overall money supply, rate of inflation and achieve sustainable economic growth.

[3] BREXIT

Brexit is an abbreviation of two English words: ‘Britain’ and ‘exit’ and refers to the withdrawal process of the United Kingdom (UK) from the European Union (EU).

NOTES

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

Disclaimer: The information in this Quarterly Investment Report is not intended to provide advice and is being provided strictly for informational purposes only and does not constitute an advertisement. 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 CDPL 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.

© Capital Dynamics (S) Private Limited. All Rights Reserved.

® "Capital Dynamics" and "i Capital" are registered trademarks.



Capital Dynamics (S) Private Limited

112 Robinson Road, #11-02
Robinson 112, Singapore 068902
Tel: (+65) 6224 8055/56/58
Fax: (+65) 6224 8057
www.capitaldynamics.biz
cdpl.info@icapital.biz