

ICAPITAL.BIZ BERHAD
[Registration No. 200401036389 (674900-X)]
("the Company" or "the Fund")

**MINUTES OF THE TWENTIETH ANNUAL GENERAL MEETING ("20TH") OF THE FUND
HELD AT KUALA LUMPUR CONVENTION CENTRE – BALLROOM 1, LEVEL 3, EAST WING,
JALAN PINANG, KUALA LUMPUR CITY CENTRE, 50088 KUALA LUMPUR ON SATURDAY,
26 OCTOBER 2024 AT 9.00 A.M.**

PRESENT

- Dato' Seri Md Ajib Bin Anuar - Chairman
(also as proxy for Share Owners set out in the Attendance Summary attached)
- Dato' Sri Syed Ismail Bin Dato' Haji Syed Azizan - Independent Non-Executive Director
- Mr Boh Boon Chiang - Independent Non-Executive Director
- Professor Hew Moi Lan - Independent Non-Executive Director
- Ms Tan Mun Lin - Non-Independent Non-Executive Director
- Mr Tan Teng Boo - Fund Manager

IN ATTENDANCE

- Ms Samantha Tai Yit Chan - Company Secretary

BY INVITATION

- Mr Chong Wei-Chnoong - Representing the External Auditors, Crowe Malaysia PLT
- Ms Melissa Poa Qing Ween - Representing the External Auditors, Crowe Malaysia PLT
- Mr Khor Kong Fan - Representing the Administrator, TMF Administrative Services Malaysia Sdn. Bhd.
- Mr Sam Pang Mui Sen - Representing the Administrator, TMF Administrative Services Malaysia Sdn. Bhd.
- Ms Teo Li Min - Representing the Administrator, TMF Administrative Services Malaysia Sdn. Bhd.
- Ms Ng May Kuen - Representing the Administrator, TMF Administrative Services Malaysia Sdn. Bhd.
- Dr Wong Ka Fee - Representing the Internal Auditors, PKF Risk Management Sdn. Bhd.
- Ms Sharon Nerocha - Representing the Internal Auditors, PKF Risk Management Sdn. Bhd.
- Mr Nigel William Kraal - Representing Messrs Cheang & Ariff
- Ms Himahlini Ramalingam - Representing Messrs Himahlini & Co

The list of Share owners, Proxies and Corporate Representatives, and guests who attended the 20th AGM are set out in the Attendance Summary attached and shall form an integral part of this Minutes.

Dato' Seri Md Ajib Bin Anuar ("Dato' Seri Ajib"), the Chairman of the Board of Directors called the Meeting to order at 9.00 a.m. and welcomed all the Share owners, Proxies and Corporate Representatives to the 20th AGM of the Company.

The Chairman then proceeded to introduce the Directors, Company Secretary, Representatives of the external auditors, Crowe Malaysia PLT, Administrator from TMF Administrative Services Malaysia Sdn. Bhd., all of whom joined the 20th AGM at the meeting venue. The Chairman also introduced the Representatives from PKF Risk Management Sdn. Bhd., Internal Auditors of the Company together with the Independent Scrutineers from Coopers Professional Scrutineers Sdn. Bhd. who participated in the 20th AGM physically.

QUORUM

The Company Secretary, Ms Samantha Tai, confirmed that there was quorum present in accordance with the Company's Constitution. Together with the requisite quorum being present, the Chairman declared the 20th AGM duly constituted.

NOTICE

With the consent of the Share owners, Proxies and Corporate Representatives present, the Notice convening the 20th AGM having been circulated within the prescribed period was with the permission of the Meeting taken as read.

SUMMARY OF PROXIES RECEIVED

The Company Secretary informed that based on the report issued by the appointed Share Registrar, Boardroom Share Registrars Sdn. Bhd., a total of 472 Share owners, Proxies and Corporate Representatives, representing 25,875,910 ordinary shares of the total paid-up shares of the Company have registered themselves to attend the 20th AGM.

It was noted that the Fund had received in total 235 proxy forms from the Share owners for a total of 66,412,409 ordinary shares representing 47.44% of the issued share capital of the Company.

Out of those, there were 99 Share owners who have appointed the Chairman of the Meeting as proxy to vote on their behalf and the shares so represented was 50,579,230 equivalent to 36.13% of the issued share capital of the Company.

The Chairman informed that in accordance with Paragraph 8.29A of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, all resolutions set out in the Notice of the 20th AGM shall be voted by way of poll.

Accordingly, Dato' Seri Ajib in his capacity as Chairman of the Meeting, demanded for a poll to be taken on all the resolutions set out in the Notice of 20th AGM pursuant to Clause 82 of the Constitution of the Company.

The Chairman further informed that the Company has appointed Boardroom Share Registrars Sdn. Bhd. as the Poll Administrator to facilitate the electronic poll process and Coopers Professional Scrutineers Sdn. Bhd. as the Independent Scrutineers to verify the poll results. The polling was to be conducted upon the conclusion of the deliberation of all the resolutions of the 20th AGM.

CORPORATE RESPONSIBILITY

At the invitation of the Chairman, Mr Tan Teng Boo briefed on the Company's longstanding corporate responsibility initiatives and commitment which began with its 2005 IPO, deliberately targeted at individual investors, a decision he reflected on as prescient. Since 2010, the Company has held annual Investor Days and launched programmes such as the Budding Value Investor Award, the icapital Talent Show (inaugurated in 2023), and the ICAP Fan Club which was launched in 2024.

Emphasising action over publicity, Mr Tan stated that ICAP is the only listed closed-end fund in Bursa Malaysia and other regional stock exchanges that undertakes such a comprehensive, society-wide CSR effort—particularly in nurturing young Malaysian talent besides caring for the welfare of individual/retail investors. The Special Covid-19 dividend” paid in 2021 during the Covid-19 pandemic further demonstrated this commitment.

Highlighting the theme of the afternoon's Investor Day—"Dreaming Beyond Money"—he urged shareholders to value purpose alongside profit. To support local talent development and retention, selected university performers from last year's Talent Show were invited to showcase their skills at the AGM, as part of the Company's ongoing mission to facilitate Malaysian youth to develop their talents.

PRESENTATION BY THE FUND MANAGER/DESIGNATED PERSON

At the invitation of the Chairman, Mr Tan Teng Boo, briefed on the overview of the performance of the Fund and portfolio updates. Mr Tan updated on the portfolio changes for the financial year ended 2025. He further updated on the Fund's performance based on Trending performance (true, rising price trend before concentrated selling by a large London-based activist investor and its collaborators (London) and Artificial performance due to artificially depressed share price resulted from the concentrated selling by London. Despite the continued selling (up to October 2025), the fund still outperformed based on it's the Artificial 3-year and 5-year and from inception returns. Comparing the Fund's performance with top tier global closed-end funds, in US dollar terms, the Fund's returns are very close to a dominant Taiwan fund, despite having only small exposure to the semiconductor sector (like TSMC) that drives the Taiwan fund. The Fund's performance demonstrates that Malaysian investors do not need to look abroad for good returns.

AGENDA OF 20TH AGM

AS ORDINARY BUSINESS

- 1. TO RECEIVE THE AUDITED FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 MAY 2024 TOGETHER WITH THE REPORTS OF THE DIRECTORS AND AUDITORS THEREON**

The Chairman informed the first item on the Agenda was to receive the Audited Financial Statements for the financial year ended 31 May 2024 ("AFS 2024") together with the Directors' and Auditors' Report thereon ("the Reports"). With the consent of the Share owners, Proxies and Corporate Representatives and having been circulated within the prescribed period, taken as read.

The Meeting noted that this agenda item was meant for discussion as the provisions in the Companies Act 2016 do not require a formal approval of the Share owners. It was informed that the Reports were only tabled for discussion and will not be put for voting.

The AFS 2024 together with the Directors' and the Auditors' Reports were properly laid and had been duly received.

**2. ORDINARY RESOLUTION 1
TO APPROVE THE DIRECTORS' FEES PAYABLE TO THE DIRECTORS OF THE COMPANY AMOUNTING TO RM244,613.00 FOR THE FINANCIAL YEAR ENDED 31 MAY 2024**

The Chair informed that Ordinary Resolution 1 was to seek Share owners' approval on the payment of Directors' fees payable to the Directors amounting to RM244,613.00 for the financial year ended 31 May 2024.

**3. ORDINARY RESOLUTION 2
TO RE-ELECT DATO' SRI SYED ISMAIL BIN DATO' HAJI SYED AZIZAN AS A DIRECTOR WHO IS TO RETIRE PURSUANT TO CLAUSE 100(1) OF THE CONSTITUTION OF THE COMPANY AND, BEING ELIGIBLE, HAS OFFERED HIMSELF FOR RE-ELECTION**

The Chairman informed that Ordinary Resolution 2 was on the re-election of Dato' Sri Syed Ismail Bin Dato' Haji Syed Azizan, who retired as Director of the Company pursuant to Clause 100(1) of the Company's Constitution and being eligible, has offered himself for re-election.

**4. ORDINARY RESOLUTION 3
TO RE-ELECT PROFESSOR HEW MOI LAN AS A DIRECTOR WHO IS TO RETIRE PURSUANT TO CLAUSE 107 OF THE CONSTITUTION OF THE COMPANY AND, BEING ELIGIBLE, HAS OFFERED HERSELF FOR RE-ELECTION**

The Chairman informed that Ordinary Resolution 3 was on the re-election of Professor Hew Moi Lan, who retired as Director of the Company pursuant to Clause 107 of the Company's Constitution and being eligible, has offered herself for re-election.

**5. ORDINARY RESOLUTION 4
TO RE-APPOINT MESSRS. CROWE MALAYSIA PLT AS AUDITORS OF THE COMPANY AND TO AUTHORISE THE DIRECTORS TO FIX THEIR REMUNERATION**

The Chairman informed that Ordinary Resolution 4 was to seek the Share owners' approval on the re-appointment of Crowe Malaysia PLT as the External Auditors of the Company and to authorise the Directors to fix their remuneration. The retiring External Auditors, Crowe Malaysia PLT have indicated their willingness to continue in office.

**6. ORDINARY RESOLUTION 5
PAYMENT OF BENEFITS PAYABLE TO THE DIRECTORS UNDER SECTION 230(1)(B) OF THE COMPANIES ACT 2016**

The Chairman informed that the Ordinary Resolution 5 which was to seek the Share owners' approval on the payment of benefits payable to the Directors up to an aggregate amount of RM100,000.00 for the period from 27 October 2024 until the next Annual General Meeting.

**7. ORDINARY RESOLUTION 6
PROPOSED RENEWAL OF THE AUTHORITY TO ALLOT NEW ORDINARY SHARES
IN THE COMPANY ("NEW ICAP SHARE") FOR THE PURPOSE OF A DIVIDEND
REINVESTMENT PLAN ("DRP") THAT PROVIDES THE SHARE OWNERS OF THE
COMPANY THE OPTION TO ELECT TO REINVEST THEIR CASH DIVIDEND
("PROPOSED RENEWAL OF DRP")**

The Chairman informed that the Ordinary Resolution 6 which was to seek the Share owners' approval on the Proposed Renewal of DRP that provides the Share owners of the Company the option to elect to reinvest their cash dividend.

QUESTION AND ANSWER SESSION

**1. QUESTIONS FROM THE SHARE OWNERS PRIOR TO THE 20TH AGM AND RECEIVED
DURING THE MEETING**

The Share owners, Proxies and Corporate Representatives then proceeded to seek further clarification on matters in relation to the Funds Financial Performance and other matters for financial year ended 31 May 2024. The questions together with the responses are as per the attached "Annexure A" for questions received prior to the AGM and "Annexure B" for questions received at the AGM.

Upon the conclusion of the Questions and Answers session, the Chairman thanked the Share owners of the Company for their questions and comments.

POLL PROCEDURE

As all Agenda set out in the Notice of 20th AGM had been dealt with, the Chairman clarified that as the Polling process had commenced since the beginning of the 20th AGM at 11.30 a.m., he requested those who had yet to vote, to cast their votes on the resolutions accordingly.

The Chairman informed the Share owners, Proxies and Corporate Representatives that he had been appointed as proxy for a number of Share owners and shall vote in accordance with the instructions given.

POLL RESULTS

The Meeting resumed at 12.03 p.m. and the Chairman informed that the polling results for Resolutions 1 to 6 had been duly verified by Coopers Professional Scrutineers Sdn. Bhd., the appointed Independent Scrutineers. The results of the poll were announced by the Chairman, as below :-

Ordinary Resolution 1	Votes FOR		Votes AGAINST	
	No. of Votes	%	No. of Votes	%
To approve the Directors' fees payable to the Directors of the Company amounting to RM244,613.00 for the financial year ended 31 May 2024.	72,706,436	97.3669	1,996,200	2.6331

It was RESOLVED:-

THAT the Directors' fees and benefits payable to the Directors of the Company amounting to RM244,613.00 for the financial year ended 31 May 2024, be and are hereby approved.

Ordinary Resolution 2	Votes FOR		Votes AGAINST	
	No. of Votes	%	No. of Votes	%
To re-elect Dato' Sri Syed Ismail Bin Dato Haji Syed Azizan as a Director who is to retire pursuant to Clause 100(1) of the Constitution of the Company and being eligible, has offered himself for re-election.	49,224,840	65.9103	25,459,796	34.0897

It was RESOLVED:-

THAT Dato' Sri Syed Ismail Bin Dato Haji Syed Azizan who is retiring pursuant to Clause 100(1) of the Constitution of the Fund, be and is hereby re-elected as Director of the Company.

Ordinary Resolution 3	Votes FOR		Votes AGAINST	
	No. of Votes	%	No. of Votes	%
To re-elect Professor Hew Moi Lan as a Director who is to retire pursuant to Clause 107 of the Constitution of the Company and, being eligible, has offered herself for re-election.	49,664,140	66.5074	25,010,496	33.4926

It was RESOLVED:-

THAT Professor Hew Moi Lan who is retiring pursuant to Clause 107 of the Constitution of the Fund, be and is hereby re-elected as Director of the Company.

Ordinary Resolution 4	Votes FOR		Votes AGAINST	
	No. of Votes	%	No. of Votes	%
To re-appoint Messrs. Crowe Malaysia PLT as Auditors of the Company and to authorise the Directors to fix their remuneration.	51,149,740	68.4876	23,534,896	31.5124

It was RESOLVED:-

THAT the retiring Auditors, Crowe Malaysia PLT, having indicated their willingness to accept the appointment, be and are hereby appointed as Auditors for the ensuing year until the conclusion of the next Annual General Meeting AND THAT the Directors be and are hereby authorised to fix their remuneration.

Ordinary Resolution 5	Votes FOR		Votes AGAINST	
	No. of Votes	%	No. of Votes	%
Payment of Benefits Payable to the Directors under Section 230(1)(b) of the Companies Act 2016.	71,897,034	96.2830	2,775,602	3.7170

It was RESOLVED:-

THAT the benefits payable to the Directors of the Company of up to an aggregate amount of RM100,000.00 for the period from 27 October 2024 until the next Annual General Meeting of the Company pursuant to Section 230(1)(b) of the Companies Act 2016, be and is hereby approved for payment on monthly in arrears after each month of completed service of the Directors.

Ordinary Resolution 6	Votes FOR		Votes AGAINST	
	No. of Votes	%	No. of Votes	%
Proposed Renewal of the Authority to Allot New Ordinary Shares in the Company (New ICAP Shares) for the purpose of a Dividend Reinvestment Plan (DRP) that provides the Share owners of the Company the option to elect to reinvest their cash dividend (Proposed Renewal of DRP).	49,688,840	66.5247	25,003,496	33.4753

It was RESOLVED:-

THAT the Proposed Renewal of DRP that provides the Share owners of the Company the option to elect to reinvest their cash dividend be and is hereby approved.

CONCLUSION

The Chairman thanked to all Share owners, Proxies and Corporate Representatives for participating the Company's AGM and declared that the 20th AGM of icapital.biz Berhad concluded at 12.06 p.m.

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RESPONSES TO PRE-AGM QUESTIONS RECEIVED FROM SHARE OWNERS
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Part 1 – Questions received prior to AGM

As requested by icapital.biz Berhad (ICAP/Company)'s Designated Person, Mr Tan Teng Boo, he had summarised the questions and answers as most of the questions were repetitive; namely on the investment portfolio such as Kronologi Asia, Bioalpha Holdings, APM Automotive, and Parkson. The questions are listed below :

QUESTION 1

I have a question over the share counter that is making huge losses like Bioalpha, Kronologi Asia and APM Automotive. May I suggest that you implement cut loss at 8% to 10% to protect the capital. It is not your mistake but due to manipulate financial report or advertisement shown by the company that prompt you to invest in them.

QUESTION 2

There are few companies under the fund portfolio holding for years yet both the stock prices is at a paper loss and business performance is subpar. Appreciate the fund manager to allocate times to elaborate fund manager view on these company possible business prospect and earning recovery.

QUESTION 3

What is market strategy?

QUESTION 4

- i. The fund choice of investment in SAM helped the fund performance in recent years. Do fund manager consider taking some profit off the table? With the setup of new Thailand plants by SAM, SAM has invested substantially. Any concern on its balance sheet, fiscal performance and execution?
- ii. Why did the Fund invest in Parkson and why still holding it for many years?
- iii. I noticed the fund invests in Krono, Salutica, Unisem and SAM (portion of business is equipment contract maker for global equipment makers), but does not see investment in OSAT, EMS, and other technology manufacturers. What is Fund Manager's opinion on technology sector outlook? Which sub-sector is promising for the fund to consider, considering Malaysia's various strategy like NISM, NISS, etc?
- iv. Capital A and AirAsia XL to have restructuring exercise to have airline business under AirAsia XL. What does the Fund Manager take on this, considering the fund has exposure on Capital A?

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v. Government launched NeTR last year and in recent years many Data Center projects.
Do Fund Manager consider sectors related to these initiatives?

ANSWERS TO QUESTIONS 1 to 4(i) – (v)

As for Kronologi Asia and Bioalpha Holdings together make up less than 1% of the Fund's total assets. Mr Tan Teng Boo mentioned that the CEO of APM Automotive will be available to address any questions related to APM Automotive at the Investor Day. In addition, SAM Engineering and Equipment will also be presenting at the Investor Day to address questions from investors. This will be their first public presentation.

Mr Tan Teng Boo informed that the Fund focus on Parkson is primarily on its business model perspective rather than its high-level financial performance and Parkson's business model is particularly interesting because it results in negative current assets and net current liabilities. This happens because numerous concessions pay Parkson to sell their products, which is the first key point. Mr Tan believes the departmental store business still holds promise for the future, especially in China, where consumption in Tier 2 and Tier 3 cities is on the rise. Many of Parkson's stores are located in these growing regions.

Mr Tan commented that he did not fully understand the question no. 4 as he pointed out that the Fund has invested in Unisem, which is considered as an OSAT (Outsourced Semiconductor Assembly and Test) companies.

On Capital A, Mr Tan Teng Boo informed the attendees that representatives of the company were invited to the Investor Day to present and explain on their restructuring and future potential. This question can be raised at the said Capital A presentation.

On the NeTR question, Mr. Tan Teng Boo stated the company won't invest in data centres due to environmentalism. He argued data centres need vast, costly resources and energy. He believes climate change is irreversible and investing in data centres will ultimately damage, instead of helping the economy.

QUESTION 5

How much cost for AGM at KLCC?

ANSWER TO QUESTION 5

Mr Tan Teng Boo answered the total cost for holding the 20th AGM in KLCC is RM250,000.00.

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Part 2 - Questions received from physical AGM session

QUESTION 1

Share Owner asked a question concerning the budget announced by the government for next year, specifically on the 2% of dividend tax. He enquired whether it would give a negative impact for the investment industry and the Fund as the new taxation seems to affect portfolio holdings, domestic retailing business and F&B business e.g. sugar tax.

ANSWER 1

Mr Tan Teng Boo said this was considered as good news for the Fund since the dividend share owners received from the Fund are tax free.

QUESTION 2

- i. Share Owner enquired why does the Fund Manager thinks that holding Capital A is better than AAX especially when Capital A is planning to distribute the shares of AAX and cease to be the holding company.
- ii. Share Owner then enquired whether the Company would look into any portfolio rearrangement with the government focusing on data centre.
- iii. Share Owner mentioned that he took 3 hours to arrive the meeting venue, hence, requested the Company to provide breakfast for those who took longer time to arrive.

ANSWER 2

- i. Mr Tan Teng Boo mentioned that Capital A has more intrinsic value than AX. The shareholders of Capital A will have the shares of Capital A and also a part of the airline business. Mr Tan Teng Boo highlighted that if Capital A was without the airline business, it would have an unusual potential especially for the Malaysia Stock Exchange. Mr Tan explained that the Fund's investment in Capital A (formerly AirAsia) began in March 2020 during the pandemic's height because it offered greater intrinsic value than AAX. Even after the restructuring, Capital A shareholders retain a portion of the airline business. The core of the fund's conviction lies in Capital A's potential beyond its aviation arm. We believe that the company's non-airline portfolio—including BigPay (fintech) and Teleport (logistics)—represents the kind of high-growth, modern businesses Malaysia's capital market desperately needs, contrasting sharply with outdated local IPOs. The six ancillary businesses under Capital A, particularly the rapidly growing MRO (maintenance and repair) division, show exciting, high value-add potential. The Fund continues to hold Capital A because it remains undervalued. Although AAX represents the core airline, Capital A offers exposure to this entire portfolio of high-potential, diverse ventures. Share owners are encouraged to attend

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the Investor Day tomorrow to hear directly from Capital A's leadership about their restructuring and future growth plans.

- ii. Mr Tan related that he is not a fan of data centres and will not invest in them, primarily for environmental reasons. He argues that data centres are not job-creating investments, as they only require a small staff (10–20 people) once construction is complete. More importantly, they are costly and consume excessive amounts of energy and water, leading some to explore nuclear-powered solutions. Believing climate change is irreversible, he views the data centre boom as hype that will ultimately destroy the economy rather than help it, concluding that there are many better investment opportunities available.
- iii. Mr Tan Teng Boo replied that he would pass this question to the Board to decide if breakfast will be served at next year's AGM. He personally thought it was fair to provide breakfast for those who came later.

QUESTION 3

- i. Share Owner enquired regarding DRP programme which was disclosed in the Annual Report that the Company will issue shares when the price of ICAP shares is above NAV, but currently is below NAV, why the Company still issue shares for DRP?
- ii. Share Owner also enquired if the Fund distribute dividend and the share owners reinvest the shares, it will incur the commission charges. Is there any reason the Fund decides to issue new shares for the share owners to reinvest instead of asking the share owners to buy shares from the open market as it will create more demand from the shares when buying from the open market?

ANSWER 3

- i. Ms Tan Mun Lin explained that if ICAP shares are trading above the NAV, meaning at a premium, the Board of Directors would have the discretion to give up to a 10% discount to the issue price of the new shares (DRP shares). However, if ICAP shares are trading at NAV or at a discount, there will be no further discount to the issue price of the new DRP shares. Ms Tan Mun Lin invited Datin Wong Muh Rong from Astramina Advisory Sdn Bhd, the adviser for the DRP, to provide further explanation. Datin Wong Muh Rong explained that when ICAP shares are trading below NAV, the Board of Directors would have the discretion not to give further discount to the new shares as the Fund needs to preserve a fair treatment to all share owners. The DRP issue price of RM2.92 reflects an adjustment for the dividend of RM0.1041 received by share owners. However, if the share price of ICAP is traded above the NAV, then the Board of Directors would have the discretion to fix the issue price of the DRP Shares at a discount of not more than 10%.

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- ii. As for second question, Mr Tan Teng Boo informed that from the Fund Manager's point of view, issuing of new DRP Shares and buying shares from the open market were the same. However, the implementation of DRP was because some share owners requested for dividend reinvestment. Mr Tan Teng Boo also highlighted that the dividend policy with DRP would be convenient for the share owners who want to reinvest their dividends into new ICAP shares instead of buying the shares from the open market where prices may be uncertain.

QUESTION 4

Share Owner asked about the impact of the strengthening MYR in the semiconductor industry, especially on the assembly segment, which operates on very thin margins. If the ringgit continues to strengthen, what is the Fund Manager's view on the future outlook for OSAT (Outsourced Semiconductor Assembly and Test) companies.

ANSWER 4

Mr Tan Teng Boo explained that the OSAT Industry is extremely broad with many different segments within it. However generally the exchange rates should not significantly impact OSAT businesses, as most of their transactions and revenues are in US dollars. The main cost in MYR tends to be labour cost. If the MYR strengthens, local players such as Unisem, Enari, or MPI which are not multinationals might actually benefit, as a stronger MYR could allow them to invest more in equipment.

Overall, Mr Tan Teng Boo is not concerned about exchange rate fluctuations when it comes to the semiconductor sector. What is more important is understanding which segment of the semiconductor industry a company operates in, and whether it can transition into advanced packaging. This is an area where Malaysia still lags behind, especially compared to Taiwanese companies like ASE and the Koreans, who are far ahead in advanced packaging technologies.

QUESTION 5

Share Owner enquired whether the RM10.00 stamp duty of the dividend reinvestment absorbed by the Company?

ANSWER 5

Datin Wong Muh Rong informed that any cost incurred will be borne by the Company and encouraged the share owners to participate in the dividend reinvestment plan.

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QUESTION 6

Share Owner is a new share owner who bought ICAP shares recently because of the announcement of dividend as he is trying to build this portfolio to fund his expenses through dividends or sell ICAP shares. He enquired whether the dividend will be distributed annually?

ANSWER 6

Mr Tan Teng Boo informed it will be an annual dividend payout and not interim dividend. Mr Tan explained further that the Fund pays an annual dividend comprising two tiers. The base rate is a predictable 1% of the NAV (e.g., if NAV doubles to RM8.00 in 5 years, the base dividend doubles to 8 sen). The top-up rate is 8% of the differential between the NAV and the share price if the Fund is trading at a discount to the NAV. For instance, an NAV of RM8.00 with a 20% discount (RM1.60) yields a 12.8 sen top-up, totaling 20.8 sen per share.

QUESTION 7

- i. Share Owner enquired whether the cost incurred for Investor Day is bear by Capital Dynamics Asset Management Sdn Bhd or icapital.biz Berhad and what is the total cost for hosting the AGM in KLCC.
- ii. Share Owner enquired the continuity of succession planning of the Company.

ANSWER 7

Mr Tan Teng Boo acknowledged that the question of business succession is raised at almost every AGM. He emphasized that his involvement is not crucial as the Fund invests for the long term. He explained that what is important are the CEOs of the companies in the Fund's portfolio such as Padini and Kelington as they are the ones who determine the NAV.

Mr Tan Teng Boo further stated that there is a succession plan in place. icapital.biz Berhad is not Capital Dynamics' only client, Capital Dynamics also manages funds in Hong Kong, Australia, and other regions. As such, grooming successors is part of a broader, ongoing plan.

The total cost for hosting the AGM at KLCC is RM250,000.00 and the cost incurred for Investor Day is shared equally between the Company and Capital Dynamics Asset Management Sdn Bhd. Mr Tan Teng Boo further highlighted that Capital Dynamics contributes all the human resources in planning and organising the Investor Day.

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QUESTION 8

Share Owner enquired on the shares held by City of London Management which exceeded 20% are classified as restricted shares, whether these restricted shares will it be distribute to other share owners.

ANSWER 8

The restricted shares will not be distributed to other share owners as they are not entitled to it. The 20% limit is an aggregate amount imposed on all foreign share owners holding ICAP shares, not just City of London.

QUESTION 9

Share Owner had a follow up question with regards to the dividend, since there are a lot of attractive portfolios, if the Fund is to run out of the cash after investing in other stocks, would it still have cash to pay for dividend next year.

ANSWER 9

Mr Tan Teng Boo responded that the maximum outflow from the Dividend payout, assuming no share owners choose to reinvest via DRP, would be approximately RM14 million.

However, as explained during last year's AGM, the Company typically receives 2%–3% of its Net Asset Value (NAV) as dividend income from the companies it invests in. Based on simulations and financial modelling, even if no share owners reinvest their dividends, the Fund's cash position will remain stable. This assessment does not even factor in interest income or potential capital gains.

In short, there is no concern regarding the Company's cash flow stability in regard to the Fund's implementation of its dividend policy.

QUESTION 10

Share Owner to double confirm with the Board of Directors and Fund Manager on the stamp duty for the dividend reinvestment plan whether to be absorbed by the Company as it is very costly.

ANSWER 10

Datin Wong Muh Rong reiterated that the stamp duty will be absorbed by the Company.