

icapital.biz Berhad

[Registration No. 200401036389 (674900-X)]

2023 Annual Report

ABOUT ICAPITAL.BIZ BERHAD

WHO WE ARE

icapital.biz Berhad (your Fund) is a closed-end fund. The primary investment objective of your Fund is long-term capital appreciation of its investments whilst dividend and/or interest income from these investments would be of secondary consideration.

Your Fund invests in undervalued companies which are listed on the Main Market of Bursa Malaysia Securities Berhad (Bursa Securities) and the ACE Market of Bursa Securities.

It can also invest in cash deposits and up to 10% of its asset value in unlisted companies. The asset allocation of your Fund is a function of its value investing philosophy and can range from 0% equities to 100% equities.

With a RM140 million paid-up capital, your Fund has a fixed number of outstanding shares at any point in time. Like other publicly traded companies, its share price is determined entirely by market supply and demand. Similarly, shares of your Fund are bought and sold in the stock market via licensed stockbroking companies.

Even before its listing on 19 October 2005, the aim has been to increase the value of your Fund. This is achieved by adhering to a value investing philosophy. As a value investor, investments will be selected based on their market prices and underlying values.

Unless unanimously approved by the share owners, your Fund is not allowed to borrow.

WHY WE EXIST

icapital.biz Berhad exists for one simple reason: to allow long-term shareholders or more aptly called share owners, to benefit from value investing. Investing in your Fund allows the power of compounding to work for you. If we succeed in achieving this, we would have also shown that serious long-term investing in Bursa Securities can offer superior returns.

HOW TO EVALUATE YOUR FUND

The appropriate tool to evaluate the performance of your Fund is its Net Asset Value and not by looking at its earnings or earnings per share or its profit and loss statement.

WHO RUNS YOUR FUND

Set up as a company under the Companies Act 1965, icapital.biz Berhad is represented by its Board of Directors. The Board members are non-executive and undertake a supervisory role to ensure that your Fund operates in an orderly fashion at all times. Your Fund does not have any employees. Its operations are outsourced to independent service providers. The main service providers are the Fund Manager, the Investment Adviser, the Custodian and the Fund Administrator.

The assets are managed by the Fund Manager who shall appoint a Designated Person responsible for managing the assets of your Fund, in accordance with the approved investment policies and objectives. The assets are safe kept by the Custodian while the accounting and administrative services are outsourced to the Fund Administrator.

Your Fund also requires the services of a corporate secretary, share registrar, external auditor and tax agent and has outsourced the internal audit function. The internal auditor reports directly to the Audit Committee.

There are major differences between a unit trust fund and a closed-end fund. For a copy of the report explaining these, please contact the Investment Adviser, Capital Dynamics Sdn Bhd or please visit www.icapitaleducation.biz. Though incorporated as a company, there are some differences between a normal listed company and a listed closed-end fund. More details can be found in the Explanatory Note section of this Annual Report.

HOW DID WE DO?

In this section we review the performance of icapital.biz Berhad.

A|LETTER TO SHARE OWNERS

For the financial year ended 31 May 2023, your Fund continued to deliver an impressive increase in its net asset value (NAV), from RM446.179 million in the preceding financial year to RM476.129 million, despite the challenging economic and market environment and political uncertainty. The NAV as at 31 May 2023 mainly comprised quoted equity investments with a total fair value of RM328.326 million and cash holdings totalling RM145.722 million.

As we have always emphasised, your Fund is a closed-end fund and its primary investment objective is long-term capital appreciation. Hence, its NAV is the main criterion and only variable to focus on in our appraisal of your Fund's performance. The Fund's profit and loss statement has no appraisal value. For the current reporting period, your Fund's NAV rose 6.58% to RM3.40 per share on 31 May 2023 from RM3.19 per share on 31 May 2022. For more details, please refer to the Financial Statements section of this Annual Report.

Over the longer term, your Fund's NAV achieved an annual compound return of 8.00%, as compared with 1.76% for the MSCI Malaysia index, both measured from your Fund's inception date on 19 October 2005 to 23 August 2023. For the same period, your Fund's share price achieved an annual compound return of 6.75%, outperforming the MSCI Malaysia index by 4.99 percentage points.

Increasing Individual Share Ownership

In last year's AGM and 2022 annual report, we have explained that the type and quality of shareholders are important in determining the share price performance. Therefore, your Board, together with your Fund Manager and Investment Adviser, have undertaken a series of initiatives and activities to raise awareness of ICAP among younger investors, increase individual share ownership, and engage with existing share owners.

After extensive research, your Fund will introduce, among other strategies, an innovative dividend policy to ensure that the gap between the Fund's share price and NAV can consistently be auto-remedied moving forward. The innovative dividend policy will address the needs of various shareowners – those seeking long-term capital appreciation, those needing some regular distribution and those who may have to cash in their holdings. More details of the dividend policy will be shared with you at this year's AGM and Investor Day.

Explanation of SICDA FOR

Safeguarding the interests of all share owners remains your Board's top priority. Your Fund has a Prescribed Limit in its Constitution imposed by the Securities Commission Guidelines for Public Offerings of Securities of Closed-end Funds [Paragraph 3.7.1(iii)] and the Bursa Main Market Listing Requirements [Paragraph 7.40]. The Prescribed Limit is defined under Regulation 2 of the Securities Industry (Central Depositories) (Foreign Ownership) Regulations 1996 ("SICDA FOR") as a quota, restriction or limit on the ownership of shares

by a foreigner imposed on the issuer by the memorandum and articles of association (Constitution) or any other constituent documents of the issuer.

Regulation 6 of SICDA FOR provides that shares held by foreigners which fall within the Prescribed Limit shall be entitled to all rights and obligations attached to the shares as determined by the Board. Regulation 6 of SICDA FOR also provides that shares held by foreigners which exceed the Prescribed Limit shall be subject to a determination by the Company as to whether such shareholder shall be entitled to all rights and obligations.

Accordingly, foreign depositors who hold voting shares within the Prescribed Limit of 20% as against the total quantity of shares listed on the official list of the Stock Exchange shall be entitled to vote at any general meeting save for restricted shares standing to the credit of the securities account of foreign depositors as being in suspense, pursuant to SICDA FOR read together with the Prescribed Limit of 20% in the Company's Constitution, the Securities Commission Guidelines for Public Offerings of Securities of Closed-end Funds, the Bursa Main Market Listing Requirements and Chapter 24A of the Rules of Bursa Malaysia Depository concerning foreign ownership of shares in the Company. Determination(s) on rights and obligations attached to restricted shares may be made by the Board of Directors of the Company upon the happening of any of the events listed out in regulation 6(2) of SICDA FOR, such as and not limited to (i) prior to the calling of any general meeting; (ii) prior to the undertaking of any corporate action by the issuer; and (iii) the conversion of shares.

Your Board wishes to explain the necessity to comply with SICDA FOR is to ensure that the long-term interests of the majority individual share owners of your Fund are not eroded but instead preserved.

The 19th Annual General Meeting

With the Covid-19 pandemic now behind us, we look forward to engaging with you in person at the 19th Annual General Meeting (AGM) of your Fund, which will be held in physical mode only. Submission of questions from share owners prior to the AGM is encouraged to ensure a smooth management of the question-and-answer session at the upcoming AGM. If you are unable to attend the AGM in person, voting can be done via the e-proxy lodgement platform operated by the Share Registrar.

Last but not least, your Board is confident that your Fund will continue to do well under the prudent management of your Fund Manager and Investment Adviser. With the implementation of an innovative dividend policy to mitigate the NAV discount and ongoing efforts to increase individual share ownership and younger investors' participation, your Fund will continue to succeed over the long term.

On behalf of the Board, I would like to take this opportunity to extend our sincere appreciation to our share owners for their patience and support towards ensuring the success of your Fund. My gratitude also goes to our service providers, all our stakeholders and the various relevant authorities for their cooperation and continued support.

Dato' Seri Md Ajib Bin Anuar

Chairman

19 September 2023

B | IMPORTANT ANNOUNCEMENT – NOTIFICATION OF IMPERSONATION AND SCAMS

Dear Share Owners,

We would like to alert you to ongoing impersonation scams, with fraudsters posing as employees, financial advisors, representatives, agents and/or associates of the Capital Dynamics Group by using pseudonyms. There have also been instances where fraudsters impersonated Mr Tan Teng Boo (“Mr Tan”), the Designated Person to the Fund Manager of icapital.biz Berhad and the Managing Director and representative of Capital Dynamics Group which comprises Capital Dynamics Asset Management Sdn Bhd, Capital Dynamics Sdn Bhd, Capital Dynamics Global Pte Ltd, Capital Dynamics (S) Pte Ltd, Capital Dynamics Asset Management (HK) Pte Ltd, Capital Dynamics Asset Management (HK) Pte Ltd, Capital Dynamics (Australia) Ltd and Capital Dynamics Investment Management and Advisory (Shanghai) Co Ltd. These fraudsters / impersonators have created fake social media accounts / profiles /groups and/or online applications to carry out their impersonation scams.

Based on information received to date, the modus operandi of the impersonation scams appears to be:

- The fraudsters would reach out to the public via SMS text messages and/or social media platforms such as WhatsApp, Facebook, Telegram, Line, or Instagram. They may claim to be financial advisors from the Capital Dynamics Group and present fake licences and/or certificates purportedly issued by financial regulators to advise on investments and/or carry out investment plans.
- At times, they may also claim to be Mr Tan by using fake social media profiles and groups (such as Facebook or WhatsApp) which display Mr Tan’s name and photos. These fake profiles and groups are not managed by the Capital Dynamics Group and/or its employees including Mr Tan.
- By impersonating our employees and/or claiming to be financial advisors acting on behalf of Capital Dynamics Group, the fraudsters would deceive victims into opening “accounts” with certain “trading platforms”. The fraudsters would falsely claim that they would guide the victims to conduct trades with immediate gains, or that they were offering investment plans or training courses, purportedly on behalf of the Capital Dynamics Group. Consequently, the victims were induced to transfer money or cryptocurrency to their “trading accounts”. Over time, the victims were not able to withdraw their money or cryptocurrency and the fraudsters became uncontactable.

We urge all of you to exercise caution and to conduct the necessary due diligence before making any investments. Kindly note that:

- We will never ask our clients to open accounts with trading platforms and to transfer money or cryptocurrency to these accounts. We are not affiliated or linked in any way to these illicit and unlicensed “trading platforms”.
- We do not offer investment advice, investment plans or training courses through agents.



- Any information on our fund management services (as well as our investment advice, opinion and events) is published **only** on our official websites, i Capital publications and/or official social media accounts. The list of our official channels may be found at this link: <https://www.capitaldynamics.biz/en>.
- You should lodge police reports if you think that you may be a victim of scams.
- Please contact us if you have any doubts or uncertainties over any communications made to you by any person claiming to be an employee, officer, financial advisor, representative, agent and/or anyone claiming to be associated with the Capital Dynamics Group. The contact details of each of our offices may be found at this link: <https://www.capitaldynamics.biz/en>.

The scams were conducted without the consent and authority of Capital Dynamics Group and our management. We as well as Mr. Tan have lodged police reports in Kuala Lumpur and Singapore and have duly notified the authorities of these impersonations and scams.

More information on the impersonation scams may be found at: https://www.icapital.biz/public/general_announcements.

Best wishes.

Capital Dynamics Asset Management Sdn Bhd
(Fund Manager of icapital.biz Berhad)

Capital Dynamics Sdn Bhd
(Investment Adviser of icapital.biz Berhad)

C | WHAT WE HAVE DONE WITH YOUR FUNDS



Investing is most intelligent when it is most business-like

Benjamin Graham



I. INVESTMENT PORTFOLIO

The portfolio of your Fund, ranked in terms of the market value of each stock, is shown in **Table 1**.

Table 1: Market Value of Holdings as at 31 May 2023 (RM '000)

Company	(RM '000)
SAM Engineering & Equipment	84,963
Padini Holdings	63,265
Kelington Group - Ordinary shares	39,736
- Warrants	3,501
Capital A - Ordinary shares	22,840
- RCUIDS	7,809
- Warrants	1,025
Kronologi Asia	16,490
Apex Healthcare	14,957
Suria Capital	14,392
United Plantations	11,408
Hibiscus Petroleum	11,311
APM Automotive Holdings	9,396
Bioalpha Holdings - Ordinary shares	5,151
- ICPS	192
Tong Herr Resources	5,136
MKH	3,542
Parkson Holdings	3,441
Luxchem Corporation	2,378
OCK Group	2,246
Wellcall Holdings	1,856
Salutica	1,607
Oceancash Pacific	944
HPMT Holdings	658
Eupe Corporation	85

Ranked in terms of quantity held, the portfolio of your Fund is shown in **Table 2** below.

Table 2: Size of Holdings as at 31 May 2023 ('000 shares)

Company	('000 shares)
Bioalpha Holdings - Ordinary shares	49,058
- ICPS	7,665
Kronologi Asia	31,112
Capital A - Ordinary shares	29,282
- RCUIDS	9,761
- Warrants	4,880
Kelington Group - Ordinary shares	28,383
- Warrants	9,461
Parkson Holdings	22,942
SAM Engineering & Equipment	18,154
Padini Holdings	17,007
Hibiscus Petroleum	12,430
Suria Capital	11,894
OCK Group	5,910
Luxchem Corporation	5,007
APM Automotive Holdings	4,698
Apex Healthcare	3,749
Oceancash Pacific	3,145
MKH	2,951
Tong Herr Resources	1,888
HPMT Holdings	1,803
Salutica	1,700
Wellcall Holdings	1,614
United Plantations	741
Eupe Corporation	100

As at 31 May 2023, your Fund has invested RM239.193 million with a market value of RM328.326 million, yielding unrealised gains of RM89.134 million. Of your Fund's investments as at 31 May 2023, Padini Holdings, SAM Engineering & Equipment, Kelington Group and its warrants, Apex Healthcare and Capital A - Warrants have generated substantial unrealised gains.

II. INVESTMENTS MADE

During the financial year ended 31 May 2023, your Fund made the following additional investments (**Table 3**).

For a description of the companies' activities, please refer to pages 55 to 56 in the Investment Portfolio Section.

Table 3: Purchases made since 01 June 2022 ('000 shares)

Company	('000 shares)
Hibiscus Petroleum	12,430
OCK Group	2,500
Apex Healthcare	1,466
United Plantations	576
APM Automotive Holdings	157
Wellcall Holdings	100

III. INVESTMENTS SOLD

Your Fund have not disposed of any stocks during the financial year ended 31 May 2023 other than Boustead Holdings where your Fund has accepted the voluntary take-over offer by Lembaga Tabung Angkatan Tentera (LTAT) for the 12,147,786 shares held, generating a loss of RM17.058 million with a cost of RM27.444 million.

IV. PERFORMANCE: NAV & MARKET PRICE

Since its listing on 19 October 2005, the NAV per share of your Fund has risen from RM0.99 to RM3.40 by 31 May 2023 (**Chart 1**). This represents a gain of 272% (assuming the Special Dividends paid in September 2013 and December 2021 were reinvested). Since its listing on 19 October 2005, the market price of your Fund has risen from RM1.01 to RM2.06 by 31 May 2023. This represents a gain of 132%. During the same period, the MSCI Malaysia index rose only 32%.

Chart 1: Gain from 19 October 2005 to 31 May 2023

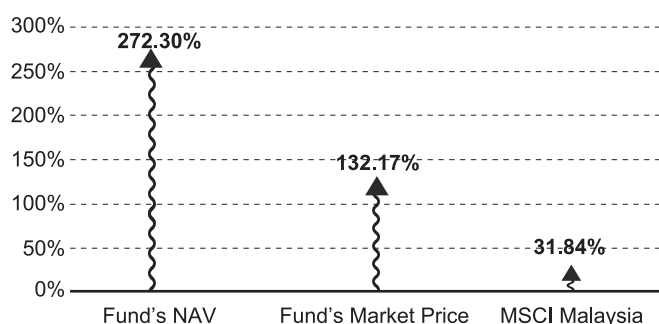
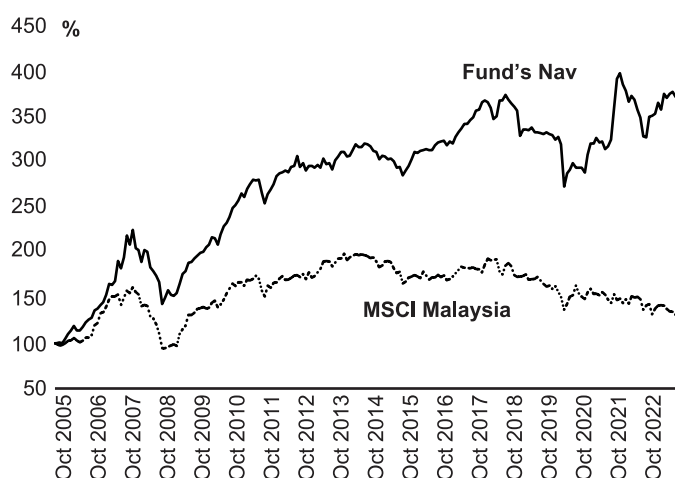


Chart 2 shows the performance of your Fund's NAV in comparison with the MSCI Malaysia index.

Chart 2: Fund's NAV vs MSCI Malaysia Index (19/10/2005=100)



From 31 May 2022 to 31 May 2023, the NAV per share of your Fund increased from RM3.19 to RM3.40 (a gain of 6.58%) and its market price fell slightly from RM2.08 to

RM2.06 (a drop of 0.96%). In the same period, the MSCI Malaysia index plunged 11.31%.

The performance of icapital.biz Berhad since its listing is shown in **Table 4** and **5**.

Table 4: Cumulative Return (%) and Fund's Cash Level (%) from 19/10/2005 to 31/12/___

Year	NAV ¹	Price ¹	MSCI Malaysia	Cash
2005	0.00	8.00	-1.77	62.39
2006	38.38	46.00	22.05	33.79
2007	125.25	162.00	61.93	15.58
2008	58.59	39.00	-4.10	32.97
2009	101.01	74.00	40.26	10.51
2010	157.58	109.00	67.37	29.87
2011	175.76	105.00	67.04	34.92
2012	195.96	137.00	78.47	34.34
2013	211.48	147.37	99.14	50.73
2014	203.21	140.16	84.06	63.16
2015	211.48	137.06	75.36	61.76
2016	222.87	155.62	70.92	68.59
2017	268.40	192.72	86.72	54.61
2018	229.08	154.59	73.66	68.52
2019	224.94	147.37	63.02	63.76
2020	220.80	119.54	60.32	50.20
2021	278.87	152.46	48.65	33.97
2022	258.06	125.41	42.22	30.25
2023 ²	272.30	132.17	31.84	30.61

Table 5: Annualised Return (%) from 19/10/2005 to 31/12/___

Year	NAV ¹	Price ¹	MSCI Malaysia
2005	0.00	46.93	-8.55
2006	31.09	37.08	18.06
2007	44.65	54.93	24.49
2008	15.49	10.83	-1.30
2009	18.07	14.09	8.38
2010	19.94	15.22	10.41
2011	17.77	12.27	8.62
2012	16.25	12.72	8.37
2013	14.85	11.67	8.76
2014	12.81	9.98	6.85
2015	11.78	8.83	5.66
2016	11.02	8.73	4.90
2017	11.27	9.20	5.25
2018	9.44	7.33	4.27
2019	8.65	6.58	3.50
2020	7.96	5.31	3.15
2021	8.56	5.88	2.48
2022	7.69	4.84	2.07
2023 ²	7.74	4.90	1.58

Note ¹ : Your Fund's NAV and Fund's market price are adjusted for the special one-time dividend paid in FYE 31 May 2014 and Special Covid-19 Relief Dividend paid in FYE 31 May 2022.

² : From 19/10/2005 to 31/05/2023.

As the above table shows, the cash level of your Fund has in the past fluctuated substantially from a low of 10.51% to a high of 68.59%. For the financial year ended 31 May 2023, the cash held in absolute terms was about RM146 million (or RM1.04 cash per share), indicating a hefty drop of more than RM15 million from the RM162 million held for the year ended 31 May 2022. The reduction in your Fund's cash level is due to the additional investments made without disposing of any investments during the said financial year except for the proceeds received from the take-over offer of Boustead Holdings by LTAT.

V. WHAT WE THINK

A. Why icapital.biz Berhad Exists

I have often asked myself whether our shareowners are aware or remember why icapital.biz Berhad was created in the first place. Unlike other listed Funds or listed companies, icapital.biz Berhad was intentionally set up with a unique objective on top of a social mission. As I explained to the High Court judge in the Defamation Trial against a senior editor of The Edge in 2018, the journey I undertook in launching icapital.biz Berhad was like a crusade with the aim of building a better Malaysia.

Similarly, unlike the many conventional closed-end funds found in developed financial markets like New York, the success of icapital.biz Berhad can only be fully appreciated if it is viewed against its original motivation. I set up icapital.biz Berhad more than 19 years ago and got it listed in 2005 for one simple reason :

to allow long-term shareholders or more aptly called share owners, to benefit from value investing. Investing in your Fund allows the power of compounding to work for you. If we succeed in achieving this, we would have also shown that serious long-term investing in Bursa Securities can offer superior returns.

The objective was not just narrowly financial - to show that compounding works over the long term - but it also was broader and to demonstrate that sound long-term investing by individuals can work in Malaysia. Achieving such a long-term socio economic objective is an important part of nation building and can bring about many positive contributions to the development of this young country and its capital market. It can also help bring about a better society. When embarking, we genuinely believe that every Malaysian can help in this journey.

I hope that Malaysians of all ages can realise that we have been trying extremely hard since 2005 to build icapital.biz Berhad into a very different and precious corporate entity, one that is more than just delivering superior annual compound returns. For example, the highly successful Investor Day of icapital.biz Berhad has been organised based on similar socio-economic objectives and public mission.

To put it simply, successfully building icapital.biz Berhad is akin to building a better Malaysia. To me, they are synonymous.

Closed-end funds are typically launched when the stock market is exciting. This is understandable, as it is difficult to raise the desired funds during poor market conditions. In addition, right from the very outset of its initial public offering in 2005, I wanted to appeal only to a certain type of investors to icapital.biz Berhad and hence requested that I directed the initial public offering. Consequently, shareholders in icapital.biz Berhad have been referred to referred to as share owners. As we explained in the first annual report, "holding" implies something transitory while "owning" implies a more permanent state of affairs, just like a business or property owner is not described as a holder but as an owner.

Eventually, the initial public offering of icapital.biz Berhad took place in less than exciting times. As a value investor, this was intentional. However, despite local stock market conditions that were not buoyant, the offering of icapital.biz Berhad was heavily oversubscribed, illustrating the sophistication and wisdom of many investors then. In addition, unlike many closed-end funds that trade at market prices below their net asset values, icapital.biz Berhad traded at a premium after its listing, once again testifying to the soundness of value investing and the wisdom of investors.

For icapital.biz Berhad to close on its first day of listing in 2005 at a premium to its NAV was a huge achievement and beyond the wildest expectation of many people. Given how hard Capital Dynamics and I worked and the strategy I deployed in making sure that icapital.biz Berhad appealed only to the right investors, the premium to NAV was not a surprise. As we quoted Buffett in our 2007 annual report, **"The key to a rational stock price is rational shareholders, both current and prospective"**

In this 2023 annual report, we are pleased to feature an interview with Mr Yee Kwok Leung from Johor Bahru, one of the individuals whom we managed to attract back in 2005. He now is the most senior shareowner of icapital.biz Berhad and intends to own his shares forever.

Investing for the long-term

A conversation with

Yee Kwok Leung

Most Senior Shareowner of icapital.biz Berhad

- 89+ years old
- Ex-Civil Engineer
- ICAP Shareowner since inception in Oct 2005
- Subscriber of *i* Capital newsletter

The interview was conducted in Johor Bahru on 8 July 2023.

Watch the video here
<https://www.youtube.com/watch?v=hsasY8myKr8&t=12s>

Scan to watch



Introduction

Mr Yee: I am now 89+ years old already. I live in Taman Nong Chik, Johor Bahru. I am very happy to be able to meet all of you especially Mr Tan Teng Boo whom I always admire as the Great Thinker of the East. You know, people compare him to Warren Buffett of the West, but I call him the "Great Thinker of The East".

Q1 What were you doing before you retired?

Mr Yee: I was a civil engineer.

Q2 How long have you been investing in the stock market?

Mr Yee: More than 60 years. Like Mr Tan, he was involved in investment, very very long. Same.

Q3 When and how did you discover icapital.biz Berhad?

Mr Yee: When did I discover? Maybe 15 years ago? From the very beginning, from the inception of icapital.biz Berhad (in 2005).

Q4 How did you discover it? Your friends? Your family?

Mr Yee: All by myself. I am quite interested in stocks and shares since very young.

Q5 So, is it because of the IPO?

Mr Yee: Yes, yes.

Q6 What attracted you to icapital.biz Berhad?

Mr Yee: The company. Although I invest in other things but I still think long term investment is also important and as Mr Tan always says "value investing is very important" and that is how I landed.

Q7 When you first invested in icapital.biz Berhad in 2005, you were already 73 years old. What was your reason for buying shares of icapital.biz Berhad?

Mr Yee: I have full faith in *i* Capital, Capital Dynamics managed by Mr Tan.

Q8 Did you get to know Teng Boo much earlier on already?

Mr Yee: Yes.

Q9 How did you come to know about Teng Boo?

Mr Yee: From the *i* Capital newsletter. As a matter of fact, I even talked to Mr Tan long long ago. I was in trouble with shares, and I rang up *i* Capital office and it so happened that he was not overseas or anywhere, and he spent time to advise me. And because of the advice, I managed to get out of it at least in a small way.

Q10 Why did you want to invest for the long term when you were already in your 70s?

Mr Yee: Actually, I keep it because I have other investments so I can afford to keep it and I can pass it on to my children and grandchildren. And as Mr Tan says, it's for long term. It's not for the short term. Long term means as he says in decades: It is not a few years, not three days. So, it is okay and I think US financial, economic problems are overdue, you know.

The Big Depression that will come in 2025 or even earlier I don't know. But what I know, even now, *i* Capital is doing fine and as the time comes, and when it comes it will be quick and sudden. And I'm sure Mr Tan and the team will definitely know how to pick up undervalued stocks and will pass them to my children, and no problem. It's a good time. It's a bad time for certain people. It's a good time for closed-end fund, for icapital.biz Berhad.

Q11 What makes you believe in *i* Capital and Tan Teng Boo?

Mr Yee: I admire Teng Boo as "The Thinker of The East", and another thing I admire him is, I don't know where he gets his energy, he doesn't seem to sleep! I don't know, I don't know his private life but from what I know, from what

I read, he is full of energy. And the thing that impressed me is he is a very enlightened person; he knows so many things. Not only is he an investment guru but sometimes he throws a little bit of philosophy, you know and the world culture, political system, not everything that one can think of, especially on China. People like us even in my age I also don't know enough about China but he knows so much about China. Not many people have knowledge of that. So, that alone really is enough for me to admire Mr Tan Teng Boo.

Q12 What would you tell someone who is considering investing in icapital.biz Berhad?

Mr Yee: For the young people, yes, I will tell them. I will say, this is the opportunity of a lifetime. Yes. And this depression coming maybe even worse than 1930, it is a historic epic decline you know, a collapse. It's going to be very bad. The young people like you, need to prepare and hope for the best.

TTB: As another senior citizen, what is the hope for the future of Malaysia? You didn't migrate, I didn't migrate.

Mr Yee: If Anwar can continue, and they take 5-10 years maybe, 2-3 more elections maybe will be okay. If Anwar is in charge maybe yes, I hope. There is some hope for everybody.

TTB: I asked you that question that is not investment related but because sometimes, obviously, you love the country, I love the country, that's why. So, sometimes when we look for all kinds of directions, we look for all kinds of clues. Despite our age, sometimes, I have no answer.

Mr Yee: Despite your knowledge

TTB: I am not a religious person, I am not a Christian, I'm not a Buddhist and so on, I'm more.. in terms of philosophy, I am more of a Taoist. The thing is if we look through history, if we looked through all the philosophy and so on, what is going to be the future of Malaysia?

Mr Yee: Well, Malaysians may have some hope if there is a shift from the west to the east. As I remember, Xi Jinping mentioned "history will prove that we are right, on the right side of history" So if that come to path and as you know, and you wrote a lot about Anwar going to China, he should know where he should go to, so it should be okay. Long term of course maybe 10 or 20 years, maybe the next century for your children, your grandchildren maybe. For us...

TTB: At our age, it is not about dollar and cent anymore. At our age we have got enough whatever it is already. But more importantly is, what we leave behind. What sort of society, what sort of country we leave behind. Thank you.

B. A Very Attractive Future Lies Ahead

Should we still think and focus long term ? A short answer is yes. The experience of a still sprightly Mr Yee is very enlightening and inspiring. He was already more than 70 when he first invested in icapital.biz Berhad, at an age where others would have quit. Before one knows it, almost 19 years have whisked by. I am now 69 and by the time I reach 89, icapital.biz Berhad will have been around for another 20 years. As your Fund's Designated Person, I see a very attractive future ahead for icapital.biz Berhad. Please read on.

Right quality of share owners

First, after its 2005 inception, icapital.biz Berhad was for many years enjoying a nice premium to NAV as it attracted the right quality of share owners. As I have explained before, share owners, existing and future ones, ultimately bear the responsibility of determining the market price of a listed company especially one such as icapital.biz Berhad. The type and quality of share owners matter. To be sure, Mr Yee is not the only long-term individual share owner of icapital.biz Berhad shares; there are many others like him with a similar mindset and there are many more out there whom we can appeal to.

I have also explained elsewhere that we have started a long-term strategy/campaign to improve the type and quality of your Fund's share owners and voting structure with a view of getting back to as close as we possibly can to the initial years (I shared some of these ideas in last year's AGM). There are many components in this exciting strategy, which includes the recently announced innovative dividend policy, the launch of an ICAP Fan Club, increasing individual ownership of your Fund, and having a much fairer voting structure for a collective investment scheme like icapital.biz Berhad and many more. Throughout the last 20 years, icapital.biz Berhad has undergone a unique journey albeit one with a clear public mission. The next 20 years will see more of these. To be sure, it is going to be a long haul and to eventually succeed, we will need the support and co-operation of all like-minded individual share owners. Unfortunately, there are a few large voters/parties who do not think like long-term share or business owners, who are focused on stock prices and act more like your Fund's wrecking ball. A member of this group joined a forum in 2019 and has since then posted 475 comments, 92% of them of which are on icapital.biz Berhad and are negative.

It is useful to repeat what Warren Buffett advised in his 1985 Berkshire Letter :

"Over the long term, there has been a more consistent relationship between Berkshire's market value

and business value than has existed for any other publicly-traded equity with which I am familiar. This is a tribute to you. Because you have been rational, interested, and investment-oriented, the market price for Berkshire stock has almost always been sensible. This unusual result has been achieved by a shareholder group with unusual demographics: virtually all of our shareholders are individuals, not institutions."

We will work hard and with our heart to attract and maintain appropriate high quality ownership in icapital.biz Berhad. Your Fund can go back to a premium or close to one as we continue with this next exciting phase of your Fund's unique mission.

Macro tailwinds

The Malaysian stock market has not been performing for a long time (incidentally, based on my 50 plus years of experience, there has been only one sustained Malaysian bull run, from end 1974 to June 1981).

For example, when measured from 2002 to 2022, the Jakarta stock market recorded an impressive 14.58% annual compounded gain. In that same period, Malaysia generated only 3.71%, just a tad ahead of Singapore. If measured from 2009 to 2022, Jakarta stock market still clocked in an impressive annual 12.26% compound gain. In that same period, Malaysia generated a pathetic 3.88%, even lower than Singapore. The stock markets of Thailand, the Philippines and Vietnam also generate much higher returns than Malaysia. Is Malaysia doomed for more of the same ?

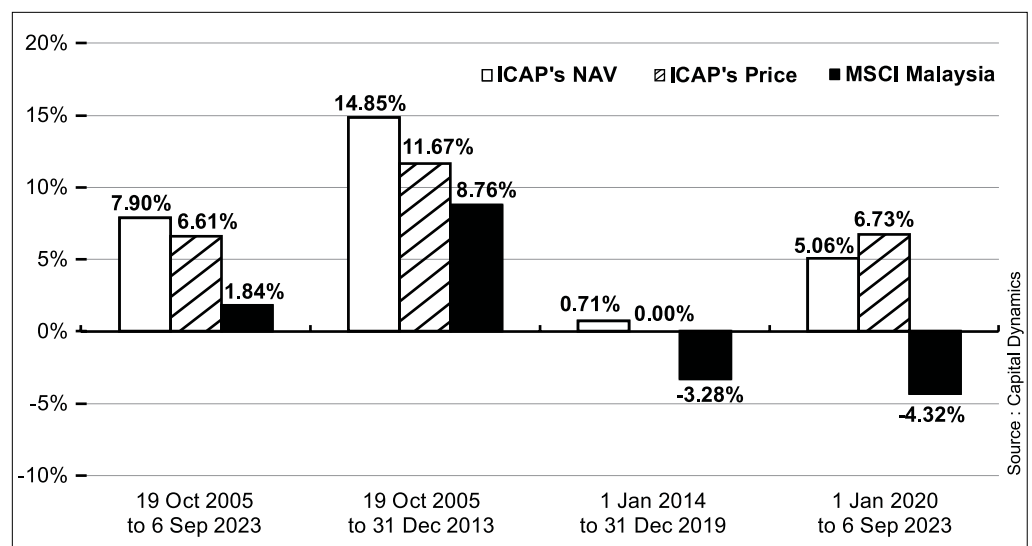
From a macro viewpoint, Malaysia's domestic political development has entered a new stage, one which I think promises a better and stable government and hence a better Malaysia. Many Malaysians do not realise that Malaysia's 4th/7th prime minister has had a devastating impact on the country, even when he was not prime minister. For example, he incessantly attacked prime minister Abdullah Badawi's policies even though most of them made good socio-economic sense to Malaysia and should have been implemented instead of being blocked. Now, thankfully, this extremely wasteful and irresponsible era is coming to an end. With Malaysia blessed as a

country with great and plentiful human talents, the anticipated new era will give birth to a country which will once again be on the right path of fulfilling her potential. I expect the Malaysian stock market to be a beneficiary.

Investment philosophy and asset allocation

From Oct 2005 to 6 Sep 2023, the MSCI Malaysia index gained 1.84% annually. In the same period, the NAV of icapital.biz Berhad jumped 7.90% annually and its share price compounded 6.61% (**Chart 3**). This strong performance of your Fund hides many important truths. To uncover them, let me break this overall performance down into two distinct phases : one with a higher cash level and another with a lower cash level.

Chart 3 : Performance of ICAP



From Oct 2005 to Dec 2013 when the cash level of icapital.biz Berhad was lower (it fell to as low as 10.5% in 2009), the NAV of icapital.biz Berhad jumped 14.85% annually and its share price compounded impressively at 11.67% per annum.

In comparison, from Jan 2014 to Dec 2019 when the cash level of your Fund was much higher (it rose to an average of 63.4%), its NAV gained only 0.71% per annum and its share price was essentially flat, even though these were still much better than the MSCI Malaysia index.

Then, from Jan 2020 to Sep 2023 when the cash level of your Fund was falling again, (by Sep 2023, it has fallen to 26.4% from over 63% in end 2019), the NAV of icapital.biz Berhad is once again rising at a higher annual compound rate of 5.06%. What is even more interesting is that its share price has been rising at an even faster pace of 6.73% compounded annually. At this rate of increase, not only will NAV parity appear, but there could hopefully be a

premium again. A lot depends on the Fund having the right quality of share owners and the performance of its future NAV.

From day one, icapital.biz Berhad has been very consistent and disciplined with its value investing approach and therefore its asset allocation. When your Fund sees attractive value, it will invest. Otherwise it will wait even though the Designated Person has been persistently and publicly harassed by a few certain large investors, parties who are not even share owners of your Fund, for strictly sticking to your Fund's value investing philosophy.

In 1985, Buffett has already cautioned:

"You might think that institutions, with their large staffs of highly-paid and experienced investment professionals, would be a force for stability and reason in financial markets. They are not: stocks heavily owned and constantly monitored by institutions have often been among the most inappropriately valued."

Conclusion

At the beginning, I asked a very vital question - should we still think and focus on the long term. It is very easy to sell an investment. You are told it is never wrong to take a profit or do not get emotional with your investment. Charlie Munger has a simple answer for this question.

"The first rule of compounding: Never interrupt it unnecessarily" - Charlie Munger

Munger's advice is one of the most important principles of compounding and a principle that few investors are aware of. Everyone acknowledges the power of compounding. If you earn 15% per year for 35 years, you will end up with 133 times your money. Unfortunately, investors forget the arithmetic of this is heavily back-end loaded. After 35 years, you have 133 times; after 20, about 16 times and after 10 years, you have about 4 times. So, you do not want to interrupt that compounding unnecessarily.

You better have a compelling reason to sell a winning investment just because the stock has risen 50% for example. Otherwise, your sale is going to look really expensive years later. Take a look at the **Chart 4** and **Table 6** illustrating the power of compounding and you will notice the steepest part of the hockey stick takes place on the far right of the **Chart 4**. To get to the far right of the chart, patience is required. A willingness to see your portfolio value rise, fall, and rise anew is required. You cannot get blown out or abandon ship every time the market has a correction. Otherwise, you interrupt the compounding of your investment, which in this case is icapital.biz Berhad.

The combination of Malaysia entering a new and better era, icapital.biz Berhad being able to hold more investments (although this is a function of stock valuation) and a high quality share ownership structure can produce an exciting future for your Fund's NAV and share price. In the process, let us build and leave behind an icapital.biz Berhad that will be a role model for Malaysian individual investors, and other listed companies to emulate. This way, we can also do our part to contribute to a better Malaysia.

Chart 4 : Compounding RM5,000 at 15% p.a.

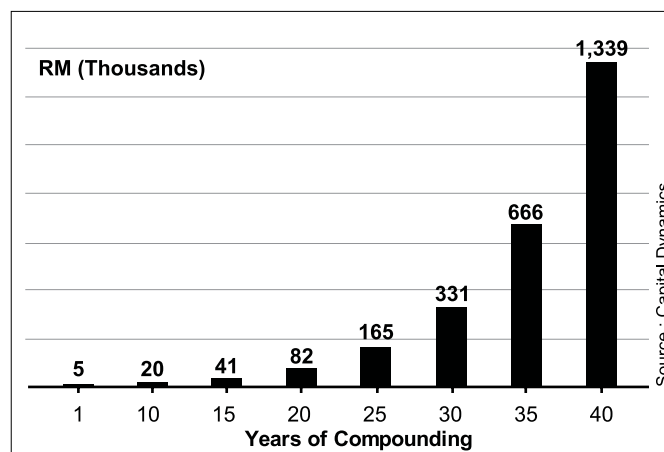


Table 6 : Compounding RM5,000 at 15% p.a.

Year	Portfolio Value (RM)	Increment (RM)
1	5,000	
10	20,228	+15,228
15	40,685	+20,458
20	81,833	+41,147
25	164,595	+82,762
30	331,059	+166,464
35	665,878	+334,819
40	1,339,318	+673,440
45	2,693,846	+1,354,529
50	5,418,287	+2,724,441

C. 2023 Annual General Meeting (AGM)

This year's AGM of your Fund will be held in physical form only. We look forward to a more lively and engaging AGM as opposed to a hybrid or virtual AGM.

Share owners are encouraged to attend and/or vote at the 2023 AGM as every share owner has the right to determine the future of icapital.biz Berhad. Why let the affairs of your Fund and its future be determined by a few large minority voters ?

Share owners can also vote via the e-proxy lodgement administered by the Share Registrar.

Details on the e-proxy lodgement together with the Notice of the 19th AGM can be found at the back of this annual report.

Details of the dividend policy will be shared in the AGM by the Designated Person, Mr Tan Teng Boo, together with two other international finance experts.

The annual general meetings of icapital.biz Berhad used to be a very joyous and productive engagement for all. My hope is that the future AGMs will be like them again.

D. ICAP Fan Club



Since my suggestion in last year's AGM, we have made substantial progress in forming the ICAP Fan Club. It will be the first ever such fan club in this region. For those who are keen to participate, please visit www.icapfanclub.com. I will share more details in the coming AGM.

E. 2023 Investor Day, Sunday, 5 November

The 2023 Investor Day of icapital.biz Berhad is Asia's most innovative investment event. The 2023 Investor Day will once again be held on a Sunday at the West Wing, Kuala Lumpur Convention Centre for the convenience of share owners.

This year's Investor Day will be a physical event only and will consist of 3 productive Tracks. Details on your Fund's 2023 Investor Day are available on www.icapital.my, www.icapital.biz, <https://events.icapital.biz/> and the social media channels of Capital Dynamics, your Fund Manager and Investment Adviser.

The journey to achieving fewer or zero institutional investors for your Fund will not be easy. We have to also undo the damages inflicted on your Fund by a few large parties. Unlike the London or New York stock market, where closed-end funds or investment trusts are common, in Malaysia, we need to educate investors on the many benefits of investing in icapital.biz Berhad, the only listed closed-end fund in Malaysia. Conducting the highly popular Investor Day is one of the activities held to achieve the desired objective of increased individual share ownership.

As I have said during 2014 Investor Day, back in October 2014:

"The motivation behind Investor Day is 'sharing' – if I can convert one person to become a better person and a better investor from this, I would be happy. That person would go on to influence other people in their lives, and eventually they would all make a better Malaysian economy."

Both the AGM and Investor Day are organised by Capital Dynamics and the Investor Day is mainly co-sponsored by Capital Dynamics and your Fund.

Tan Teng Boo

Designated Person

Capital Dynamics Asset Management Sdn Bhd

19 September 2023

MENGENAI ICAPITAL.BIZ BERHAD

SIAPAKAH KAMI

icapital.biz Berhad (“Dana anda”) merupakan sebuah dana tertutup. Objektif utama pelaburannya adalah untuk menjana peningkatan modal jangka panjang, manakala dividen dan/atau pendapatan faedah dari hasil pelaburan tersebut merupakan pertimbangan yang kedua.

Dana anda melabur dalam syarikat-syarikat di bawah nilai yang disenaraikan di Pasaran Utama dan Pasaran ACE Bursa Malaysia Securities Berhad (“Bursa Securities”).

Ia juga boleh melabur dalam deposit tunai dan sehingga 10% dari nilai aset di dalam syarikat-syarikat yang tidak tersenarai. Peruntukan aset Dana anda adalah fungsi bagi falsafah pelaburan berasaskan nilai dan berkisar dari 0% ekuiti hingga 100% ekuiti.

Dengan modal berbayar sebanyak RM140 juta, Dana anda mempunyai bilangan saham terbitan yang tetap pada bila-bila masa. Seperti syarikat lain yang didagangkan secara awam, harga saham ditentukan sepenuhnya oleh penawaran dan permintaan pasaran. Transaksi jual beli saham Dana anda juga dilaksanakan dalam pasaran saham melalui syarikat broker saham yang berlesen.

Dari sebelum penyenaiaannya pada 19 Oktober 2005, matlamat utamanya adalah untuk menggandakan nilai Dana anda. Ini dicapai dengan berpegang kepada falsafah pelaburan berasaskan nilai. Sebagai pelabur berasaskan nilai, pemilihan pelaburan dibuat berdasarkan kepada harga-harga pasaran dan nilai-nilai dasar pelaburan tersebut.

Dana anda tidak dibenarkan untuk membuat pinjaman kecuali mendapat kebenaran daripada pemilik saham.

KENAPAKAH KAMI WUJUD

icapital.biz Berhad wujud hanya untuk satu tujuan: untuk membolehkan pemegang-pemegang saham jangka panjang atau lebih sesuai dikenali sebagai pemilik-pemilik saham untuk memperoleh manfaat dari pelaburan berasaskan nilai. Melabur dalam Dana membenarkan anda mendapat keuntungan melalui kuasa gandaan faedah. Sekiranya kami berjaya mencapai matlamat ini, kami juga dapat membuktikan bahawa pelaburan jangka panjang yang serius dalam Bursa Securities boleh menawarkan pulangan yang lumayan.

BAGAIMANAKAH CARA MENILAI DANA ANDA

Kaedah yang sesuai untuk menilai prestasi Dana anda adalah dengan melihat pada Nilai Aset Bersih (NAB) dan bukan pada pendapatan atau pendapatan sesaham atau penyata pendapatannya.

SIAPAKAH YANG MENGURUS DANA ANDA

Ditubuhkan sebagai sebuah syarikat di bawah Akta Syarikat 1965, icapital.biz Bhd diwakili oleh Ahli Lembaga Pengarahnya. Ahli-ahli Lembaga Pengarah adalah bukan eksekutif dan memainkan peranan sebagai penyelia untuk memastikan bahawa Dana anda beroperasi mengikut cara yang telah ditetapkan pada setiap masa. Dana anda tidak mempunyai pekerja. Operasinya dipertanggungjawabkan kepada pembekal perkhidmatan bebas. Pembekal perkhidmatan yang utama ialah Pengurus Dana, Penasihat Pelaburan, Penjaga Dana dan Pentadbir Dana.

Aset-aset Dana anda diuruskan oleh Pengurus Dana yang akan melantik Pengawai Lantikan Khas yang akan bertanggungjawab untuk menguruskan aset-aset tersebut, selaras dengan dasar dan objektif yang diluluskan. Segala aset dipegang dan dijaga oleh Penjaga Dana, sementara perkhidmatan perakaunan dan pengurusan pentadbiran dipertanggungjawabkan kepada Pentadbir Dana.

Dana anda juga memerlukan perkhidmatan daripada setiasusaha korporat, pendaftar saham, juruaudit luar serta agen cukai dan fungsi audit dalam telah dipertanggungjawabkan kepada pihak luar. Juruaudit dalaman melapor terus kepada Jawatankuasa Audit.

Terdapat perbezaan yang ketara di antara amanah saham dan dana tertutup. Untuk salinan laporan yang menerangkan perbezaan ini, sila hubungi Penasihat Pelaburan, Capital Dynamics Sdn Bhd atau layari laman web www.icapitaleducation.biz. Walaupun diperbadankan sebagai syarikat, terdapat beberapa perbezaan di antara syarikat tersenarai biasa dan dana tertutup yang tersenarai. Maklumat lanjut boleh didapati di bahagian Nota Penjelasan Laporan Tahunan ini.

BAGAIMANAKAH PENCAPAIAN KITA ?

Dalam bahagian ini, kami meninjau prestasi icapital.biz Berhad.

A | SURAT KEPADA PEMILIK-PEMILIK SAHAM

Bagi tahun kewangan berakhir 31 Mei 2023, Dana anda terus memberikan peningkatan yang memberangsangkan dalam nilai aset bersih (NAB), daripada RM446.179 juta pada tahun kewangan sebelumnya kepada RM476.129 juta, walaupun persekitaran ekonomi dan pasaran yang mencabar serta politik yang tidak menentu. NAB pada 31 Mei 2023 terutamanya terdiri daripada pelaburan ekuiti disebut harga dengan jumlah nilai saksama RM328.326 juta dan pegangan tunai berjumlah RM145.722 juta.

Seperti yang sering kami tekankan, Dana anda merupakan dana tertutup dan objektif pelaburan utamanya ialah peningkatan modal jangka panjang. Oleh itu, NABnya merupakan kriteria utama dan hanya satu-satunya pembolehubah untuk memberikan tumpuan dalam penilaian kami terhadap prestasi Dana anda. Penyata untung dan rugi Dana tidak mempunyai nilai penilaian. Bagi tempoh laporan semasa, NAB Dana anda meningkat 6.58% kepada RM3.40 sesaham pada 31 Mei 2023 daripada RM3.19 sesaham pada 31 Mei 2022. Untuk maklumat lanjut, sila rujuk kepada bahagian Penyata Kewangan Laporan Tahunan ini.

Dalam jangka panjang pula, NAB Dana anda mencapai pulangan kompaun tahunan sebanyak 8.00%, berbanding 1.76% untuk indeks MSCI Malaysia, dimana kedua-duanya telah diukur dari tarikh penubuhan Dana anda pada 19 Oktober 2005 hingga 23 Ogos 2023. Pada tempoh yang sama, harga saham Dana anda mencapai pulangan kompaun tahunan sebanyak 6.75%, mengatasi prestasi indeks MSCI Malaysia sebanyak 4.99 mata peratusan.

Meningkatkan Pemilikan Saham Individu

Dalam AGM tahun lepas dan laporan tahunan 2022, kami telah menjelaskan bahawa jenis dan kualiti pemegang-pemegang saham adalah penting dalam menentukan prestasi harga saham. Oleh itu, Lembaga Pengarah anda, bersama-sama dengan Pengurus Dana dan Penasihat Pelaburan anda, telah melaksanakan beberapa siri inisiatif dan aktiviti untuk meningkatkan kesedaran tentang ICAP di kalangan pelabur-pelabur muda, meningkatkan pemilikan saham individu, dan berhubung dengan pemilik saham sedia ada.

Selepas penyelidikan menyeluruh, Dana anda akan memperkenalkan, sebahagian dari strategi-strategi lain, dasar dividen yang inovatif untuk memastikan jurang antara harga saham Dana dan NAB boleh dengan konsistennya diperbaiki secara automatik pada masa hadapan. Dasar dividen yang inovatif akan menangani keperluan pelbagai pemilik saham – mereka yang mencari peningkatan modal jangka panjang, mereka yang memerlukan pengagihan tetap dan mereka yang mungkin perlu menjualkan pegangan mereka untuk wang tunai. Untuk maklumat lanjut tentang dasar dividen akan dikongsi dengan anda pada AGM dan Hari Pelabur tahun ini.

Peraturan-Peraturan Perindustrian Sekuriti (Depositori Pusat)(Pemunyaan Asing) 1996 ("SICDA FOR")

Menjaga kepentingan semua pemilik saham kekal menjadi keutamaan Lembaga Pengarah anda. Dana Anda mempunyai Had yang Ditetapkan sepertimana dalam Perlembagaan iCapital.biz Berhad menurut Garis Panduan Suruhanjaya Sekuriti untuk Tawaran Awam Sekuriti Dana Tertutup

[Perenggan 3.7.1(iii)] dan Keperluan Penyenaraian Pasaran Utama Bursa [Perenggan 7.40]. Had yang Ditetapkan ditakrifkan di bawah Peraturan 2 Peraturan-Peraturan Industri Sekuriti (Depositori Pusat) (Pemunyaan Asing) 1996 (atau singkatannya dalam bahasa inggeris, "SICDA FOR") sebagai kuota, sekatan atau had ke atas pemilikan saham oleh warga asing yang dikenakan ke atas penerbit melalui memorandum dan artikel persatuan (Perlembagaan) atau mana-mana dokumen konstituen lain dari pengeluaran saham tersebut.

Peraturan 6 SICDA FOR memperuntukkan bahawa saham yang dipegang oleh warga asing yang berada dalam Had Ditetapkan berhak mendapat kesemua hak dan obligasi saham seperti yang ditentukan oleh ahli Lembaga Pengarah. Peraturan 6 SICDA FOR juga memperuntukkan bahawa saham yang dipegang oleh warga asing yang melebihi Had yang Ditetapkan hendaklah tertakluk kepada penentuan oleh Syarikat, sama ada pemegang saham tersebut berhak kepada kesemua hak dan obligasi.

Sehubungan itu, pendeposit asing yang memegang saham mengundi dalam Had Ditetapkan sebanyak 20% berbanding jumlah kuantiti saham yang disenaraikan dalam senarai rasmi Bursa Saham berhak mengundi di mana-mana mesyuarat agung kecuali saham terhad yang dikreditkan oleh akaun sekuriti pendeposit asing sebagai digantung, menurut SICDA FOR dibaca bersama Had Ditetapkan sebanyak 20% dalam Perlembagaan Syarikat, Garis Panduan Suruhanjaya Sekuriti untuk Tawaran Awam Sekuriti Dana Tertutup, Keperluan Penyenaraian Pasaran Utama Bursa dan Bab 24A Peraturan Bursa Malaysia Depositori berkenaan pemilikan asing saham dalam Syarikat. Penentuan mengenai hak dan kewajipan yang dilampirkan kepada saham terhad boleh dibuat oleh Lembaga Pengarah Syarikat apabila berlaku mana-mana peristiwa yang disenaraikan dalam peraturan 6(2) SICDA FOR, seperti dan tidak terhad kepada (i) sebelum panggilan mana-mana mesyuarat agung; (ii) sebelum menjalankan apa-apa tindakan korporat oleh pengeluaran; dan (iii) penukaran saham.

Lembaga Pengarah anda ingin menjelaskan keperluan untuk mematuhi SICDA FOR adalah untuk memastikan bahawa kepentingan jangka panjang majoriti pemilik-pemilik saham individu Dana anda tidak terjejas, sebaliknya terpelihara.

Mesyuarat Agung Tahunan ke-19

Dengan pandemik Covid-19 kini telah pun berlalu, kami berharap dapat berhubung dengan anda secara peribadi pada Mesyuarat Agung Tahunan (AGM) ke-19 Dana anda, yang akan diadakan dalam mod fizikal sahaja. Penyerahan soalan-soalan daripada pemilik-pemilik saham sebelum AGM adalah digalakkan bagi memastikan pengurusan sesi soal jawab yang lancar pada AGM yang akan datang. Sekiranya anda tidak dapat menghadiri AGM sendiri, pengundian boleh dilakukan melalui platform penyerahan e-proksi yang dikendalikan oleh Pendaftar Saham.

Akhir sekali, Lembaga Pengarah anda yakin bahawa Dana anda akan terus berkembang dengan baik di bawah pengurusan berhemat Pengurus Dana dan Penasihat Pelaburan anda. Dengan pelaksanaan dasar dividen yang inovatif untuk mengurangkan diskaun NAB dan usaha berterusan untuk meningkatkan pemilikan saham individu dan penyertaan pelabur-pelabur muda, Dana anda akan terus berjaya dalam jangka panjang.

Bagi pihak Lembaga Pengarah, saya ingin mengambil kesempatan ini untuk menyampaikan penghargaan ikhlas kepada pemilik-pemilik saham kami atas kesabaran dan sokongan mereka dalam memastikan kejayaan Dana anda. Saya juga ingin menyampaikan penghargaan saya kepada penyedia perkhidmatan, serta semua pihak berkepentingan kami dan juga pelbagai pihak berkuasa yang berkaitan atas kerjasama dan sokongan mereka yang berterusan.

Dato' Seri Md Ajib bin Anuar

Pengerusi

19 September 2023

B | PENGUMUMAN PENTING - PEMBERITAHUAN PENYAMARAN DAN PENIPUAN MAKLUMAT PALSU

Pemilik-pemilik saham yang dihormati,

Kami ingin memaklumkan kepada anda tentang isu penipuan dan penyamaran sebagai pekerja, penasihat kewangan, wakil, dan/atau ejen kepada Capital Dynamics Group dengan menggunakan nama samaran. Terdapat juga keadaan di mana mereka menyamar sebagai Encik Tan Teng Boo ("Mr Tan") sendiri, iaitu Pengurus Dana Khas icapital.biz Berhad, Pengarah Urusan dan juga wakil Capital Dynamics Group yang terdiri daripada Capital Dynamics Asset Management Sdn Bhd, Capital Dynamics Sdn Bhd, Capital Dynamics Global Pte Ltd, Capital Dynamics (S) Pte Ltd, Capital Dynamics Asset Management (HK) Pte Ltd, Capital Dynamics (Australia) Ltd dan Capital Dynamics Investment Management and Advisory (Shanghai) Co Ltd. Penipu / penyamar ini telah membuat akaun / profil media sosial palsu dan/atau aplikasi dalam talian untuk menjalankan penipuan dan penyamaran mereka.

Berdasarkan maklumat yang diterima, modus operandi penipuan tersebut menunjukkan:

- Penipu akan berhubung dengan orang ramai melalui mesej teks SMS dan/atau platform media sosial seperti WhatsApp, Facebook, Telegram, Line atau Instagram. Mereka mungkin mendakwa sebagai penasihat kewangan daripada Capital Dynamics Group dan mengemukakan lesen dan/atau sijil palsu yang kononnya dikeluarkan oleh pegawai selia kewangan untuk memberikan nasihat mengenai pelaburan dan/atau melaksanakan pelan pelaburan.
- Ada kalanya, mereka juga mungkin mendakwa sebagai Encik Tan dengan menggunakan profil dan kumpulan media sosial yang palsu (seperti Facebook atau WhatsApp) yang memaparkan nama dan gambar Encik Tan. Profil palsu ini tidak diuruskan oleh Capital Dynamics Group dan/atau pekerjaannya termasuk Encik Tan.
- Dengan menyamar sebagai pekerja kami dan/atau mengaku sebagai penasihat kewangan yang bertindak bagi pihak Capital Dynamics Group, mereka akan memperdaya mangsa untuk membuka "akaun" dengan "platform dagangan" tertentu. Mereka juga akan mendakwa bahawa perdagangan tersebut akan memberikan keuntungan segera, atau mereka akan menawarkan rancangan pelaburan atau kursus latihan bagi pihak Capital Dynamics Group. Justeru itu, mangsa terdorong untuk memindahkan wang atau mata wang kripto mereka ke dalam "akaun dagangan" penyamar-penyamar tersebut. Lambat laun, mangsa tidak dapat mengeluarkan wang atau mata wang kripto mereka dan penipu-penipu tersebut tidak dapat dihubungi.

Kami menggesa anda semua supaya berhati-hati dan melakukan penyelidikan sewajarnya sebelum membuat sebarang aktiviti pelaburan. Kami ingin menekankan bahawa:

- Kami tidak akan pernah meminta pelanggan kami untuk membuka akaun dengan mana-mana platform dagangan dan memindahkan wang atau mata wang kripto ke dalam akaun-akaun ini. Kami tidak mempunyai sebarang urusan atau kaitan dalam apa jua cara "platform dagangan" yang haram dan tidak berlesen ini.



- Kami tidak menawarkan nasihat pelaburan, pelan pelaburan atau kursus latihan melalui ejen.
- Sebarang maklumat mengenai khidmat pengurusan dana kami (serta nasihat pelaburan, pendapat dan acara) adalah disiarkan **hanya** di laman web rasmi kami, terbitan i Capital dan/atau akaun media sosial rasmi kami. Senarai saluran rasmi kami boleh didapati di pautan ini: <https://www.capitaldynamics.biz/en>.
- Anda harus membuat laporan polis jika anda fikir anda mungkin menjadi mangsa penipuan.
- Sila hubungi kami sekiranya anda mempunyai sebarang keraguan atau ketidakpastian terhadap sebarang komunikasi yang telah dibuat oleh mana-mana individu yang mendakwa sebagai pekerja, pegawai, penasihat kewangan, wakil, ejen dan/atau sesiapa yang berkaitan dengan Capital Dynamics Group. Maklumat untuk berhubung dengan setiap pejabat kami boleh didapati di pautan ini: <https://www.capitaldynamics.biz/en>.

Penipuan telah dilakukan tanpa pengetahuan, izin dan kebenaran Kumpulan Capital Dynamics dan pihak pengurusan kami. Kami berserta Encik Tan, Pengarah Urusan telah membuat laporan polis di Kuala Lumpur dan Singapura dan telah sewajarnya memaklumkan pihak berkuasa mengenai penyamaran dan penipuan ini.

Untuk maklumat lanjut tentang penipuan dan penyamaran ini boleh didapati di: <https://www.icapital.biz/public/general-announcement>.

Yang benar,

Capital Dynamics Asset Management Sdn Bhd
(Pengurus Dana icapital.biz Berhad)

Capital Dynamics Sdn Bhd
(Penasihat Pelaburan icapital.biz Berhad)

C | APA YANG TELAH KAMI LAKUKAN DENGAN DANA ANDA



Pelaburan paling bijak adalah apabila ia seperti perniagaan

Benjamin Graham



I. PORTFOLIO PELABURAN

Kedudukan Portfolio Dana anda berdasarkan nilai pasaran setiap saham ditunjukkan dalam **Jadual 1**.

Jadual 1 : Nilai Pasaran Pegangan setakat 31 Mei 2023 (RM '000)

Syarikat	(RM '000)
SAM Engineering & Equipment	84,963
Padini Holdings	63,265
Kelington Group - Saham Biasa	39,736
- Waran	3,501
Capital A - Saham Biasa	22,840
- RCUIDS	7,809
- Waran	1,025
Kronologi Asia	16,490
Apex Healthcare	14,957
Suria Capital	14,392
United Plantations	11,408
Hibiscus Petroleum	11,311
APM Automotive Holdings	9,396
Bioalpha Holdings - Saham Biasa	5,151
- ICPS	192
Tong Herr Resources	5,136
MKH	3,542
Parkson Holdings	3,441
Luxchem Corporation	2,378
OCK Group	2,246
Wellcall Holdings	1,856
Salutica	1,607
Oceancash Pacific	944
HPMT Holdings	658
Eupe Corporation	85

Kedudukan portfolio Dana anda berdasarkan kuantiti pegangan ditunjukkan dalam **Jadual 2** di bawah.

Jadual 2 : Saiz Pegangan setakat 31 Mei 2023 ('000 saham)

Syarikat	('000 saham)
Bioalpha Holdings - Saham Biasa	49,058
- ICPS	7,665
Kronologi Asia	31,112
Capital A - Saham Biasa	29,282
- RCUIDS	9,761
- Waran	4,880
Kelington Group - Saham Biasa	28,383
- Waran	9,461
Parkson Holdings	22,942
SAM Engineering & Equipment	18,154
Padini Holdings	17,007
Hibiscus Petroleum	12,430
Suria Capital	11,894
OCK Group	5,910
Luxchem Corporation	5,007
APM Automotive Holdings	4,698
Apex Healthcare	3,749
Oceancash Pacific	3,145
MKH	2,951
Tong Herr Resources	1,888
HPMT Holdings	1,803
Salutica	1,700
Wellcall Holdings	1,614
United Plantations	741
Eupe Corporation	100

Setakat 31 Mei 2023, Dana anda telah melabur sebanyak RM239.193 juta dengan nilai pasaran sebanyak RM328.326 juta, menghasilkan keuntungan yang tidak direalisasikan sebanyak RM89.134 juta. Daripada pelaburan Dana anda pada 31 Mei 2023, Padini Holdings, SAM Engineering & Equipment, Kelington Group dan waran-warannya, Apex Healthcare dan Capital A - Warrants telah menjana keuntungan besar yang belum direalisasikan.

II. PELABURAN-PELABURAN YANG TELAH DILABURKAN

Bagi tahun kewangan berakhir 31 Mei 2023, Dana anda telah membuat pelaburan tambahan seperti berikut (**Jadual 3**).

Untuk keterangan mengenai aktiviti syarikat, sila rujuk halaman 55 hingga 56 di Bahagian Portfolio Pelaburan.

Jadual 3: Pembelian yang dibuat sejak 01 Jun 2022 ('000 saham)

Syarikat	('000 saham)
Hibiscus Petroleum	12,430
OCK Group	2,500
Apex Healthcare	1,466
United Plantations	576
APM Automotive Holdings	157
Wellcall Holdings	100

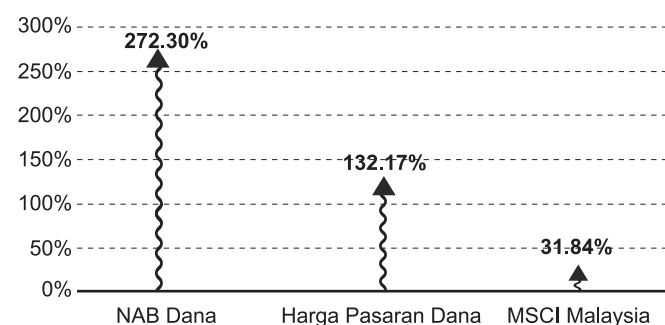
III. PELABURAN-PELABURAN YANG TELAH DIJUAL

Dana anda tidak melupakan mana-mana saham pada tahun kewangan berakhir 31 Mei 2023 selain daripada Boustead Holdings di mana Dana anda telah menerima tawaran pengambilalihan sukarela oleh Lembaga Tabung Angkatan Tentera (LTAT) untuk 12,147,786 saham yang dipegang, yang mana telah menjana kerugian sebanyak RM17.058 juta dengan kos sebanyak RM27.444 juta.

IV. PRESTASI : NAB & HARGA PASARAN

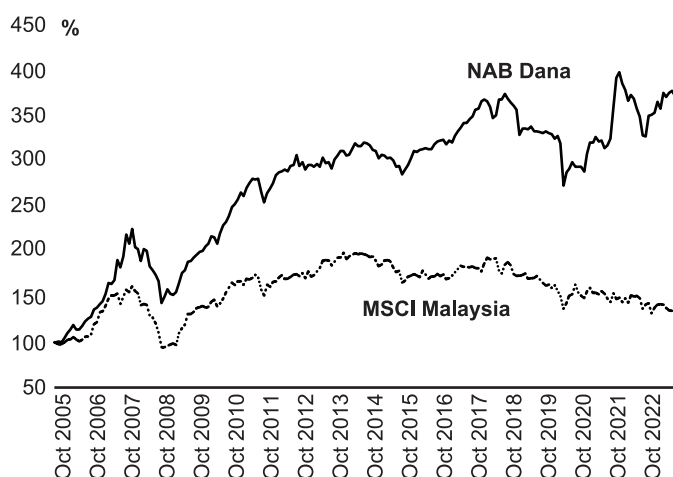
Sejak disenaraikan pada 19 October 2005, Nilai Aset Bersih ("NAB") sesaham Dana anda telah meningkat daripada RM 0.99 kepada RM3.40 pada 31 Mei 2023 (**Carta 1**). Ini mewakili keuntungan sebanyak 272% (dengan mengandaikan Dividen Khas yang dibayar pada September 2013 dan Disember 2021 telah di labur semula). Sejak disenaraikan pada 19 October 2005, harga pasaran Dana anda telah meningkat daripada RM1.01 kepada RM2.06 pada 31 Mei 2023. Ini mewakili keuntungan sebanyak 132%. Dalam tempoh yang sama, MSCI Malaysia hanya meningkat sebanyak 32%.

Carta 1 : Keuntungan daripada 19 October 2005 hingga 31 Mei 2023



Carta 2 menunjukkan perbandingan prestasi Dana NAB anda dengan indeks MSCI Malaysia.

Carta 2: NAB Dana lwn indeks MSCI Malaysia (19/10/2005=100)



Dari 31 Mei 2022 hingga 31 Mei 2023, NAB sesaham Dana anda telah meningkat dari RM3.19 kepada RM3.40 (keuntungan sebanyak 6.58%) dan harga pasarannya turun sedikit dari RM2.08 kepada RM2.06 (penurunan sebanyak 0.96%). Dalam tempoh yang sama, MSCI Malaysia index juga telah menjunam sebanyak 11.31%.

Prestasi icapital.biz Berhad sejak tersenarai ditunjukkan di dalam **Jadual 4** dan **5**.

Jadual 4: Pulangan Berkumpul (%) dan Tahap Tunai Dana (%) dari 19/10/2005 hingga 31/12/_

Tahun	NAB ¹	Harga ¹	MSCI Malaysia	Tunai
2005	0.00	8.00	-1.77	62.39
2006	38.38	46.00	22.05	33.79
2007	125.25	162.00	61.93	15.58
2008	58.59	39.00	-4.10	32.97
2009	101.01	74.00	40.26	10.51
2010	157.58	109.00	67.37	29.87
2011	175.76	105.00	67.04	34.92
2012	195.96	137.00	78.47	34.34
2013	211.48	147.37	99.14	50.73
2014	203.21	140.16	84.06	63.16
2015	211.48	137.06	75.36	61.76
2016	222.87	155.62	70.92	68.59
2017	268.40	192.72	86.72	54.61
2018	229.08	154.59	73.66	68.52
2019	224.94	147.37	63.02	63.76
2020	220.80	119.54	60.32	50.20
2021	278.87	152.46	48.65	33.97
2022	258.06	125.41	42.22	30.25
2023 ²	272.30	132.17	31.84	30.61

Jadual 5: Pulangan Tahunan (%) dari 19/10/2005 hingga 31/12/_

Tahun	NAB ¹	Harga ¹	MSCI Malaysia
2005	0.00	46.93	-8.55
2006	31.09	37.08	18.06
2007	44.65	54.93	24.49
2008	15.49	10.83	-1.30
2009	18.07	14.09	8.38
2010	19.94	15.22	10.41
2011	17.77	12.27	8.62
2012	16.25	12.72	8.37
2013	14.85	11.67	8.76
2014	12.81	9.98	6.85
2015	11.78	8.83	5.66
2016	11.02	8.73	4.90
2017	11.27	9.20	5.25
2018	9.44	7.33	4.27
2019	8.65	6.58	3.50
2020	7.96	5.31	3.15
2021	8.56	5.88	2.48
2022	7.69	4.84	2.07
2023 ²	7.74	4.90	1.58

Nota ¹ : NAB Dana anda dan harga Dana pasaran telah diselaraskan untuk dividen khas dibayar sekali pada tahun kewangan berakhir 31 Mei 2014 dan Dividen Pelepasan Khas Covid-19 yang dibayar pada 31 Mei 2022.

² : Dari 19/10/2005 hingga 31/05/2023

Seperti yang ditunjukkan oleh Jadual 5, perubahan paras tunai Dana anda pada masa lalu telah turun naik dengan ketara, daripada paras rendah 10.51% kepada paras tertinggi 68.59%. Bagi tahun kewangan yang berakhir pada 31 Mei 2023, jumlah tunai yang dipegang secara mutlak adalah kira-kira RM146 juta (atau RM 1.04 tunai sesaham), menunjukkan penurunan yang besar melebihi RM15 juta daripada RM162 juta yang dipegang untuk tahun berakhir pada 31 Mei 2022. Pengurangan dalam tahap tunai Dana anda adalah disebabkan oleh pelaburan tambahan yang dibuat tanpa melupuskan sebarang pelaburan pada tahun kewangan tersebut kecuali hasil yang diterima daripada tawaran pengambilalihan dari Boustead Holdings oleh LTAT.

V. PENDAPAT KAMI

A. Mengapakah icapital.biz Berhad Wujud

Saya sering tertanya sama ada pemilik saham kami sedar atau ingat mengapa icapital.biz Berhad diwujudkan pada mulanya. Tidak seperti dana tersenarai lain atau Syarikat yang tersenarai, icapital.biz Berhad ditubuhkan dengan objektif yang unik di atas misi sosial. Seperti yang saya jelaskan kepada hakim Mahkamah Tinggi dalam Perbicaraan Fitnah terhadap seorang editor kanan The Edge pada tahun 2018, perjalanan yang saya lalui dalam melancarkan icapital.biz Berhad adalah seperti perang salib dengan tujuan membina Malaysia yang lebih baik.

Tambahan pula, tidak seperti kebanyakan dana tertutup konvensional yang terdapat dalam pasaran kewangan maju seperti New York, kejayaan icapital.biz Berhad hanya boleh dihargai sepenuhnya jika ia dilihat bertentangan dengan motivasi asalnya. Saya telah menubuhkan icapital.biz Berhad lebih daripada 19 tahun yang lalu dan menyenaraikannya pada tahun 2005 atas satu sebab mudah:

untuk membolehkan pemegang saham jangka panjang atau lebih tepat dipanggil pemilik saham, mendapat manfaat daripada pelaburan nilai. Melabur dalam Dana anda membolehkan kuasa pengkompaunan berfungsi untuk anda. Jika kita berjaya mencapai matlamat ini, kami juga akan menunjukkan bahawa pelaburan jangka panjang yang serius dalam Sekuriti Bursa boleh menawarkan pulangan yang lebih tinggi.

Objektifnya bukan hanya kewangan berhemat - untuk menunjukkan bahawa pengkompaunan itu berkesan dalam jangka masa panjang - tetapi ianya adalah juga lebih besar dan untuk menunjukkan bahawa pelaburan jangka masa panjang yang kukuh oleh individu boleh berjaya di Malaysia. Mencapai objektif ekonomi sosial

jangka masa panjang sebegitu adalah penting dalam pembinaan negara dan memberi sumbangan positif yang banyak kepada pembangunan negara yang muda ini dan pasaran modalnya. Ianya juga boleh membantu dengan mewujudkan masyarakat yang lebih baik. Apabila memulakannya, kami benar-benar percaya bahawa setiap rakyat Malaysia boleh membantu dalam perjalanan ini.

Saya berharap rakyat Malaysia dari semua peringkat umur dapat menyedari bahawa kami telah berusaha dengan bersungguh-sungguh sejak 2005 untuk membina icapital.biz Berhad menjadi entiti korporat yang sangat berbeza dan berharga, yang mana ianya lebih daripada sekadar memberikan pulangan kompaun tahunan yang unggul. Contohnya, Hari Pelabur icapital.biz Berhad yang sangat berjaya telah dianjurkan berdasarkan objektif sosio-ekonomi dan misi awam yang serupa.

Secara ringkasnya, kejayaan membina icapital.biz Berhad adalah serupa dengan membina Malaysia yang lebih baik. Bagi saya, mereka sinonim.

Dana tertutup biasanya dilancarkan apabila pasaran saham mengujakan. Ini boleh difahami, kerana sukar untuk mengumpul dana yang dikehendaki semasa keadaan pasaran yang teruk. Di samping itu, semenjak dari permulaan tawaran awam pada tahun 2005 lagi, saya hanya ingin menarik sesetengah jenis pelabur tertentu sahaja kepada icapital.biz Berhad dan maka dengan itu saya mengarahkannya permulaan tawaran awam. Akibatnya, pemegang-pemegang saham dalam icapital.biz Berhad telah dirujuk sebagai pemilik-pemilik saham. Seperti yang kami jelaskan dalam laporan tahunan pertama, "pegangan" membayangkan sesuatu yang sementara manakala "memiliki" membayangkan keadaan yang lebih kekal, sama seperti pemilik perniagaan atau hartanah tidak digambarkan sebagai pemegang tetapi sebagai pemilik.

Pada akhirnya, permulaan penawaran awam icapital.biz Berhad telah berlangsung pada masa yang kurang mengujakan. Sebagai pelabur nilai, ini adalah perkara yang telah disengajakan. Walau bagaimanapun, di sebalik keadaan pasaran saham tempatan yang tidak memberangsangkan, penawaran icapital.biz Berhad telah melebihi langganan, yang menggambarkan kecanggihan dan kebijaksanaan ramai pelabur ketika itu. Selain itu, tidak seperti kebanyakan dana tertutup yang lain, ianya berdagang pada harga pasaran di bawah nilai aset bersihnya, icapital.biz Berhad telah didagangkan pada premium selepas tersenarai, sekali lagi membuktikan kekukuhan nilai pelaburan dan kebijaksanaan pelabur pada masa itu.

Bagi icapital.biz Berhad untuk menutup pada hari pertama disenaraikan pada tahun 2005 pada kadar premium

dengan NABnya adalah satu pencapaian besar dan di luar jangkaan orang ramai. Memandangkan betapa gigihnya Capital Dynamics dan saya bekerja serta strategi yang saya diguna pakai demi memastikan icapital.biz Berhad akan hanya kelihatan menarik kepada pelabur yang betul, premium ke NAB bukanlah satu kejutan. Seperti petikan dari Buffett dalam laporan tahunan 2007 kami, "**Kunci kepada harga saham yang rasional ialah pemegang saham yang rasional, kedua-duanya semasa dan prospektif**"

Dalam laporan tahunan 2023 ini, kami berbesar hati untuk memaparkan temu bual bersama Encik Yee Kwok Leung dari Johor Bahru, salah seorang individu yang kami berjaya menarik semula pada tahun 2005. Beliau kini merupakan pemilik saham paling lama di icapital.biz Berhad dan berhasrat untuk memiliki sahamnya selama-lamanya.

Melabur untuk jangka masa panjang

Perbualan dengan

Yee Kwok Leung

Pemilik saham icapital.biz Berhad yang paling senior

- 89 tahun lebih
- Bekas Jurutera Awam
- Pemilik saham iCAP sejak penubuhan pada Oct 2005
- Pelanggan surat berita i Capital

Temu bual telah dijalankan di Johor Bahru pada 8 Julai 2023.

Pautan Youtube
<https://www.youtube.com/watch?v=hsasY8myKr8&t=12s>

Sila imbas untuk menonton



Pengenalan

Encik Yee: Saya kini telahpun berusia 89 tahun lebih. Saya tinggal di Taman Nong Chik, Johor Baharu. Saya amat gembira kerana dapat bertemu dengan anda semua terutamanya Encik Tan Teng Boo yang sentiasa saya kagumi sebagai Pemikir Besar dari Timur. Kamu tahu, orang membandingkannya dengan Warren Buffett dari Barat, tetapi saya memanggilnya 'Pemikir Hebat dari Timur'.

S1 Apakah pekerjaan yang anda lakukan sebelum anda bersara?

Encik Yee: Saya seorang jurutera awam.

S2 Berapa lama anda telah melabur dalam pasaran saham?

Encik Yee: Lebih daripada 60 tahun. Sepertimana Encik Tan, dia sudah sangat lama terlibat dalam pelaburan.

S3 Bila dan bagaimana anda menemui icapital.biz Berhad?

Encik Yee: Bilakah saya menemuinya? Mungkin 15 tahun yang lalu? Sejak awal penubuhan i Capital pada tahun 2005.

S4 Bagaimana anda menemuinya? Rakan-rakan kamu? Keluarga kamu?

Encik Yee: Saya menemuinya sendiri. Saya cukup berminat dengan saham sejak dari kecil lagi.

S5 Jadi, adakah ia kerana IPO?

Encik Yee: Ya, ya.

S6 Apakah yang menarik perhatian anda ke icapital.biz Berhad?

Encik Yee: Syarikatnya. Walaupun saya melabur dalam perkara-pekerjaan yang lain tetapi saya masih fikir pelaburan jangka panjang adalah juga penting dan seperti yang selalu Encik Tan katakan "pelaburan nilai adalah sangat penting" dan itulah cara saya menetapkan keputusan.

S7 Semasa anda pertaman kali melabur dalam icapital.biz Berhad pada tahun 2005, anda sudah berumur 73 tahun. Apakah alasan anda membeli saham icapital.biz Berhad?

Encik Yee: Saya mempunyai kepercayaan penuh terhadap i Capital, Capital Dynamics yang diuruskan oleh Encik Tan.

S8 Adakah anda sudah mengenali Teng Boo terlebih dahulu?

Encik Yee: Ya.

S9 Bagaimanakah anda mengetahui tentang Teng Boo?

Encik Yee: Daripada surat berita i Capital. Sebenarnya, saya sudah lama bercakap dengan Encik Tan. Saya menghadapi masalah dengan saham, dan saya menghubungi pejabat i Capital dan kebetulan dia tidak berada di luar negara atau di tempat-tempat lain, dan dia menghabiskan masa untuk menasihati saya. Dan kerana nasihat itu, saya telah berjaya keluar darinya sekurang-kurangnya sebanyak yang mungkin.

S10 Mengapa anda ingin melabur untuk jangka masa panjang sedangkan anda sudah berusia 70-an?

En Yee: Sebenarnya, saya menyimpannya sebab saya ada juga mempunyai pelaburan-pelaburan lain jadi saya mampu untuk menyimpannya dan ianya boleh diturunkan kepada anak dan cucu. Dan seperti yang Encik Tan katakan, ia adalah untuk jangka masa panjang. Ia bukan untuk jangka masa pendek. Jangka masa panjang bermaksud seperti yang dia katakan dalam beberapa dekad: ia bukan beberapa tahun, bukan tiga hari. Jadi, tidak mengapa dan saya rasa masalah kewangan, dan anda tahu ekonomi AS sudah tertunggak.

Kemelesetan Besar akan datang pada tahun 2025 ataupun lebih awal dan tidak boleh dijangka. Tetapi apa yang saya tahu, sekarang pun, *i Capital* berjalan dengan lancar dan apabila tiba masanya, dan apabila ia tiba ia akan terjadi dengan serta-merta dan tiba-tiba. Saya pasti Encik Tan dan pasukan pasti tahu bagaimana untuk mengambil peluang saham yang kurang nilai dan akan menyerahkannya kepada anak-anak saya, dan tiada masalah. Ia adalah masa yang baik, ia adalah masa yang teruk untuk orang tertentu, ia adalah masa yang baik untuk dana tertutup, untuk *icapital biz Berhad*.

S11 Apakah yang membuatkan anda percaya kepada *i Capital* dan Tan Teng Boo?

Encik Yee: Saya mengagumi Teng Boo sebagai "Pemikir Dari Timur", dan satu lagi perkara yang saya kagumi adalah, saya tidak tahu dari mana dia mendapat tenaga, dia seperti tidak tidur! Saya tidak tahu, saya tidak tahu kehidupan peribadinya tetapi dari apa yang saya tahu, dari apa yang saya baca, dia penuh dengan tenaga. Selain itu, perkara yang menarik perhatian saya ialah dia seorang yang sangat bijak; dia tahu banyak perkara. Dia bukan sahaja seorang guru pelaburan tetapi kadang-kadang dia melontarkan sedikit falsafah, anda tahu dan budaya dunia, sistem politik, bukan semua yang boleh difikirkan, terutamanya di China. Orang seperti kita walaupun dalam usia saya, saya juga tidak cukup tahu tentang China tetapi dia tahu banyak tentang China. Tidak ramai yang mempunyai pengetahuan tentang itu. Jadi, itu sahaja sudah cukup untuk saya mengagumi Encik Tan Teng Boo.

S12 Apakah yang anda akan beritahu seseorang yang sedang mempertimbangkan untuk melabur dalam *icapital.biz Berhad*?

Encik Yee: Untuk golongan muda, ya, saya akan beritahu mereka. Saya akan katakan, ini adalah peluang seumur hidup. Ya. Dan kemurungan ini mungkin lebih teruk daripada tahun 1930, ia adalah kemerosotan epik bersejarah yang anda tahu, keruntuhan. Ia akan menjadi

sangat teruk. Orang muda seperti anda, perlu membuat persediaan dan mengharapakan yang terbaik.

TTB: Sebagai seorang warga emas, apakah harapan anda untuk masa depan Malaysia? Dimana, anda tidak berhijrah, dan saya juga tidak berhijrah.

Encik Yee: Jika Anwar boleh teruskannya, dan mungkin mereka mengambil masa 5-10 tahun, untuk 2-3 pilihan raya lagi mungkin akan jadi baik. Jika Anwar yang bertanggungjawab mungkin, ya. Mungkin ada sedikit harapan untuk semua pihak.

TTB: Saya bertanya anda soalan itu yang bukan berkaitan pelaburan kerana adakalanya, jelas sekali, anda sayangkan negara, saya sayangkan negara, itulah sebabnya. Jadi, adakalanya apabila kita mencari pelbagai arah, kita mencari pelbagai petunjuk tidak kira berapa jua usia kita. Kadangkala, saya tidak mempunyai jawapan.

Encik Yee: Walaupun anda berpengetahuan...

TTB: Saya bukan seorang yang beragama, saya bukan seorang Kristian, saya bukan seorang Buddha dan sebagainya, saya lebih.. dari segi Falsafah, saya lebih kepada seorang Tao. Masalahnya jika kita melihat melalui semua sejarah, falsafah dan sebagainya, apa akan jadi pada masa hadapan Malaysia?

Encik Yee: Baiklah, rakyat Malaysia mungkin mempunyai sedikit harapan sekiranya berlakunya peralihan dari barat ke timur. Seingat saya, Xi Jinping pernah menyebut "sejarah akan membuktikan bahawa kita betul, kita akan berada di sebelah pihak yang menang" Jadi sekiranya perkara sebegitu itu terjadi dan seperti yang anda tahu, dan anda telah banyak menulis tentang Anwar pergi ke China, dia harus tahu ke mana dia seharusnya kunjungi, jadi ia seharusnya akan menjadi baik. Tentunya akan mengambil satu jangka masa yang panjang mungkin 10 atau 20 tahun, atau mungkin pada abad yang akan datang, mungkin untuk anak-anak anda, cucu-cucu anda. Untuk kami...

TTB: Di usia kami, ia bukan tentang dolar dan sen lagi. Di usia kami, kita telah mempunyai secukupnya apa jua benda. Tetapi yang lebih penting adalah apa yang kita tinggalkan. Apakah jenis masyarakat, apakah jenis negara yang akan kita bakal tinggalkan. Terima kasih.

B. Masa Depan Yang Sangat Menarik Menanti

Adakah seharusnya kita masih fikir dan fokus jangka masa yang panjang? Jawapan ringkas adalah Ya. Pengalaman Encik Yee yang masih rancak sangat mencerahkan dan memberi inspirasi. Dia telah berusia lebih daripada 70

tahun ketika dia mula-mula melabur di dalam icapital.biz Berhad, pada usia di mana orang lain mungkin akan berhenti. Tanpa semua disedari, sudah hampir 19 tahun berlalu. Saya pada ketika ini telah berusia 69 tahun, dan apabila saya sudah mencecah umur 89 tahun, icapital.biz Berhad akan terwujud selama 20 tahun lagi. Sebagai Pengawai Lantikan Khas Dana anda, saya lihat masa depan yang sangat menarik menanti untuk icapital.biz Berhad. Sila teruskan bacaan.

Kualiti pemilik-pemilik saham yang bagus

Pertama, selepas penubuhannya pada tahun 2005, icapital.biz Berhad telah bertahun-tahun menikmati premium NAB yang baik kerana ia telah menarik pemilik-pemilik saham yang memiliki kualiti yang tepat. Seperti yang saya terangkan sebelum ini, pemilik-pemilik saham, yang sedia ada dan akan datang, akhirnya akan memikul tanggungjawab menentukan harga pasaran syarikat tersenarai terutamanya seperti icapital.biz Berhad. Jenis dan kualiti pemilik saham adalah amat penting. Untuk kepastian, Encik Yee bukan sahaja pemilik saham individu yang paling lama di icapital.biz Berhad, tetapi ada ramai lagi di luar sana yang mempunyai daya pemikiran yang sama seperti beliau dan ada ramai lagi di luar sana yang boleh tertarik dengan kami.

Saya juga telah pun menjelaskan di tempat lain sebelum ini bahawa kami telah memulakan strategi/kempen jangka panjang untuk menambah baik jenis dan kualiti pemilik saham Dana anda dan struktur pengundian dengan tujuan untuk mendapatkan kembali seberapa dekat yang mungkin pada tahun-tahun awal pewujudan (saya telah berkongsi sebahagian daripada idea-idea ini pada AGM tahun yang lepas). Terdapat banyak komponen dalam strategi yang menarik ini, termasuklah dasar dividen inovatif yang diumumkan baru-baru ini, pelancaran Kelab Peminat ICAP, meningkatkan pemilik individu ke atas Dana anda, dan mempunyai struktur pengundian yang lebih adil untuk skim pelaburan kolektif seperti icapital.biz Berhad dan banyak lagi. Sepanjang 20 tahun yang lalu, icapital.biz Berhad telah melalui perjalanan yang unik walaupun dengan misi awam yang jelas. Untuk 20 tahun akan datang, kita akan dapat melihat lebih banyak perkara ini. Untuk memastikannya, ia akan memerlukan jangka masa yang lama dan untuk akhirnya berjaya, kami akan memerlukan sokongan dan kerjasama dari semua pemilik-pemilik saham individu yang mempunyai daya pemikiran yang sama. Malangnya, terdapat sebahagian pengundi-pengundi besar/ parti-parti yang tidak berfikir seperti pemilik saham atau perniagaan jangka panjang, yang menumpukan pada harga saham dan bertindak lebih seperti bola pemusnah Dana anda. Seorang daripada ahli kumpulan ini menyertai forum pada tahun 2019, dan sejak itu telah mengantar 475 komen, 92% daripadanya adalah mengenai icapital.biz Berhad dan negatif.

Adalah bermanfaat untuk mengulangi apa yang dinasihatkan oleh Warren Buffet dalam Surat Berkshire beliau pada tahun 1985:

“Dalam jangka panjang, terdapat yang lebih konsisten hubungan antara nilai pasaran Berkshire dan nilai perniagaan daripada yang telah wujud untuk yang lain ekuiti dagangan awam yang saya kenali. Ini adalah satu penghormatan kepada anda. Kerana anda telah rasional, berminat, dan berorientasikan pelaburan, pasaran harga untuk saham Berkshire hampir selalunya diterima akal. Keputusan luar biasa ini telah dicapai oleh kumpulan pemegang saham dengan demografi-demografi yang luar biasa: hampir semua pemegang saham kami adalah individu-individu, bukan dari institusi-institusi.”

Kami akan bekerja keras dengan sepenuh hati untuk menarik dan mengekalkan pemilik yang berkualiti tinggi yang sesuai ini dalam icapital.biz Berhad. Dana anda akan boleh kembali kepada premium atau hampir dengannya ketika kami meneruskan fasa menarik seterusnya misi unik Dana anda ini.

Makro tailwinds

Pasaran kewangan Malaysia sudah beberapa lama kurang mapan (secara kebetulan, berdasarkan pengalaman saya selama 50 tahun lebih, terdapat hanya satu tempoh masa pasaran kewangan Malaysia yang kekal mampan, dari akhir 1974 hingga Jun 1981).

Sebagai contoh, apabila diukur dari 2002 hingga 2022, pasaran saham Jakarta mencatatkan 14.58% keuntungan terkompas tahunan yang mengagumkan. Dalam tempoh yang sama, Malaysia hanya menjana 3.71%, hanya sedikit di hadapan Singapura. Jika diukur dari 2009 hingga 2022, pasaran saham Jakarta masih mencatatkan keuntungan kompas tahunan yang mengagumkan sebanyak 12.26%. Dalam tempoh yang sama, Malaysia telah menjana satu yang menyedihkan 3.88%, malah lebih rendah daripada Singapura. Pasaran saham Thailand, Filipina dan Vietnam juga menjana pulangan yang jauh lebih tinggi daripada Malaysia. Adakah Malaysia ditakdirkan untuk lebih banyak mengalami keadaan teruk seperti itu?

Dari sudut pandangan makro, pembangunan politik domestik Malaysia telah memasuki tahap baru, yang saya fikir menjanjikan kerajaan yang lebih baik dan stabil dan seterusnya Malaysia yang lebih baik. Ramai rakyat Malaysia yang tidak menyedari bahawa Perdana Menteri ke-4/7 Malaysia telah memberi kesan buruk kepada negara, walaupun ketika itu beliau bukanlah perdana menteri. Sebagai contoh, beliau tidak berhenti menyerang dasar perdana menteri Abdullah Badawi walaupun kebanyakannya memberi makna sosio-ekonomi yang

baik kepada Malaysia dan sepatutnya dilaksanakan dan bukannya disekat. Kini, kita patut bersyukur, era yang sangat membuang masa dan tidak bertanggungjawab ini mulai berakhir. Dengan Malaysia diberkati sebagai sebuah negara yang dilimpahi dengan bakat manusia yang hebat, era baharu yang dinanti-nantikan akan melahirkan sebuah negara yang sekali lagi berada di landasan yang betul untuk memenuhi potensinya. Saya menjangkakan pasaran saham Malaysia akan menjadi benefisiari.

Falsafah pelaburan dan peruntukan Aset

Dari Oktober 2005 hingga 6 September 2023, indeks MSCI Malaysia meningkat 1.84% setiap tahun. Dalam tempoh yang sama, NAB icapital.biz Berhad melonjak 7.90% setiap tahun dan harga sahamnya dikompaun 6.61% (**Carta 3**). Prestasi kukuh Dana anda ini menyembunyikan banyak kebenaran penting. Untuk mendedahkannya, izinkan saya menguraikan prestasi keseluruhan ini kepada dua fasa yang berbeza: satu dengan tahap tunai yang lebih tinggi dan satu lagi dengan tahap tunai yang lebih rendah.

Dari Oktober 2005 hingga Disember 2013 apabila paras tunai icapital.biz Berhad lebih rendah (ia jatuh serendah 10.5% pada 2009), NAB icapital.biz Berhad melonjak 14.85% setiap tahun dan harga sahamnya dikompaun dengan mengagumkan pada 11.67% setiap tahun.

Sebagai perbandingan, dari Januari 2014 hingga Disember 2019 apabila tahap tunai Dana anda jauh lebih tinggi (ia meningkat kepada satu purata 63.4%), NABnya hanya memperoleh 0.71% setahun dan harga sahamnya pada asasnya tidak berubah, walaupun ianya masih jauh lebih baik daripada MSCI Malaysia indeks.

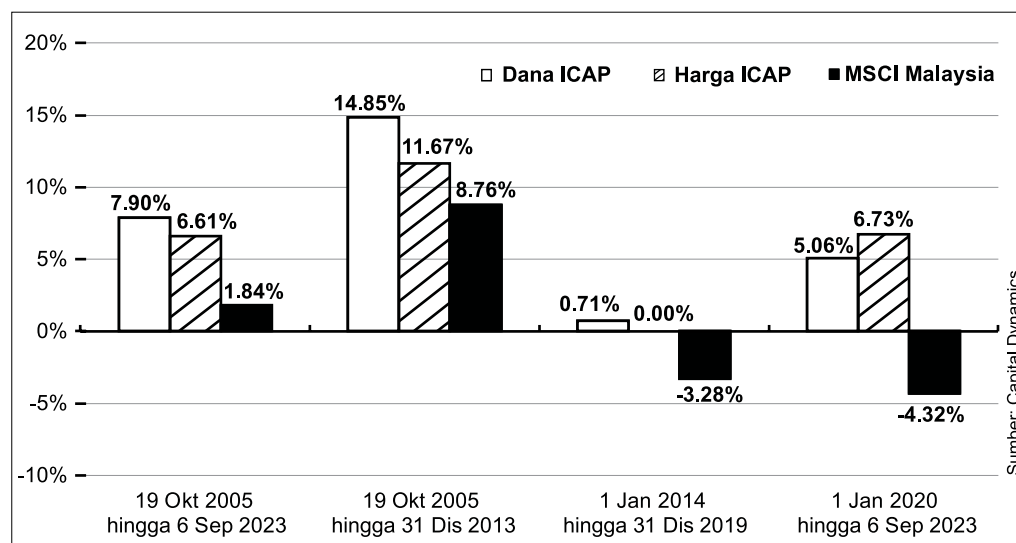
Kemudian, dari Januari 2020 hingga September 2023 apabila paras tunai Dana anda telah jatuh semula, (menjelang September 2023, ia telah jatuh kepada 26.4% daripada lebih 63% pada akhir 2019), NAB icapital.biz Berhad sekali lagi meningkat pada kadar kompaun tahunan yang lebih tinggi sebanyak 5.06%. Apa yang lebih menarik ialah harga sahamnya telah meningkat pada kadar yang lebih pantas iaitu 6.73% pengkompaunan setiap tahun. Pada kadar peningkatan ini, bukan sahaja pariti NAV akan muncul, tetapi ianya diharapkan menjadi premium lagi. Ianya lebih bergantung sekiranya Dana tersebut mempunyai pemilik-pemilik saham yang berkualiti tepat dan prestasi NAB pada masa yang akan datang.

Sejak hari pertama, icapital.biz Berhad sememangnya telah konsisten dan berdisiplin dengan pendekatan pelaburan nilainya dan dengan itu juga peruntukan asetnya. Apabila Dana anda melihat nilai yang menarik, ia akan melabur. Jika tidak, ia akan menunggu walaupun Pengawai Lantikan Khas Dana anda telah diganggu secara berterusan dan secara terbuka oleh beberapa pelabur-pelabur besar tertentu, pihak-pihak yang bukan pemilik saham Dana anda, kerana berpegang teguh pada falsafah pelaburan nilai Dana anda.

Pada tahun 1985, Buffett juga telah mengingatkan:

“Anda mungkin berfikir bahawa institusi-institusi, dengan kakitangan besar mereka yang bergaji tinggi dan profesional pelaburan berpengalaman, akan menjadi daya untuk kestabilan dan alasan dalam pasaran kewangan. Bukan mereka: saham-saham yang banyak dimiliki dan sentiasa dipantau oleh institusi-institusi sememangnya sering menjadi sesuatu yang dinilai secara tidak wajar.”

Carta 3 : Prestasi ICAP



Konklusinya

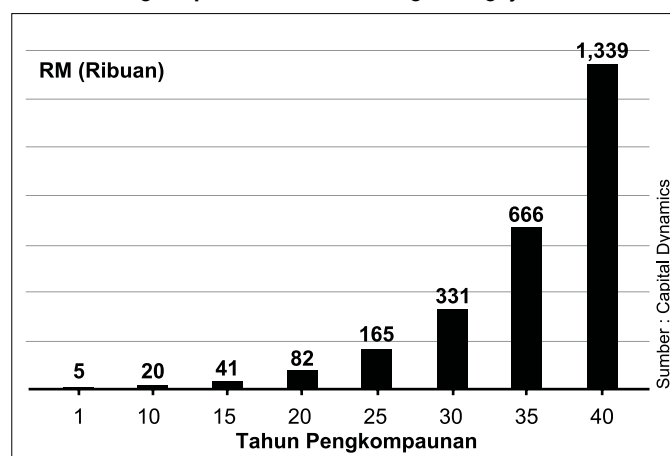
Dari awalnya, saya telah bertanyakan satu persoalan yang sangat berguna - adakah kita masih perlu fikir dan fokus pada jangka panjang. Ianya sangat mudah untuk menjual satu pelaburan. Anda diberitahu bahawa tidak pernah salah untuk mengambil keuntungan atau tidak perlu beremosi dengan pelaburan anda. Charlie Munger mempunyai jawapan mudah untuk persoalan ini.

"Peraturan pertama pengkompaunan: Jangan sekali-kali menggonggonya jika tidak perlu" - Charlie Munger

Nasihat Munger adalah antara prinsip-prinsip pengkompaunan yang paling penting dan ianya satu prinsip yang hanya diketahui oleh segelintir pelabur. Semua orang mengakui kuasa pengkompaunan. Jika anda memperoleh 15% setahun selama 35 tahun, anda akan mendapat 133 kali ganda wang anda. Malangnya, pelabur-pelabur lupa bahawa aritmetik ini banyak berkait dengan "back-end loaded". Iaitu selepas 35 tahun, anda mempunyai 133 kali; selepas 20, kira-kira 16 kali dan selepas 10 tahun, anda mempunyai kira-kira 4 kali. Jadi, anda tidak mahu menggonggu kompaun itu sekiranya tidak perlu.

Anda sebaiknya perlu mempunyai alasan yang kukuh untuk menjual satu pelaburan yang menguntungkan, sebagai contoh, hanya apabila saham telah meningkat 50%. Jika tidak, jualan anda akan kelihatan lebih menguntungkan pada tahun-tahun kemudiannya. Lihatlah pada **Carta 4** dan **Jadual 6** di bawah yang menggambarkan kuasa pengkompaunan dan anda akan

Carta 4 : Mengkompaun RM1000 sekurang-kurangnya 15% setahun



Jadual 6 : Mengkompaun RM5,000 pada 15% setahun

Tahun	Nilai Portfolio (RM)	Kenaikan (RM)
1	5,000	
10	20,228	+15,228
15	40,685	+20,458
20	81,833	+41,147
25	164,595	+82,762
30	331,059	+166,464
35	665,878	+334,819
40	1,339,318	+673,440
45	2,693,846	+1,354,529
50	5,418,287	+2,724,441

perasan peningkatan mendadak berlaku di hujung kanan pada **Carta 4**. Untuk sampai ke hujung kanan carta, kesabaran diperlukan. Anda harus bersedia untuk melihat nilai portfolio anda meningkat harga pasarannya, menurun dan meningkat semula. Anda tidak boleh kecewa atau meninggalkannya setiap kali pasaran mempunyai pembetulan. Jika tidak, anda mengganggu pengkompaunan pelaburan anda, yang dalam kes ini ia adalah icapital.biz Berhad.

Malaysia kini memasuki kombinasi era yang baru dan lebih baik, icapital.biz Berhad mampu memegang lebih banyak pelaburan (walaupun ini adalah fungsi penilaian saham) dan struktur pemilikan saham berkualiti tinggi boleh menghasilkan masa depan yang mengujakan untuk NAB dan harga saham Dana anda. Dalam proses itu, marilah kita bina dan tinggalkan icapital.biz Berhad yang akan menjadi contoh teladan bagi pelabur-pelabur individu Malaysia, dan syarikat-syarikat tersenarai yang lain mencontohi. Dengan cara ini, kita juga boleh melakukan bahagian kita untuk menyumbang kepada Malaysia dengan lebih baik.

C. Mesyuarat Agung Tahunan (AGM) 2023

Tahun ini AGM Dana anda akan diadakan dalam bentuk fizikal sahaja. Kami tidak sabar menantikan AGM yang lebih meriah dan menarik berbanding AGM hibrid atau maya.

Pemilik-pemilik saham digalakkan untuk menghadiri dan/atau mengundi pada AGM 2023 kerana setiap pemilik saham mempunyai hak untuk menentukan masa depan icapital.biz Berhad. Mengapa membiarkan hal ehwal Dana anda dan masa depannya ditentukan oleh sebilangan besar pengundi minoriti?

Pemilik-pemilik saham juga boleh mengundi melalui penyerahan e-proksi yang ditadbir oleh Pendaftar Saham.

Maklumat mengenai penyerahan e-proksi bersama-sama dengan Notis AGM ke-19 boleh didapati pada bahagian belakang laporan tahunan ini.

Maklumat dasar dividen akan dikongsi dalam AGM oleh Pegawai Lantikan Khas, Encik Tan Teng Boo, bersama dua orang lagi pakar kewangan antarabangsa.

Mesyuarat agung tahunan icapital.biz Berhad dahulunya merupakan penglibatan yang sangat menggembirakan dan produktif untuk semua. Harapan saya agar AGM akan datang akan kembali menjadi seperti yang sebelumnya.

D. Kelab Peminat ICAP



Sejak cadangan saya dalam AGM tahun lepas, kami telah mencapai kemajuan yang besar dalam membentuk Kelab Peminat ICAP. Ia akan menjadi kelab peminat yang pertama di rantau ini. Bagi mereka yang berminat untuk menyertai, sila layari www.icapfanclub.com. Saya akan berkongsi maklumat lanjut dalam AGM akan datang.

E. Hari Pelabur 2023, Ahad, 5 November

Hari Pelabur 2023 icapital.biz Berhad ialah acara pelaburan paling inovatif di Asia. Hari Pelabur 2023 sekali lagi akan diadakan pada hari Ahad di West Wing, Pusat Konvensyen Kuala Lumpur untuk memberi kemudahan kepada pemilik-pemilik saham.

Hari Pelabur tahun ini akan menjadi acara fizikal sahaja dan akan terdiri daripada 3 Trek yang produktif. Maklumat mengenai Hari Pelabur 2023 Dana anda boleh didapati di www.icapital.my, www.icapital.biz, <https://events.icapital.biz/> dan saluran media sosial Capital Dynamics, Pengurus Dana dan Penasihat Pelaburan anda.

Perjalanan untuk mencapai lebih sedikit atau tiada pelabur-pelabur institusi untuk Dana anda tidaklah mudah. Kami juga perlu memperbetulkan segala kerosakan yang dikenakan ke atas Dana anda oleh beberapa pihak besar. Tidak seperti pasaran saham London atau New York, di mana dana tertutup atau amanah pelaburan adalah perkara biasa, di Malaysia, kita perlu mendidik pelabur-pelabur tentang banyak faedah yang dapat diperolehi jika melabur dalam icapital.biz Berhad, iaitu satu-satunya dana tertutup yang tersenarai di Malaysia. Mengendalikan Hari Pelabur yang sangat popular adalah salah satu aktiviti yang diadakan untuk mencapai objektif yang diinginkan iaitu peningkatan pemilikan saham individu.

Seperti yang saya katakan semasa Hari Pelabur 2014, pada Oktober 2014:

“Motivasi di sebalik Hari Pelabur adalah ‘berkongsi’ – jika saya boleh menukar seseorang menjadi orang yang lebih baik dan pelabur yang lebih baik daripada ini, saya akan gembira. Orang itu akan terus mempengaruhi orang lain dalam kehidupan mereka, dan akhirnya mereka semua akan menjadikan ekonomi Malaysia yang lebih baik.”

Kedua-dua AGM dan Hari Pelabur yang telah dianjurkan oleh Capital Dynamics dan Hari Pelabur adalah tajaan bersama Capital Dynamics dan Dana anda.

Tan Teng Boo

Pegawai Lantikan Khas

Capital Dynamics Asset Management Sdn Bhd

19 September 2023

关于资本投资有限公司

关于我们

资本投资有限公司（您的基金）是一家封闭式基金。其主要投资目标是为其投资取得长期的资本增值，而来自投资的股息及/或利息则是次要的考虑因素。

您的基金投资于大马证券交易所主板及创业板内被低估的公司。

它也可以将现金存款及不超过10%的资产价值投资于非上市公司。您基金的资产配置乃是基于价值投资的理念。从理论上说，股权范围可以是0%至100%。

您的基金拥有RM1亿4千万的缴足资本，且在任何时候都拥有固定的已发行股。如同其它挂牌上市的公司，其股价完全由市场的供应以及需求所决定。同样的，您能够通过拥有执照的股票经纪行在股市买卖您的基金股票。

您基金的目标一直都是要实现增值，而这目标甚至是在早在它于2005年10月19日上市前就已被设定了。这是通过坚守价值投资理念而达成。身为一位价值投资者，您基金的投资决定是随股票的市价以及其潜在价值而定。

除非获得所有股东们的同意，否则，您基金不能借贷。

我们存在的理由

资本投资有限公司的存在全赖于一个简单的理由：允许长期股东从价值投资中获益。投资于您的基金允许复合回酬的威力为您效劳。若能成功地达到这目标，我们将证明长期性且认真地投资于大马证券交易所也能提供卓越的回报。

如何评估您的基金

衡量您基金表现的适当指标为资产净值而非一般公司所专注的盈利或者是每股盈利或其损益表。

谁管理您的基金

资本投资有限公司依据1965年的公司法令成立，并由董事会所代表。董事们皆属非执行董事，并且扮演监管的角色，以确保您的基金在任何时候都有条理地在运作。

您基金并没有任何职员。其运作皆外包予独立的专业公司。主要的专业公司是基金管理公司、投资顾问公司、托管公司以及行政服务公司。

基金的资产由基金经理所委任的指定人根据被批准的投资政策及目标来管理资产。资产则被托管公司所掌管，而会计与行政服务则外包予行政服务公司。

您基金也雇用了秘书、注册服务公司、外聘审计员以及税务公司的服务。内部审核也被外包。内部审核员直接向审核委员会进行汇报。

信托基金与封闭式基金有天渊之别。欲知这方面的详情，请联络投资顾问资威私人有限公司，或请浏览 www.icapitaleducation.biz。虽然作为一家注册成立的公司，但封闭式基金与一般上市公司仍有区别。欲知更多细节，请参阅本年度报告的解释说明部分。

我们的表现

我们将在此部分评估资本投资有限公司的表现。

A | 致股东的信

截至2023年5月31日的财年，尽管面临经济和市场环境以及政治环境的挑战，您的基金资产净值仍实现可观的增长，从上一财年的4.46亿令吉增至4.76亿令吉。截至2023年5月31日，您的基金资产净值主要包括公允价值总额为3.28亿令吉的上市股权投资以及总计1.45亿令吉的现金持有。

正如我们一直强调的，您的基金是封闭式基金，其主要投资目标是长期资本增值。因此，其资产净值是我们评估您的基金业绩时关注的主要标准和唯一变量。您的基金损益表并无评估价值。在当前报告期内，您的基金资产净值从2022年5月31日的每股3.19令吉上涨6.58%至2023年5月31日的每股3.40令吉。欲了解更多详情，请参阅本年报的财务报表部分。

从长远来看，您的基金的资产净值实现了8.00%的年复合收益率，而MSCI马来西亚指数的年复合收益率为1.76%，两者都是从您的基金成立之日2005年10月19日起至2023年8月23日计算的。您的基金股价年复合收益率为6.75%，跑赢MSCI马来西亚指数4.99个百分点。

增加个人持股

在去年的年度股东大会和2022年年报中，我们已经解释了股东的类型和质量对于决定股价表现的重要性。因此，您的董事会与您的基金经理和投资顾问共同采取了一系列措施和活动，旨在提高年轻投资者对资本投资有限公司的认识，增加个人持股量，并与现有股东互动。

经过广泛地研究，您的基金将引入创新的股息政策等策略，以确保您的基金股价与资产净值之间的差距能够持续自动弥补。创新的股息政策将满足不同股东的需求——寻求长期资本增值的股东、需要定期分配的股东以及可能需要兑现所持股份的股东。有关股息政策的更多细节将在今年的年度股东大会和投资者日与您分享。

对SICDA FOR的解释

保护所有股东的利益仍然是董事会的首要任务。您的基金的章程中设有符合《证券委员会公开发行封闭式基金证券指南》[第3.7.1 (iii) 条]和《证券交易所主要市场上市要求》[第7.40条]规定的规定限额。根据《1996年证券业（中央存托机构）（外资持股）条例》（“SICDA FOR”）第2条的规定，

该规定限额指的是公司组织大纲、公司章程或其他发行人的章程性质文件对外资持股所有权的配额、约束或限制。

SICDA FOR第6条规定，在规定限额内的外资持股应享有董事会确定的股份所附带的所有权利和义务。SICDA FOR第6条还规定，若外资持股超过规定限额，应由公司决定该股东是否享有所有权利和义务。

因此，根据 SICDA FOR 的规定，并结合公司章程中 20% 的规定限额、《证券委员会公开发行封闭式基金证券的指南》、《证券交易所主要市场上市要求》和《马来西亚证券交易所存管规则第 24A 章》有关公司股份的外资所有权，在证券交易所持有投票权股份总数的 20% 以内的外国投资者，有权在任何股东大会上投票，但外国投资者证券账户处于暂停状态限制性股份除外。出现 SICDA FOR 第 6(2) 条所列任何事件时，公司董事会可以对限制性股票所附带的权利和义务做出决定，例如但不限于 (i) 在召开任何股东大会之前；(ii) 在发行人采取任何公司行动之前；(iii) 股份转换。

您的董事会为确保您的基金大多数个人股东长期利益不受到侵害，在此向各位说明遵守SICDA FOR的必要性。

第十九届年度股东大会

新冠疫情已经结束，我们期待在您的基金第19届年度股东大会上与您面对面交流，该会议将仅在线下举行。我们鼓励股东在年度股东大会之前提交问题，以确保即将举行的年度股东大会问答环节的顺利进行。如果您无法亲自出席年度股东大会，可以通过股份登记处的电子委托书进行投票。

最后，您的董事会相信您的基金将在基金经理和投资顾问的审慎管理下继续表现良好。通过实施创新股息政策以减少资产净值折价，并持续努力增加个人持股量和年轻投资者的参与，您的基金将继续取得长期成功。

借此机会，我谨代表董事会向我们的股东表示衷心感谢，感谢你们为您的基金取得成功给予的耐心和支持。我还要感谢我们的服务提供商、所有利益相关者以及各相关当局的合作和持续支持。

拿督斯里Md Ajib Bin Anuar
董事长
2023年9月19日

B | 重要公告 - 谨防假冒和诈骗的通知

尊敬的股东，

我们想提醒您注意持续存在的冒充欺诈活动，欺诈者使用化名冒充资威集团的员工、财务顾问、代表、代理人和/或关联人，也有欺诈者冒充资本投资有限公司基金经理兼指定人陈鼎武和冒充资威集团董事总经理及代表的例子。资威集团包括资威资产管理私人有限公司、资威私人有限公司、资威全球私人有限公司、资威（新加坡）私人有限公司、资威资产管理（香港）私人有限公司、资威（澳大利亚）有限公司和资威投资管理咨询（上海）有限公司。这些欺诈者/冒充者创建了虚假的社交媒体账户/主页/社群和/或在线应用程序来进行诈骗。

根据迄今收到的信息，这些冒充诈骗的作案手法如下：

- 欺诈者会通过短信和或/WhatsApp、Facebook、Telegram、LINE或Instagram等社媒平台接触公众。他们可能自称是资威集团的金融顾问，并出示据称由金融监管机构颁发的假执照和/或证书，提供投资建议和/或实施投资计划。
- 有时，他们也可能通过利用虚假的陈鼎武社媒主页和显示陈鼎武姓名和照片的群组（如Facebook或WhatsApp），谎称自己是陈鼎武。这些虚假资料并非由资威集团和/或包括陈鼎武在内的全体员工所管理。
- 通过冒充我们的员工和/或声称是代表资威集团的财务顾问，欺诈者将欺骗受害者在某些“交易平台”开立“账户”。欺诈者会谎称，他们会引导受害者进行即时获利的交易，或谎称他们是代表资威集团提供投资计划或培训课程而来的。因此，受害者被诱使将资金或加密货币转入欺诈者的“交易账户”。随着时间的推移，受害者无法取出他们的钱或加密货币，欺诈者便会失联。

我们敦促大家在进行任何投资之前谨慎行事，并进行必要的尽职调查。注意事项如下：

- 我们绝不会要求客户在交易平台开户且将资金或加密货币转移到这些账户。我们与这些非法、未经许可的“交易平台”没有任何关联或附属关系。
- 我们不通过代理人提供投资建议、投资计划或培训课程。
- 我们**仅**在我们的官方网站、资本投资刊物和/或官方社交媒体账户上发布关于我们基金管理服务的**所有**信息，包括我们的投资建议、意见和



活动。有关我们的官方平台列表，可访问：
<http://www.capitaldynamics.biz/en>.

- 倘若您认为自己可能是骗局的受害者，您应当向警方报案。
- 如果您对自称是员工、高管、财务顾问、代表、代理人和/或自称与资威集团相关的任何人向您发送的信息有任何疑问，请联系我们。您可以在以下链接找到我们每个办事处的联系方式：<https://www.capitaldynamics.biz/ch>。

这些骗局是在未经资威集团和我们管理层知情、同意和授权的情况下进行的。我们以及陈鼎武已在吉隆坡和新加坡报案，并及时向当局报告了这些假冒和诈骗事件。

有关假冒和诈骗的更多信息，请访问：
<https://www.icapital.biz/public/general-announcements>。

祝好，

资威资产管理私人有限公司
《资本投资®》基金经理

资威私人有限公司
《资本投资®》投资顾问

C | 我们如何管理您的基金



最明智的投资是将投资当成一门生意来看待

— 本杰明·格雷厄姆



I. 投资组合

表一显示以当前市场价值排列的基金投资组合。

表一：截至2023年5月31日所持股票的市值 (RM' 000)

公司名称	(RM '000)
宇航工程	84,963
巴迪尼控股	63,265
科艺集团-普通股	39,736
-凭单	3,501
CAPITALA公司-普通股	22,840
-可赎回可转换无担保伊斯兰债务证券	7,809
-凭单	1,025
Krono科技	16,490
艾柏士保健	14,957
曙光资本	14,392
联合种植	11,408
木槿花石油	11,311
APM汽车控股	9,396
科鼎控股-普通股	5,151
-ICPS	192
东和资源	5,136
美景控股	3,542
百盛	3,441
理建	2,378
OCC集团	2,246
纬钜集团	1,856
吉隆	1,607
元宙集团	944
和乐精密	658
优宾机构	85

表二显示以持股量排列的基金投资组合。

表二：截至2025年5月31日的持股量

公司名称	(千股)
科鼎控股-普通股	49,058
-ICPS	7,665
Krono科技	31,112
CAPITALA公司-普通股	29,282
-可赎回可转换无担保伊斯兰债务证券	9,761
-凭单	4,880
科艺集团-普通股	28,383
-凭单	9,461
百盛	22,942
宇航工程	18,154
巴迪尼控股	17,007
木槿花石油	12,430
曙光资本	11,894
OCC集团	5,910
理建	5,007
APM汽车控股	4,698
艾柏士保健	3,749
元宙集团	3,145
美景控股	2,951
东和资源	1,888
和乐精密	1,803
吉隆	1,700
纬钜集团	1,614
联合种植	741
优宾机构	100

截至2023年5月31日，您的基金共投资了RM2.39193亿，市值为RM3.28326亿，未实现收益为RM8,913.4万。截至2023年5月31日，在您的基金投资中，巴迪尼控股、宇航工程、科艺集团及其凭单、艾柏士保健及联合种植取得了显著的未实现收益。

II. 已作出的投资

截至2023年5月31日的财年中，您的基金作出了以下新投资（表三）。

有关公司活动的说明，请参阅投资组合部分第55至56页。

表三：自2022年6月1日购入的股份

公司名称	(千股)
木槿花石油	12,430
OCC集团	2,500
艾柏士保健	1,466
联合种植	576
APM汽车控股	157
纬钜集团	100

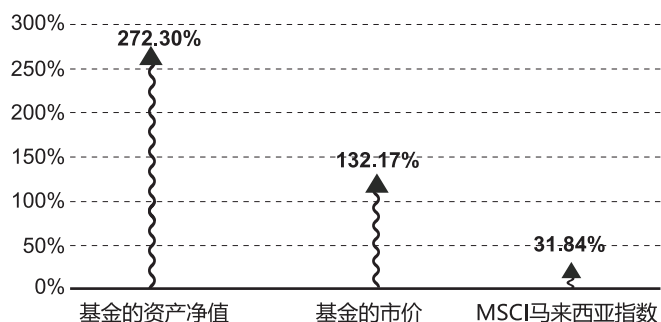
III. 已卖出的股项

截至2023年5月31日的财年内，除莫实得控股外，您的基金没有卖出任何股票。关于莫实得控股，您的基金已接受Lembaga Tabung Angkatan Tentera (LTAT) 对所持12,147,786股的自愿收购要约，亏损RM1,705.8万，成本为RM2,744.4万。

IV. 表现：资产净值及股价

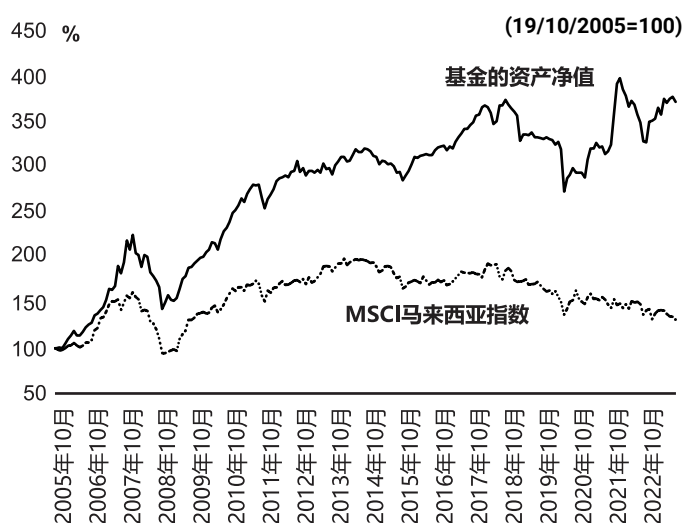
自资本投资有限公司于2005年10月19日上市以来，您基金的每股资产净值已从RM0.99增长至2023年5月31日的RM3.40（图一），增长了272%（假设2013年9月和2021年12月支付的特别股息被再投资）。自其于2005年10月19日上市以来，您基金的市价已从RM1.01上升至2023年5月31日的RM2.06，即132%的增长，MSCI马来西亚指数在同一时期只上涨了32%。

图一：2005年10月19日至2023年5月31日的增长



图二显示您基金的资产净值与MSCI马来西亚指数之间的表现对比。

图二：基金资产净值对比MSCI马来西亚指数



从2022年5月31日至2023年5月31日，您基金的每股资产净值从RM3.19增加至RM3.40（6.58%的涨幅），而市价从RM2.08微降至RM2.06（0.96%的跌幅）。同期，MSCI马来西亚指数暴跌了11.31%。

资本投资有限公司自上市以来的表现如表四及表五所示。

表四：从2005年10月19日至__年12月31日的累计回酬以及现金水平（%）

年份	资产净值 ¹	价格 ¹	MSCI 马来西亚指数	现金
2005	0.00	8.00	-1.77	62.39
2006	38.38	46.00	22.05	33.79
2007	125.25	162.00	61.93	15.58
2008	58.59	39.00	-4.10	32.97
2009	101.01	74.00	40.26	10.51
2010	157.58	109.00	67.37	29.87
2011	175.76	105.00	67.04	34.92
2012	195.96	137.00	78.47	34.34
2013	211.48	147.37	99.14	50.73
2014	203.21	140.16	84.06	63.16
2015	211.48	137.06	75.36	61.76
2016	222.87	155.62	70.92	68.59
2017	268.40	192.72	86.72	54.61
2018	229.08	154.59	73.66	68.52
2019	224.94	147.37	63.02	63.76
2020	220.80	119.54	60.32	50.20
2021	278.87	152.46	48.65	33.97
2022	258.06	125.41	42.22	30.25
2023 ²	272.30	132.17	31.84	30.61

表五：从2005年10月19日至__年12月31日的年化率（%）

年份	资产净值 ¹	价格 ¹	MSCI 马来西亚指数
2005	0.00	46.93	-8.55
2006	31.09	37.08	18.06
2007	44.65	54.93	24.49
2008	15.49	10.83	-1.30
2009	18.07	14.09	8.38
2010	19.94	15.22	10.41
2011	17.77	12.27	8.62
2012	16.25	12.72	8.37
2013	14.85	11.67	8.76
2014	12.81	9.98	6.85
2015	11.78	8.83	5.66
2016	11.02	8.73	4.90
2017	11.27	9.20	5.25
2018	9.44	7.33	4.27
2019	8.65	6.58	3.50
2020	7.96	5.31	3.15
2021	8.56	5.88	2.48
2022	7.69	4.84	2.07
2023 ²	7.74	4.90	1.58

注¹：您基金的资产净值和市价已根据截至2014年5月31日财年支付的一次性特别股息和截至2022年5月31日财年为缓解新冠肺炎困难所派发的特别股息进行了调整。

注²：从2005年10月19日至2023年5月31日。

如上表显示，您基金的现金水平过去在10.51%的低点和68.59%的高点之间大幅波动。截至2023年5月31日，以绝对值计算持有的现金接近RM1.46亿（或每股RM1.04），在截至2022年5月31日持有的RM1.62亿的基础上减少了逾RM1,500万。在上述财政年内，您基金现金水平的下降主要是由于在没有卖出任何投资的情况下（LTAT要约收购莫实得控股获得的收益除外）进行了新的投资。

V. 我们的见解

我经常问自己，我们的股东是否知道或记得当初创建资本投资有限公司的原因。与其他上市基金或上市公司不同，资本投资有限公司在社会使命之上特意设立了独特的目标。正如我在2018年针对一名《The Edge》高级编辑的诽谤案审判中向高等法院法官解释的那样，我创办资本投资有限公司的旅程就像一场十字军东征，目的是建设一个更好的马来西亚。

同样，与纽约等发达金融市场中的许多传统封闭式基金不同，只有了解了建立公司的最初动机，才能真正理解资本投资有限公司的成功。我在19年前成立了资本投资有限公司，公司于2005年成功上市，公司能够顺利上市原因很简单：

能够帮助长期股票持有者（更恰当的称呼是“股票所有者”）从价值投资中受益。投资您的基金可以让复利的力量为您所用。要是我们能够成功实现这一目标，我们也将证明，认真长期投资于大马证券交易所可以提供卓越的回报。

资本投资有限公司的目标不仅仅局限于提升经济收益——表明复利是长期有效的，而是着眼于更远的目标：证明个人稳健的长期投资可以在马来西亚发挥作用。实现这样的长期社会经济目标是国家建设的重要组成部分，可以为马来西亚这个年轻国家及其资本市场的发展产生许多积极贡献，帮助建设一个更美好的社会。当我们踏上旅程之时，我们真诚地相信每个马来西亚人都可以在这段旅程中出一份力。

我希望所有年龄段的马来西亚人都能认识到，自2005年以来，我们一直致力于将资本投资有限公司打造成一个独特且宝贵的企业实体，资本投资有限公司不仅仅能为您提供卓越的年度复合回报。例如，基于类似的社会经济目标和公共使命，资本投资有限公司成功举办了投资者日。

简而言之，成功创办资本投资有限公司就是成功建设一个更美好的马来西亚，对我而言，两者的性质一样。

封闭式基金通常在股市情绪高涨时推出。这是可以理解的，因为在市场状况不佳的情况下很难筹集

到所需的资金。此外，从2005年首次公开募股一开始，我就只想为资本投资有限公司吸引特定类型的投资者，因此我亲自指导了首次公开募股。与之相对应，资本投资有限公司的股东被称为“股票所有者”。正如我们在第一份年度报告中所解释的那样，“持有”意味着暂时拥有，而“所有”则意味着对某物拥有永久的所有权，就像我们称呼企业或房产的购买者或投资者为“所有者”而非“持有者”一样。

最终，资本投资有限公司的首次公开募股并没有在市场高涨的时候进行。作为价值投资者，这是我们有意而为之。然而，尽管本地股市不景气，资本投资有限公司的发售却获得大量超额认购，足见当时许多投资者的成熟和智慧。此外，通常而言，许多封闭式基金都以低于资产净值的市场价格进行交易，资本投资有限公司却不同，公司上市后交易价格发生溢价，这再次证明了价值投资的稳健性和投资者的智慧。

资本投资有限公司2005年上市首日收盘价就高于其资产净值，这对于公司而言是一项巨大的成就，超出了许多人的预期，实在是难以想象。由于资威和我的辛勤努力，以及我的“只吸引合适的投资者”的明智策略，资产净值溢价是意料之中的。正如我们在2007年年报中引用巴菲特的话：“**无论是现在还是未来，理性股价的关键是理性的股东……**”

在这份2023年年度报告中，我们很高兴能采访到来自新山市的Yee Kwok Leung先生，他是我们在2005年成功争取到的投资者之一。Yee Kwok Leung现在是资本投资有限公司最资深的股东，打算永远持有我们公司的股票。

长期投资

与Yee Kwok Leung的谈话
资本投资有限公司最年长的股东

- 89岁多
- 前土木工程师
- 自2005年10月份资本投资有限公司上市以来，就成为股东
- 是《资本投资》周刊的订户

本次采访于2023年7月8日在新山进行。

详见YouTube链接
<https://www.youtube.com/watch?v=hsasY8myKr8&t=12s>

扫描观看



简要介绍

Yee先生：我现在已经89岁了。我住在新山的Taman Nong Chik。很高兴能够见到大家，特别是陈鼎武先生。我一直钦佩陈鼎武，他是我心目中的东方伟大思想家。其实，大家都把他比作西方的沃伦·巴菲特，但我愿称他为“东方伟大思想家”。

问题1 您退休前的职业是什么？

Yee先生：我是一名土木工程师。

问题2 您投资股市多久了？

Yee先生：60多年了。和陈先生一样，他也投身于投资界很长时间了，我和他一样。

问题3 您何时以及如何知道资本投资有限公司的？

Yee先生：我什么时候知道的？大概是15年前？一开始我就知道了，2005年资本投资成立的时候。

问题4 您是怎么知道的？您的朋友告诉你的？还是从你家人的口中得知？

Yee先生：我自己发现的，我从小就对上市公司和股票很感兴趣。

问题5 那么，是因为首次公开募股吗？

Yee先生：是的，没错。

问题6 是什么吸引您投资资本投资有限公司？

Yee先生：我看中的是公司本身。虽然我也投资其他东西，但我仍然认为长期投资也很重要，正如陈先生所说“价值投资非常重要”，这就是我的初衷。

问题7 当您于2005年首次投资资本投资有限公司时，已经73岁了。您购买资本投资有限公司股票的原因是什么？

Yee先生：我对陈先生管理的资本投资有限公司和资威充满信心。

问题8 你很早就认识陈鼎武了吗？

Yee先生：是的。

问题9 您是如何认识陈鼎武的？

Yee先生：我是通过《资本投资®》刊物认识陈鼎武的。事实上，我很早以前就和陈先生交谈过。当时我在股票方面遇到了麻烦，我给资本投资办公室打电话，碰巧陈先生正在办公室里，他花了点时间，给了我建议。得益于这些建议，我在一定程度上摆脱了困境。

问题10 您已经70多岁了，为什么还想进行长期投资？

Yee先生：实际上，我保留资本投资的股票是因为我有其他投资可以为我提供支撑，并且还可以将它传给我的子孙。正如陈先生所说，投资资本投资是长期的，而不是短期的。陈先生所言的“长期”指的是几十年，不是几年，也不是三天。所以，没关系。我认为美国的金融、经济早就该出现问题了，大萧条可能会在2025年或更早到来，具体的我也不清楚。但据我所知，即使从目前的情况来看，资本投资的表现也很好。随着时间的推移，突如其来大萧条将如约而至。我相信陈先生和他的团队一定知道如何挑选价值被低估的股票，我所要做的便是将资本投资的股票传给我的孩子，其他的并不需要我操心。

问题11 是什么让您相信资本投资和陈鼎武？

Yee先生：我很佩服陈鼎武，他是我心目中的“东方思想家”。另外，我还佩服他的一点是，我不知道他从哪里来的精力，他好像并不需要睡觉！我并不了解他的私生活，但从他撰写的文字中，我能看出他充满活力。令我印象深刻的是，他见多识广，十分开明。他不仅是一位投资大师，他还懂一点哲学、世界文化、政治制度以及你无法想象的一切，尤其是关于中国的。像我们这样的人，即使在我这个年纪，对中国也缺乏了解，但他很了解中国。没有多少人能做到像他这样。所以，仅此一点就足以让我敬佩陈鼎武先生了。

问题12 对于正在考虑投资资本投资有限公司的人，您有何建议？

Yee先生：我想对年轻人说，这是一次千载难逢的机会。是的。这次萧条可能比1930年更严重，将造成前所未有的衰退，是一场令人绝望的经济崩溃。像你这样的年轻人需要做好准备，并抱有对美好未来的希望。

陈鼎武：同为老年人，您对马来西亚的未来有何希望？您没有移民，我也没有移民。

Yee先生：如果安华首相能够继续执政下去，这届政府也许还能执政5到10年，成功经历2到3次选举也许就可以了。如果安华首相执政，我便对马来西亚抱有希望，每个人都会有希望。

陈鼎武：我问您这个问题其实与投资无关。很显然，您热爱我们国家，我也热爱我们国家，这便是我问这个问题的原因。所以，有时候我们在寻找各种方向的时候，不管我们的年龄如何，我们都会寻找各种线索。有时，我并没有答案。

Yee先生：尽管你已经有较大的知识储备了……

陈鼎武：我不信仰宗教，我不是基督徒，也不是佛教徒。但从在哲学角度而言，我更信仰道家学说。

问题是，如果我们回顾历史，如果我们回顾所有的哲学以及其他领域的发展历程，马来西亚的未来将会是什么？

Yee先生：嗯，如果马来西亚能从西方转向东方，马来西亚人可能还会有一些希望。我记得，习近平提到“历史将证明我们是对的，我们站在历史正确的一边”。你写了很多关于安华首相访华的文章，如果习近平所言属实，安华应该知道马来西亚的未来在哪里，所以我们国家的未来应该不会出现什么问题。当然，这条路还有很长需要走，可能需要10年，可能需要20年，也许下一个世纪你的孩子、你的孙子才能见证这一切的发生。而我们……

陈鼎武：在我们这个年纪，我们所在乎的不再是赚多少美元或仙，我们得到的已经足够多了。更重要的是，我们留下了什么。我们留下什么样的社会、什么样的国家。谢谢。

B. 眼前便是光明未来

我们还应该坚持用长远的眼光思考和关注吗？答案是肯定的，Yee先生年岁虽高，但却依然颇有活力，他的经历非常发人深省，振奋人心。Yee先生第一次投资资本投资有限公司时，已经70多岁了，在这个年纪，其他人可能会退出投资。不知不觉，已经过去了差不多19年。我今年69岁，当我年满89岁时，资本投资有限公司将走过又一个20年。作为您的基金的指定人，我认为资本投资有限公司的未来十分光明。为什么这么说？

优质的股东

首先，自2005年成立以来，资本投资有限公司一直享有相对于资产净值的可观溢价，因为公司吸引了一群优质的股东。如前所述，公司现有以及未来的股东，都对上市公司的市场价格负有最终责任，尤其是像资本投资有限公司这样的公司。股东的类型和素质都很重要。不用说，Yee先生并不是资本投资有限公司股票唯一的长期个人股东，我们还有很多像他一样的伙伴，同时也在吸引更多志同道合的人。

我曾说过，我们已经启动了一项长期的战略活动，以改善基金股东的类型和质量以及投票结构，以期尽可能回到最初几年的水平（我在去年的年度股东大会上分享了其中一些想法）。这项战略活动有很多组成部分，其中包括最近宣布的创新股息政策、成立资本投资粉丝俱乐部、增加基金的个人所有权，以及为像资本投资有限公司这样的集体投资计划提供更公平的投票结构，实在振奋人心。在过去的20年里，尽管资本投资有限公司肩负明确的公共使命，但也经历了一段独特的旅程。在未来的20年里，还会经历更多类似的旅程。可以肯定的是，这将是一个漫长的旅途。为了实现最终的成功，我们需要所有志同道合的个人股东的支持和合作。不幸的是，有一些机构投资者专注于股票价格，没有从

长期股票所有者或企业所有者的角度思考，更像是摧毁您的基金的罪魁祸首。其中有一位人员于2019年加入了一个论坛，此后发布了475条评论，其中92%是在诋毁资本投资有限公司。

再次重述沃伦·巴菲特在1985年致伯克希尔信中提出的建议，十分有用：

“从长期来看，伯克希尔的市场价值和商业价值之间的关系比我所熟悉的任何其他公开交易股票的情况都更加一致。这是对你们的致敬。因为你们一直是理性的、专注的、以投资为导向的，所以伯克希尔股票的市场价格几乎一直都是合理的。这个不寻常的结果是由一个有着不寻常结构的股东群体实现的：我们的股东几乎都是个人，而不是机构。”

我们将继续努力，持续吸引并留住合适和优质的股东。您的基金肩负独特使命，即将进入激动人心的阶段，重回溢价或接近溢价。

宏观环境顺风

马股一蹶不振很久了（顺便说一句，根据我50多年的经验，马来西亚股市只出现过一次持续的牛市——从1974年底到1981年6月）。

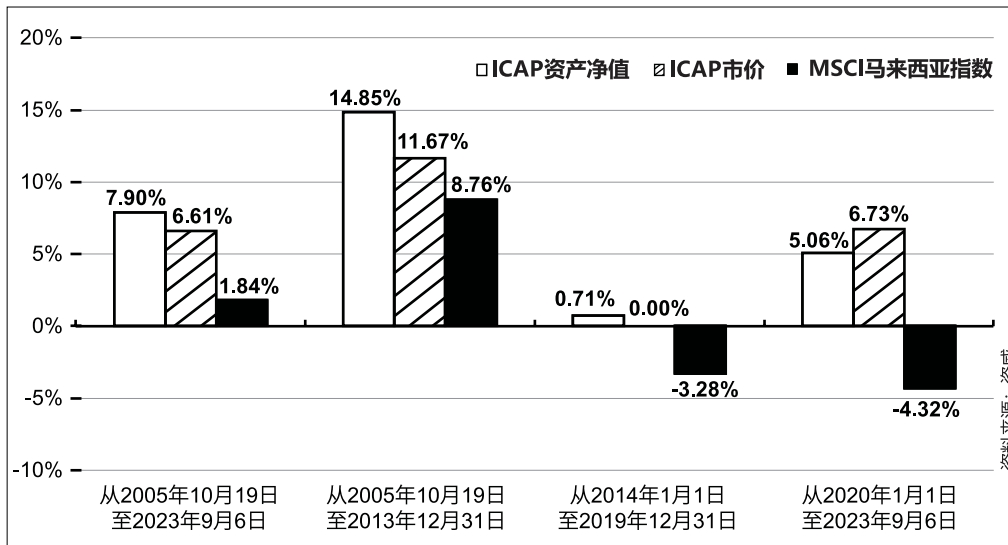
例如，从2002年到2022年，雅加达股市的年复合收益达到了14.58%，实在是令人印象深刻。同期，马来西亚的年复合收益仅为3.71%，仅略高于新加坡。如果只看2009年到2022年的数据，雅加达股市的年复合增长率仍高达12.26%，至今仍让人记忆犹新。而同一时期，马来西亚的增长率仅为可怜的3.88%，甚至低于新加坡。泰国、菲律宾和越南的股市回报率也远高于马来西亚。马来西亚注定会如此沉沦下去吗？

从宏观角度来看，马来西亚的国内政治发展已经步入新阶段，我认为这预示着更好和更稳定的政府，从而带来一个更美好的马来西亚。许多马来西亚人并没有意识到，马来西亚第四任/第七任首相相对国家造成了毁灭性的影响，在他不是首相时，也对国家造成了负面影响。例如，他不断打击第五任首相阿卜杜拉·巴达维的政策，尽管其中大多数政策对马来西亚具有良好的社会经济意义，这些政策应该被实施下去，而不是受到阻止。现在，值得庆幸的是，这个极其浪费和不负责任的时期即将结束。马来西亚人才济济，新时代前景令人期待，这将引领马来西亚重回正确的道路，发挥国家潜力。我认为马来西亚股市终将从中受益。

投资理念与资产配置

从2005年10月到2023年9月6日，MSCI马来西亚指数年化上涨1.84%。同期，资本投资有限公司的资产净值年化上涨7.90%，其股价复合增长6.61%（图三）。您基金的强劲表现隐含了几个重要事实。为了解读

图三：资本投资有限公司的表现



结论

一开始，我问了一个非常重要的问题——我们是否仍然应该坚持长期思维并着眼于长远发展。出售投资非常容易。总有人说，正常获利，投资时不要感情用事，就不会出错。查理·芒格对这个问题给出了一个简单的答案。

“复利的首要规则是永远不要多此一举地打断它。”——查理·芒格

这些数据，让我将您的基金整体表现分为两个不同的阶段：一个阶段现金水平较高，另一个阶段现金水平较低。

2005年10月至2013年12月，资本投资有限公司现金水平较低（2009年跌至10.5%），其资产净值年化上涨14.85%，股价年复合增长率高达11.67%，令人印象深刻。

相比之下，2014年1月到2019年12月，您的基金现金水平要高得多（平均升至63.4%），其资产净值年化仅上涨0.71%，股价基本持平，但仍比MSCI马来西亚指数好得多。

2020年1月到2023年9月，您的基金现金水平再次下降（到2023年9月，已从2019年底的63%以上下降至26.4%），资本投资有限公司的资产净值再次以5.06%的年复合增长率上升。更有趣的是，其股价上涨速度更快，年复合增长率达到6.73%。按照这样的增幅，不仅会出现资产净值平价，而且有望再次出现溢价。这很大程度上取决于基金是否拥有优质的股东以及未来资产净值的表现。

从成立第一天起，资本投资有限公司就严格坚守价值投资方法及其资产配置。当您的基金发现有投资价值时，便会进行投资。因此，即使受到某些大型投资者或机构（甚至不是您基金的股票所有者）的持续公开骚扰，指定人也会严格遵守您的基金的价值投资理念。

巴菲特早在1985年就警告称：

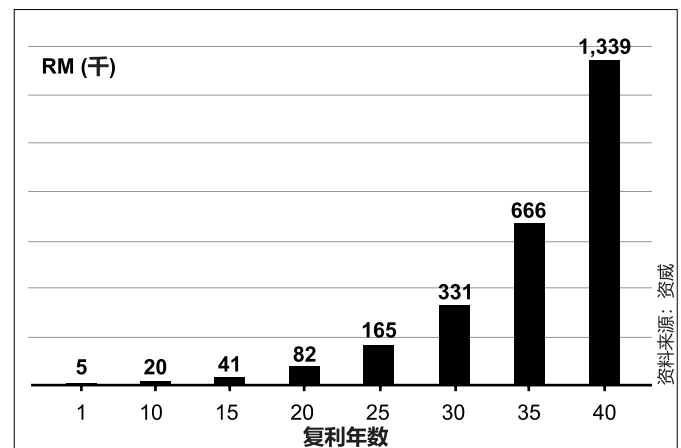
“你可能会认为，拥有大量高薪和经验丰富的投资专业人士的机构，会成为金融市场稳定和理性的力量。但事实并非如此：机构大量持有并不断监控的股票，往往是估值最不合理的股票之一。”

芒格的建议是复利最重要的原则之一，很少有投资者会意识到这点。每个人都相信复利的力量。如果你每年赚取15%，持续35年，你最终将获得133倍的收入。不幸的是，投资者会忘记在复利的算法中，收益主要集中在投资后期。坚持持有35年，会获得133倍的收入；持有20年，只能获得20倍的收入；持有10年，只能获得4倍的收入。所以，请不要轻易打断复利。

例如，若您因股票上涨了50%便售出了这次成功的投资，您最好有一个令人信服的理由。否则，几年之后您将意识到自己损失惨重。图四和表六展示了复利的力量，从图中更可以看出，图中最陡的区域位于最右侧。要想实现最右侧的收益，投资者需要有耐心，也愿意接受您的投资组合会出现波动的状况，这是正常现象。您不能因为市场自我调整，就弃船而逃，否则您的投资复利将会中断，在这里，我们所指的正是对资本投资有限公司的投资。

马来西亚正进入一个全新的时代，一个更加美好的时代，资本投资有限公司能够持有更多的投资（尽

图四：RM5,000的复利（按年利率15%）



表六：RM5,000的复利（按年利率15%）

复利年数	投资组合价值(RM)	增量(RM)
1	5,000	
10	20,228	+15,228
15	40,685	+20,458
20	81,833	+41,147
25	164,595	+82,762
30	331,059	+166,464
35	665,878	+334,819
40	1,339,318	+673,440
45	2,693,846	+1,354,529
50	5,418,287	+2,724,441

管这只是股票估值的函数），加上一个高质量的股权结构，可以为您的基金资产净值和股价带来光明的未来。在此过程中，让我们共同构建资本投资有限公司，为马来西亚个人投资者和其他上市公司做榜样。这样，我们也可以为更美好的马来西亚贡献自己的一份力量。

C. 2023年年度股东大会

您的基金今年的年度股东大会将仅在线下举行。本次股东大会不再采取线上或线下线上结合的模式。我们相信这次的股东大会更加生动，更具吸引力。

我们鼓励所有股东出席2023年年度股东大会，在会上投票，因为每位股东都有权决定资本投资有限公司的未来。为什么要让少数大型投资者决定您的基金的事务和未来呢？

股东也可以通过股份登记处的电子委托书进行投票。

有关电子委托书的提交详情以及第十九届股东大会的通知，请参阅本年报背面。

有关股息政策的详情将在年度股东大会由基金指定人陈鼎武先生和两位国际金融专家分享。

以往的资本投资有限公司年度股东大会对所有的人来说都是一次非常愉快且富有成效的活动。我希望未来的年度股东大会能像以前一样成功。

D. 资本投资粉丝俱乐部



去年我在年度股东大会上建议组建资本投资粉丝俱乐部，目前已经取得实质性进展，这将是国内首创。有意加入的朋友，请访问www.icapfanclub.com。我将在年度股东大会上分享更多细节。

E. 2023年投资者日，11月5日，星期日

资本投资有限公司2023年投资者日是亚洲最具创新性的投资活动。为了方便股东前来，今年的投资者日将再次于周日在吉隆坡会展中心西翼举办。

今年的投资者日只在线下举办，将举办三场极富成效的活动。欲知您的基金2023年投资者日详情，请访问www.icapital.my、www.icapital.biz、<https://events.icapital.biz/>，大家也可通过资威、您的基金经理或投资顾问社交媒体渠道了解详细信息。

为您的基金实现更少或零机构投资者的旅程并不容易，我们还必须消除一些大团体对您的基金造成的损害。与伦敦或纽约股市不同，在这些股市中封闭式基金或投资信托比较常见。而在马来西亚，我们需要给投资者普及投资马来西亚唯一一家上市封闭式基金资本投资有限公司的诸多好处。广受欢迎的投资者日是旨在增加个人股东数量而举办的活动之一。

正如我在 2014 年 10 月的 2014 年投资者日所说：

“投资者日背后的动机是‘分享’——如果我能够由此让一个人成为一个更好的人和一个更好的投资者，我就已经很满足。这个人会继续影响其他人的生活，最终他们都会让马来西亚经济变得更好。”

年度股东大会和投资者日均由资威组织，投资者日主要由资威和您的基金共同主办。

陈鼎武

指定人

资威资产管理有限公司

2023年9月19日

PROFILE OF DIRECTORS

DATO' SERI MD AJIB BIN ANUAR

- Independent Non-Executive Chairman
- Aged 73, Malaysian, Male

Dato' Seri Md Ajib Bin Anuar ("Dato' Seri Ajib") was appointed to your Board of Directors on 8 January 2015. He holds the professional qualification of the Association of Chartered Certified Accountants, United Kingdom.

Dato' Seri Ajib is a mineral resources industry professional with more than 50 years of experience and expertise in the global value chains of mineral resources industry. He is currently the President of the Malaysian Chamber of Mines (since 2003) as well as the President of the ASEAN Federation of Mining Associations (since 2016). He is also the Chairman of the Malaysian Tin Industry (Research & Development) Board (since 2003) and the Kuala Lumpur Tin Market (since 1997). He presently leads a consulting group, Magic Mirror Resources Consulting Sdn Bhd, providing consulting services in minerals and groundwater services.

Past key positions held by Dato' Seri Ajib include Group CEO and Executive Director of public listed Malaysia Smelting Corporation Berhad (MSC) - one of the world's largest tin smelting groups (1994 to 2013), Director of Rahman Hydraulic Tin Sdn Bhd - Malaysia's largest and most profitable open-pit hard rock tin mine (2004-2016), President of International Tin Research Institute - now International Tin Association (2002 to 2006 and 2012 to 2014) whilst serving as Director and Board EXCO member (1994 to 2022), Member of the Tin Committee of the London Metal Exchange (2011 to 2016) and External Consultant to the world's largest integrated tin mining and smelting group, Yunnan Tin Company Limited of China (2017 to 2021).

Prior to his appointment as the Group CEO of MSC, Dato' Seri Md Ajib Bin Anuar spent 23 years in MMC Corporation Berhad Group of Companies (formerly known as Malaysia Mining Corporation Berhad Group of Companies) serving in various senior positions including General Manager of the Finance Division, Director of Business Development and Managing Director of MMC's International Marketing Division. He had also served two terms as the President of ITRI Ltd. United Kingdom (2002 to 2006 and 2012 to 2014), the Deputy Chairman of the Kuala Lumpur Commodity Exchange (1988 to 1993) as well as the Chairman of Malaysian Futures Clearing Corporation (1990 to 1993).

Dato' Seri Md Ajib Bin Anuar has no family relationship with any director or major shareholder of your Fund nor has any conflict of interest with your Fund. He has not been convicted of any offence (other than traffic offence, if any) within the past five (5) years nor any public sanctions or penalty imposed by relevant regulatory bodies during the financial year. He attended six (6) Board of Directors' Meetings held in the financial year ended 31 May 2023.

DATO' SRI SYED ISMAIL BIN DATO' HAJI SYED AZIZAN

- Independent Non-Executive Director
- Member of the Audit Committee
- Chairman of the Nomination Committee
- Aged 69, Malaysian, Male

Dato' Sri Syed Ismail Bin Dato' Haji Syed Azizan was appointed to your Board of Directors on 3 December 2014. He graduated from University Kebangsaan Malaysia with a Bachelor of Arts (Honours) - Degree in Political Science and Advanced Diploma Strategic Studies.

He commenced his career with the Royal Malaysian Police Force as a Special Branch Officer in Kelantan on 1 October 1977.

He served in various positions within the Police Force as a Special Branch Officer in Penang, Training Officer in Bukit Aman, Kuala Lumpur ("Bukit Aman"), Compliance Officer in Bukit Aman, Narcotics Officer in Kedah, Deputy Officer in Charge of Police District of Kulim, Kedah and Criminal Investigation Officer in Perak.

After completing his further studies in 1997, he served as the Assistant Director of the International Criminal Police Organisation, Bukit Aman until 2002. He was later appointed as the Deputy Chief of the Criminal Investigation Department in Kuala Lumpur before being posted as the Chief of Criminal Investigation Department in Penang. Subsequently, he was appointed as the Deputy Director, Criminal Investigation Department in Bukit Aman.

From 2007 to 2010, he served as the Chief Police of Kedah, and was later appointed as the Director of the Commercial Crime Investigation Department in October 2010, a position he held until his retirement in January 2014.

Dato' Sri Syed Ismail Bin Dato' Haji Syed Azizan has no family relationship with any director or major shareholder of your Fund nor has any conflict of interest with your Fund. He has not been convicted of any offence (other than traffic offence, if any) within the past five (5) years nor any public sanctions or penalty imposed by relevant regulatory bodies during the financial year. He attended six (6) Board of Directors' Meetings held in the financial year ended 31 May 2023.

BOH BOON CHIANG

- Independent Non-Executive Director
- Chairman of the Audit Committee ("AC")
- Member of the Nomination Committee ("NC")
- Aged 61, Malaysian, Male

Mr Boh Boon Chiang was appointed to your Board of Directors on 16 July 2020. He graduated with Master of Business Administration from the University of Bath, United

Kingdom in 2001. He is a professionally qualified accountant with The Association of Chartered Certified Accountants (ACCA) and a member of the Malaysian Institute of Accountants (MIA).

Mr Boh Boon Chiang has more than 28 years of commercial experience in various sectors including construction, manufacturing and education and extensive exposure in financial management including corporate affairs, business development, taxation and finance.

Mr Boh Boon Chiang was the Financial Controller of an established education provider (formerly listed in Bursa) from 1996 to 2002. He was then appointed as the Chief Financial Officer and Chief Operating Officer of the same group in 2006 and 2007 respectively. He was also appointed as the Managing Director of a University College operated by the same group in 2009. He then served as the Chief Executive Officer of a company involved in early childhood education since 2003. He has served as the Group Chief Operating Officer of another company listed in Bursa since 2011 where the business of its subsidiaries is mainly involved in the trading in household electrical and electronic appliances. He also served as the Deputy Group Chief Executive Officer of the same group in 2017 before his retirement from active employment.

Mr Boh Boon Chiang has no family relationship with any director or major shareholder of your Fund nor has any conflict of interest with your Fund. He has not been convicted of any offence (other than traffic offence, if any) within the past five (5) years nor any public sanctions or penalty imposed by relevant regulatory bodies during the financial year. He attended six (6) Board of Directors' Meetings held in the financial year ended 31 May 2023.

DATUK MOHD NASIR BIN ALI

- Independent Non-Executive Director
- Member of the Audit Committee ("AC")
- Aged 65, Malaysian, Male

Datuk Mohd Nasir Bin Ali was appointed to your Board of Directors on 28 September 2021. He graduated from University of Malaya with a Bachelor of Economics (Honours) and University of Strathclyde (UK) with a Master of Science in Financial Studies.

Datuk Mohd Nasir Bin Ali has experience across many industries from investment house, unit trust, fund management, stockbroking, print media, advertising and banking.

He was formerly the Group Executive Director of Utusan Melayu (Malaysia) Berhad prior to retirement.

He now sits on the Board of EA Technique (M) Berhad, a Company listed on Bursa Malaysia, Goodyear Malaysia Berhad, MIDF Amanah Investment Bank Sdn Bhd, Minority Shareholders Watch Group and a few other private limited companies.

Datuk Mohd Nasir Bin Ali has no family relationship with any director or major shareholder of your Fund nor has any conflict of interest with your Fund. He has not been convicted of any offence (other than traffic offence, if any) within the past five (5) years and have not been imposed of any public sanctions or penalty by relevant regulatory bodies during the financial year. He attended six (6) Board of Directors' Meetings held in the financial year ended 31 May 2023.

TAN MUN LIN

- Non-Independent Non-Executive Director
- Member of the Nomination Committee ("NC")
- Aged 36, Malaysian, Female

Ms Tan Mun Lin was appointed to your Board of Directors on 11 January 2021. She holds the Capital Markets Services Representative Licence issued by the Securities Commission of Malaysia (SC) and is licensed as a representative by the Securities and Futures Commission of Hong Kong (SFC), both for the regulated activity of fund management.

Ms Tan is a fund manager and Executive Director of Capital Dynamics Asset Management Sdn Bhd. She also serves as the deputy group CEO of Capital Dynamics, an investment advisory and fund management group licensed by the SC, the Monetary Authority of Singapore, the Australian Securities and Investments Commission and the SFC.

Ms Tan has more than 14 years of experience in the regulated investment advisory and fund management industry. She possesses extensive experience in local and global investment research and analysis, legal, regulatory & compliance, marketing/business development, HR, operations, strategy and management.

Ms Tan started her career in Capital Dynamics as Executive Assistant to CEO (Investment Research) in September 2009. She graduated with Bachelor of Commerce and Bachelor of Laws from the University of Sydney in 2009.

Ms Tan Mun Lin has no family relationship with any director or major shareholder of your Fund nor has any possible conflict of interest with your Fund save as disclosed that she is also the Executive Director of your Fund Manager. She has not been convicted of any offence (other than traffic offence, if any) within the past five (5) years nor any public sanctions or penalty imposed by relevant regulatory bodies during the financial year. She attended six (6) Board of Directors' Meetings held in the financial year ended 31 May 2023.

PROFILE OF DESIGNATED PERSON

Under the Securities Commission Malaysia ("SC") Guidelines for Public Offerings of Securities of Closed-end Funds, "Designated Person" means the individual(s) responsible for managing the investments of the closed-end fund as approved by the SC under the Guidelines.

MR TAN TENG BOO

Mr. Tan Teng Boo (Mr. Tan), aged 69, Malaysian, is the Designated Person of your Fund as approved by the SC under its Guidelines on the Public Offerings of Securities of Closed-end Funds.

Mr. Tan is appointed by your Fund Manager and is the person responsible for managing the investments of your Fund since its listing on 19 October 2005.

Mr. Tan is the founder and Managing Director of your Fund Manager and your Investment Adviser. He is a Capital Markets Services Representative's Licence Holder for the regulated activity of Fund Management.

He holds an honours degree in Social Sciences, majoring in Economics from Sussex University, England. He has

over four decades of experiences in the equity markets and economies. As a result of his fascination with investing, he has the unique ability of blending his investing skills with his business experiences. As Mr. Warren Buffett, the world-renowned investor, said, "It's been awfully good to have a foot in both camps."

The Designated Person has no family relationship with any director or major shareholder of your Fund. The Designated Person and your Fund Manager have not identified any conflict of interest situation that may arise with your Fund.

The Designated Person and your Fund Manager have not been convicted of any offences (other than traffic offences, if any) within the past 5 years and have not been imposed any public sanctions or penalty by the relevant regulatory bodies during the financial year ended 31 May 2023.

FINANCIAL STATEMENTS

Contents

	Page
Directors' Report	37
Statement by Directors	39
Statutory Declaration	39
Independent Auditors' Report	40
Statement of Financial Position	42
Statement of Profit or Loss and Other Comprehensive Income	42
Statement of Changes in Equity	43
Statement of Cash Flows	43
Notes to the Financial Statements	44

DIRECTORS' REPORT

The directors hereby submit their report and the audited financial statements of your Fund for the financial year ended 31 May 2023.

PRINCIPAL ACTIVITY

Your Fund is a closed-end fund and is principally engaged in investing in a diversified portfolio of quoted securities. There has been no significant change in the nature of this activity during the financial year.

Your Fund is managed by a fund manager, Capital Dynamics Asset Management Sdn. Bhd. ("the Fund Manager"), a company incorporated in Malaysia. The principal activity of the Fund Manager is the provision of fund management services.

Results

Profit after taxation for the financial year

RM 1,746,460

DIVIDEND

No dividend was recommended by the directors for the financial year.

RESERVES AND PROVISIONS

There were no material transfers to or from reserves or provisions during the financial year other than those disclosed in the financial statements.

ISSUES OF SHARES AND DEBENTURES

During the financial year:-

- (a) there were no changes in the issued and paid-up share capital of your Fund; and
- (b) there were no issues of debentures by your Fund.

OPTIONS GRANTED OVER UNISSUED SHARES

During the financial year, no options were granted by your Fund to any person to take up any unissued shares in your Fund.

BAD AND DOUBTFUL DEBTS

Before the financial statements of your Fund were made out, the directors took reasonable steps to ascertain that action had been taken in relation to the writing off of bad debts and the making of allowance for impairment losses on receivables and satisfied themselves that there are no known bad debts and that no allowance for impairment losses on receivables is required.

At the date of this report, the directors are not aware of any circumstances that would require the writing off of bad debts, or the allowance for impairment losses on receivables in the financial statements of your Fund.

CURRENT ASSETS

Before the financial statements of your Fund were made out, the directors took reasonable steps to ensure that any current assets, which were unlikely to be realised in the ordinary course of business, including their value as shown in the accounting records of your Fund, have been written down to an amount which they might be expected so to realise.

At the date of this report, the directors are not aware of any circumstances which would render the values attributed to the current assets in the financial statements misleading.

VALUATION METHODS

At the date of this report, the directors are not aware of any circumstances which have arisen which render adherence to the existing methods of valuation of assets or liabilities of your Fund misleading or inappropriate.

CONTINGENT AND OTHER LIABILITIES

At the date of this report, there does not exist:-

- (a) any charge on the assets of your Fund that has arisen since the end of the financial year which secures the liabilities of any other person; or

- (b) any contingent liability of your Fund which has arisen since the end of the financial year.

No contingent or other liability of your Fund has become enforceable or is likely to become enforceable within the period of twelve months after the end of the financial year which, in the opinion of the directors, will or may substantially affect the ability of your Fund to meet its obligations when they fall due.

CHANGE OF CIRCUMSTANCES

At the date of this report, the directors are not aware of any circumstances not otherwise dealt with in this report or the financial statements of your Fund which would render any amount stated in the financial statements misleading.

ITEMS OF AN UNUSUAL NATURE

The results of the operations of your Fund during the financial year were not, in the opinion of the directors, substantially affected by any item, transaction or event of a material and unusual nature.

There has not arisen in the interval between the end of the financial year and the date of this report any item, transaction or event of a material and unusual nature likely, in the opinion of the directors, to affect substantially the results of the operations of your Fund for the financial year in which this report is made.

DIRECTORS

The name of directors of your Fund who served during the financial year and up to the date of this report are as follows:-

1. Dato' Seri Md Ajib Bin Anuar
2. Dato' Sri Syed Ismail Bin Dato' Haji Syed Azizan
3. Dato' Mohammad Nasir Bin Ali
4. Boh Boon Chiang
5. Tan Mun Lin

DIRECTORS' INTERESTS

According to the register of directors' shareholdings, the interests of directors holding office at the end of the financial year in shares of your Fund and its related corporations during the financial year are as follows:-

Number of Ordinary Shares				
	At 1.6.2022	Bought	Sold	At 31.5.2023
Your Fund				
<i>Direct Interests</i>				
Boh Boon Chiang	-	1,000	-	1,000
Tan Mun Lin	20,000	-	-	20,000

By virtue of their shareholdings in your Fund, Boh Boon Chiang and Tan Mun Lin are deemed to have interests in shares in its related corporations during the financial year to the extent of your Fund's interests, in accordance with Section 8 of the Companies Act 2016.

The other directors holding office at the end of the financial year had no interest in shares of your Fund or its related corporations during the financial year.

DIRECTORS' BENEFITS

Since the end of the previous financial year, no director has received or become entitled to receive any benefit (other than directors' remuneration as disclosed in the "Directors' Remuneration" of this report) by reason of a contract made by your Fund or a related corporation with the director or with a firm of which the director is a member, or with a company in which the director has a substantial financial interest except for any benefits which may be deemed to arise from transactions entered into in the ordinary course of business with companies in which certain directors have substantial financial interests as disclosed in Note 17(b) to the financial statements.

Neither during nor at the end of the financial year was your Fund a party to any arrangements whose object is to enable the directors to acquire benefits by means of the acquisition of shares in or debentures of your Fund or any other body corporate.

DIRECTORS' REMUNERATION

The details of the directors' remuneration paid or payable to the directors of your Fund during the financial year are as follows:-

	RM
Fees	255,000
Meeting allowances	62,000
	317,000

INDEMNITY AND INSURANCE COST

The directors and officers of your Fund are covered by directors and officers liability insurance for any liability incurred in the discharge of their duties, provided that they have not acted fraudulently or dishonestly or derived any personal profit or advantage. The insurance premium paid during the financial year amounted to RM40,000. No indemnity was given to or insurance effected for auditors of your Fund.

SIGNIFICANT EVENT DURING THE FINANCIAL YEAR

Further to the updates made in the 4th quarter report for the period ended 31 May 2023, the Board of Directors wishes to announce that at the hearing on 2 August 2023, the Federal Court unanimously dismissed your Fund's motion for leave to appeal to the Federal Court with costs of RM30,000.00 payable to City of London Investment Management Limited. The Federal Court's decision was on grounds that the matter did not meet the required threshold for conditions of appeal under the Courts of Judicature Act 1964.

AUDITORS

The auditors, Crowe Malaysia PLT, have expressed their willingness to continue in office.

The details of the auditors' remuneration for the financial year are as follows:-

	RM
Audit fees	50,000
Non - Audit fees	15,000
	65,000

Signed in accordance with a resolution of the directors dated 15 September 2023

*Dato' Seri Md Ajib Bin Anuar
Boh Boon Chiang*

STATEMENT BY DIRECTORS

PURSUANT TO SECTION 251(2) OF THE COMPANIES ACT 2016

We, Dato' Seri Md Ajib Bin Anuar and Boh Boon Chiang, being two of the directors of icapital.biz Berhad, state that, in the opinion of the directors, the financial statements set out on pages 42 to 54 are drawn up in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act 2016 in Malaysia so as to give a true and fair view of the financial position of your Fund as of 31 May 2023 and of its financial performance and cash flows for the financial year ended on that date.

Signed in accordance with a resolution of the directors dated 15 September 2023

*Dato' Seri Md Ajib Bin Anuar
Boh Boon Chiang*

STATUTORY DECLARATION

PURSUANT TO SECTION 251(1)(b) OF THE COMPANIES ACT 2016

I, Tan Teng Boo, being the director of Capital Dynamics Asset Management Sdn. Bhd. primarily responsible for the financial management of icapital.biz Berhad, do solemnly and sincerely declare that the financial statements set out on pages 42 to 54 are, to the best of my knowledge and belief, correct and I make this solemn declaration conscientiously believing the declaration to be true, and by virtue of the Statutory Declarations Act 1960.

Subscribed and solemnly declared by the
abovementioned Tan Teng Boo,
NRIC Number: 540211-02-5441
at Kuala Lumpur in the Federal Territory on this
15 September 2023

Before me
Shaiful Hilmi Bin Halim (W-804)
Commissioner for Oaths

Tan Teng Boo

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF ICAPITAL.BIZ BERHAD

(Incorporated in Malaysia)

Registration No: 200401036389 (674900-X)

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

Opinion

We have audited the financial statements of icapital.biz Berhad, which comprise the statement of financial position as at 31 May 2023, and the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the financial year then ended, and notes to the financial statements, including a summary of significant accounting policies, as set out on pages 42 to 54.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of your Fund as at 31 May 2023, and of its financial performance and its cash flows for the financial year then ended in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act 2016 in Malaysia.

Basis for Opinion

We conducted our audit in accordance with approved standards on auditing in Malaysia and International Standards on Auditing. Our responsibilities under those standards are further described in the *Auditors' Responsibilities for the Audit of the Financial Statements* section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence and Other Ethical Responsibilities

We are independent of your Fund in accordance with the *By-Laws (on Professional Ethics, Conduct and Practice)* of the Malaysian Institute of Accountants ("By-Laws") and the International Ethics Standards Board for Accountants' *International Code of Ethics for Professional Accountants (including International Independence Standards)* ("IESBA Code"), and we have fulfilled our other ethical responsibilities in accordance with the By-Laws and the IESBA Code.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of your Fund for the current financial year. These matters were addressed in the context of our audit of the financial statements of your Fund as a whole, and in forming our opinion thereon, and

we do not provide a separate opinion on these matters. We have determined that there are no key audit matters to be communicated in our report.

Information Other than the Financial Statements and Auditors' Report Thereon

The directors of your Fund are responsible for the other information. The other information comprises the information included in the annual report, but does not include the financial statements of your Fund and our auditors' report thereon.

Our opinion on the financial statements of your Fund does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements of your Fund, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements of your Fund or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Directors for the Financial Statements

The directors of your Fund are responsible for the preparation of financial statements of your Fund that give a true and fair view in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act 2016 in Malaysia. The directors are also responsible for such internal control as the directors determine is necessary to enable the preparation of financial statements of your Fund that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements of your Fund, the directors are responsible for assessing your Fund's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate your Fund or to cease operations, or have no realistic alternative but to do so.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements of your Fund as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted

in accordance with approved standards on auditing in Malaysia and International Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with approved standards on auditing in Malaysia and International Standards on Auditing, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:-

- Identify and assess the risks of material misstatement of the financial statements of your Fund, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of your Fund's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on your Fund's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements of your Fund or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause your Fund to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements of your Fund, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with the directors, we determine those matters that were of most significance in the audit of the financial statements of your Fund for the current financial year and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

OTHER MATTERS

This report is made solely to the members of your Fund, as a body, in accordance with Section 266 of the Companies Act 2016 in Malaysia and for no other purpose. We do not assume responsibility to any other person for the content of this report.

Crowe Malaysia PLT
201906000005
(LLP0018817-LCA) & AF 1018
Chartered Accountants

Kuala Lumpur
15 September 2023

Chong Wei-Chnoong
03525/08/2024 J
Chartered Accountant

STATEMENT OF FINANCIAL POSITION AT 31 MAY 2023

	Note	2023 RM	2022 RM
ASSETS			
NON-CURRENT ASSET			
Investments	5	328,326,395	283,063,721
CURRENT ASSETS			
Other receivables and prepayments	6	1,991,993	1,514,804
Current tax assets		632,512	747,855
Short-term deposits	7	126,845,022	150,174,514
Bank balance		18,876,819	12,143,889
		<u>148,346,346</u>	<u>164,581,062</u>
CURRENT LIABILITY			
Other payables and accruals	8	543,394	1,465,781
NET CURRENT ASSETS		<u>147,802,952</u>	<u>163,115,281</u>
NET ASSETS		<u>476,129,347</u>	<u>446,179,002</u>
FINANCED BY:-			
Share capital	9	140,000,000	140,000,000
Reserves	10	336,129,347	306,179,002
SHAREHOLDERS' EQUITY		<u>476,129,347</u>	<u>446,179,002</u>
Net asset value per ordinary share	11	<u>3.40</u>	<u>3.19</u>

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE FINANCIAL YEAR ENDED 31 MAY 2023

	Note	2023 RM	2022 RM
REVENUE			
Interest income		4,235,983	3,102,159
Dividend income		7,068,954	3,997,274
		<u>11,304,937</u>	<u>7,099,433</u>
LESS: OPERATING EXPENSES			
Accounting and administrative fees		115,372	113,500
Advertisements		6,512	6,512
Annual general meeting expenses		412,727	67,026
Auditors' remuneration			
- audit fees:			
- current financial year		50,000	47,000
- overprovision in the previous financial year		-	(3,000)
- non-audit fees		15,000	15,000
Custodian expenses		223,371	220,397
Directors' fees		317,000	289,700
Fund management fee		3,455,641	3,562,242
Investment advisory fee		3,455,641	3,562,242
Others		124,679	151,700
Professional fees		521,365	471,978
		<u>8,697,308</u>	<u>8,504,297</u>
PROFIT/(LOSS) BEFORE TAXATION		<u>2,607,629</u>	<u>(1,404,864)</u>
INCOME TAX EXPENSE	12	(861,169)	(633,378)
PROFIT/(LOSS) AFTER TAXATION		<u>1,746,460</u>	<u>(2,038,242)</u>
OTHER COMPREHENSIVE INCOME	13	28,203,885	50,390,825
TOTAL COMPREHENSIVE INCOME FOR THE FINANCIAL YEAR		<u>29,950,345</u>	<u>48,352,583</u>
PROFIT/(LOSS) AFTER TAXATION ATTRIBUTABLE TO:			
Owners of your Fund		<u>1,746,460</u>	<u>(2,038,242)</u>
TOTAL COMPREHENSIVE INCOME ATTRIBUTABLE TO:-			
Owners of your Fund		<u>29,950,345</u>	<u>48,352,583</u>
Basic earnings/(loss) per ordinary share	14	<u>0.01</u>	<u>(0.01)</u>
Diluted earnings/(loss) per ordinary share	14	<u>0.01</u>	<u>(0.01)</u>

STATEMENT OF CHANGES IN EQUITY FOR THE FINANCIAL YEAR ENDED 31 MAY 2023

		Non-distributable		Distributable	
	Note	Share Capital (RM)	Fair Value Reserve (RM)	Retained Profits (RM)	Total Equity (RM)
Balance at 1.6.2021		140,000,000	(5,187,084)	291,013,503	425,826,419
Loss after taxation		-	-	(2,038,242)	(2,038,242)
Other comprehensive income:					
- Fair value changes of equity and debt instruments		-	50,390,825	-	50,390,825
Total comprehensive income for the financial year		-	50,390,825	(2,038,242)	48,352,583
Transfer to retained profits arising from disposal of investments		-	(1,332,014)	1,332,014	-
Distributions to the owners of your Fund: - Dividend paid	15	-	-	(28,000,000)	(28,000,000)
Balance at 31.5.2022/1.6.2022		140,000,000	43,871,727	262,307,275	446,179,002
Profit after taxation		-	-	1,746,460	1,746,460
Other comprehensive income:					
- Fair value changes of equity and debt instruments		-	28,203,885	-	28,203,885
Total comprehensive income for the financial year		-	28,203,885	1,746,460	29,950,345
Transfer to retained profits arising from disposal of investments		-	17,058,118	(17,058,118)	-
Balance at 31.5.2023		140,000,000	89,133,730	246,995,617	476,129,347

STATEMENT OF CASH FLOWS FOR THE FINANCIAL YEAR ENDED 31 MAY 2023

	Note	2023 RM	2022 RM
CASH FLOWS FOR OPERATING ACTIVITIES			
Profit/(Loss) before taxation		2,607,629	(1,404,864)
(Increase)/Decrease in other receivables		(477,189)	959,995
(Decrease)/Increase in other payables		(922,387)	1,033,137
Proceeds from disposal of quoted investments		10,386,357	3,004,715
Purchase of quoted investments		(27,445,146)	(22,236,771)
CASH FOR OPERATIONS		(15,850,736)	(18,643,788)
Income tax paid		(745,826)	(882,500)
Income tax refunded		-	136,552
NET CASH FOR OPERATING ACTIVITIES		(16,596,562)	(19,389,736)
NET CASH FOR FINANCING ACTIVITY			
Dividend paid	15	-	(28,000,000)
NET DECREASE IN CASH AND CASH EQUIVALENTS		(16,596,562)	(47,389,736)
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE FINANCIAL YEAR		162,318,403	209,708,139
CASH AND CASH EQUIVALENTS AT END OF THE FINANCIAL YEAR	16	145,721,841	162,318,403

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 MAY 2023

1. GENERAL INFORMATION

Your Fund is a public limited liability company, incorporated and domiciled in Malaysia. The registered office and principal place of business are as follows:-

Registered office: 12th Floor, Menara Symphony
No.5, Jalan Professor Khoo Kay Kim,
Seksyen 13, 46200 Petaling Jaya,
Selangor Darul Ehsan.

Principal place of business: 10th Floor, Menara Hap Seng,
No.1 & 3 Jalan P. Ramlee,
50250 Kuala Lumpur.

The financial statements were authorised for issue by the Board of Directors in accordance with a resolution of the directors dated 15 September 2023.

2. PRINCIPAL ACTIVITY

Your Fund is a closed-end fund and is principally engaged in investing in a diversified portfolio of quoted securities. There has been no significant change in the nature of this activity during the financial year.

Your Fund is managed by a fund manager, Capital Dynamics Asset Management Sdn. Bhd. ("the Fund Manager"), a company incorporated in Malaysia. The principal activity of the Fund Manager is the provision of fund management services.

3. BASIS OF PREPARATION

The financial statements of your Fund are prepared under the historical cost convention and modified to include other bases of valuation as disclosed in other sections under significant accounting policies, and in compliance with Malaysian Financial Reporting Standards ("MFRSs"), International Financial Reporting Standards and the requirements of the Companies Act 2016 in Malaysia.

3.1 During the current financial year, your Fund has adopted the following new accounting standards and/or interpretations (including the consequential amendments, if any):-

MFRSs and/or IC Interpretations (Including The Consequential Amendments)

Amendments to MFRS 3: Reference to the Conceptual Framework

Amendments to MFRS 116: Property, Plant and Equipment - Proceeds before Intended Use

Amendments to MFRS 137: Onerous Contracts - Cost of Fulfilling a Contract

Annual Improvements to MFRS Standards 2018 - 2020

The adoption of the above accounting standards and/or interpretations (including the consequential amendments, if any) did not have any material impact on your Fund's financial statements.

3.2 Your Fund has not applied in advance the following accounting standards and/or interpretations (including the consequential amendments, if any) that have been issued by the Malaysian Accounting Standards Board ("MASB") but are not yet effective for the current financial year:-

MFRSs and/or IC Interpretations (Including The Consequential Amendments)	Effective Date
MFRS 17: Insurance Contracts	1 January 2023
Amendments to MFRS 17: Insurance Contracts	1 January 2023
Amendment to MFRS 17: Initial Application of MFRS 17 and MFRS 9 - Comparative Information	1 January 2023
Amendments to MFRS 101: Disclosure of Accounting Policies	1 January 2023
Amendments to MFRS 108: Definition of Accounting Estimates	1 January 2023
Amendments to MFRS 112: Deferred Tax related to Assets and Liabilities arising from a Single Transaction	1 January 2023
Amendments to MFRS 112: International Tax Reform - Pillar Two Model Rules	1 January 2023
Amendments to MFRS 16: Lease Liability in a Sale and Leaseback	1 January 2024
Amendments to MFRS 101: Classification of Liabilities as Current or Non-current	1 January 2024
Amendments to MFRS 101: Non-current Liabilities with Covenants	1 January 2024
Amendments to MFRS 107 and MFRS 7: Supplier Finance Arrangements	1 January 2024
Amendments to MFRS 10 and MFRS 128: Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	Deferred

The adoption of the above accounting standards and/or interpretations (including the consequential amendments, if any) is expected to have no material impact on the financial statements of your Fund upon its initial application.

4. SIGNIFICANT ACCOUNTING POLICIES

4.1 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

Key Sources of Estimation Uncertainty

Management believes that there are no key assumptions made concerning the future, and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year other than as disclosed below:-

(a) Impairment of Non-Trade Receivables

The loss allowances for non-trade financial assets are based on assumptions about risk of

default (probability of default) and expected loss if a default happens (loss given default). It also requires your Fund to assess whether there is a significant increase in credit risk of the non-trade financial asset at the reporting date. Your Fund uses judgement in making these assumptions and selecting appropriate inputs to the impairment calculation, based on the past payment trends, existing market conditions and forward-looking information. The carrying amount of other receivables as at the reporting date is disclosed in Note 6 to the financial statements.

(b) Income Taxes

There are certain transactions and computations for which the ultimate tax determination may be different from the initial estimate. Your Fund recognises tax liabilities based on its understanding of the prevailing tax laws and estimates of whether such taxes will be due in the ordinary course of business. Where the final outcome of these matters is different from the amounts that were initially recognised, such difference will impact the income tax expense and deferred tax balances in the period in which such determination is made.

Critical Judgements Made in Applying Accounting Policies

Management believes that there are no instances of application of critical judgement in applying your Fund's accounting policies which will have a significant effect on the amounts recognised in the financial statements.

4.2 FUNCTIONAL AND PRESENTATION CURRENCY

The functional currency of your Fund is the currency of the primary economic environment in which your Fund operates.

The financial statements are presented in Ringgit Malaysia ("RM") which is your Fund's functional and presentation currency.

4.3 FINANCIAL INSTRUMENTS

Financial assets and financial liabilities are recognised in the statement of financial position when your Fund has become a party to the contractual provisions of the instruments.

Financial instruments are classified as financial assets, financial liabilities or equity instruments in accordance with the substance of the contractual arrangement and their definitions in MFRS 132. Interest, dividends, gains and losses relating to

a financial instrument classified as a liability are reported as an expense or income. Distributions to holders of financial instruments classified as equity are charged directly to equity.

Financial instruments are offset when your Fund has a legally enforceable right to offset and intends to settle either on a net basis or to realise the asset and settle the liability simultaneously.

A financial instrument is recognised initially at its fair value (other than trade receivables without significant financing component which are measured at transaction price as defined in MFRS 15 at inception). Transaction costs that are directly attributable to the acquisition or issue of the financial instrument (other than a financial instrument at fair value through profit or loss) are added to/deducted from the fair value on initial recognition, as appropriate. Transaction costs on the financial instrument at fair value through profit or loss are recognised immediately in profit or loss.

Financial instruments recognised in the statement of financial position are disclosed in the individual policy statement associated with each item.

(a) Financial Assets

All recognised financial assets are measured subsequently in their entirety at either amortised cost or fair value (through profit or loss, or other comprehensive income), depending on the classification of the financial assets.

Debt Instruments

(i) Amortised Cost

The financial asset is held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest. Interest income is recognised by applying the effective interest rate to the gross carrying amount of the financial asset. When the asset has subsequently become credit-impaired, the interest income is recognised by applying the effective interest rate to the amortised cost of the financial asset.

The effective interest method is a method of calculating the amortised cost of a financial asset and of allocating interest income over the relevant period. The effective interest rate is the rate that discounts estimated future cash receipts (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts), excluding

expected credit losses, through the expected life of the financial asset or a shorter period (where appropriate).

(ii) Fair Value through Other Comprehensive Income

The financial asset is held for both collecting contractual cash flows and selling the financial asset, where the asset's cash flows represent solely payments of principal and interest. Movements in the carrying amount are taken through other comprehensive income and accumulated in the fair value reserve, except for the recognition of impairment, interest income and foreign exchange difference which are recognised directly in profit or loss. Interest income is calculated using the effective interest rate method

(iii) Fair Value through Profit or Loss

All other financial assets that do not meet the criteria for amortised cost or fair value through other comprehensive income are measured at fair value through profit or loss. The fair value changes do not include interest or dividend income.

Your Fund reclassifies debt instruments when and only when its business model for managing those assets change.

Equity Instruments

All equity investments are subsequently measured at fair value with gains and losses recognised in profit or loss except where your Fund has elected to present the subsequent changes in fair value in other comprehensive income and accumulated in the fair value reserve at initial recognition.

The designation at fair value through other comprehensive income is not permitted if the equity investment is either held for trading or is designated to eliminate or significantly reduce a measurement or recognition inconsistency that would otherwise arise.

Dividend income from this category of financial assets is recognised in profit or loss when your Fund's right to receive payment is established unless the dividends clearly represent a recovery of part of the cost of the equity investments.

(b) Financial Liabilities

(i) Financial Liabilities at Fair Value through Profit or Loss

Fair value through profit or loss category comprises financial liabilities that are either

held for trading or are designated to eliminate or significantly reduce a measurement or recognition inconsistency that would otherwise arise. The changes in fair value (excluding interest expense) of these financial liabilities are recognised in profit or loss.

(ii) Other Financial Liabilities

Other financial liabilities are subsequently measured at amortised cost using the effective interest method.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts), through the expected life of the financial liability or a shorter period (where appropriate).

(c) Equity Instruments

Equity instruments classified as equity are measured initially at cost and are not remeasured subsequently.

Ordinary Shares

Ordinary shares are classified as equity and recorded at the proceeds received, net of directly attributable transaction costs.

Dividends on ordinary shares are recognised as liabilities when approved for appropriation.

(d) Derecognition

A financial asset or part of it is derecognised when, and only when, the contractual rights to the cash flows from the financial asset expire or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity. On derecognition of a financial asset measured at amortised cost, the difference between the carrying amount of the asset and the sum of the consideration received and receivable is recognised in profit or loss. In addition, on derecognition of a debt instrument classified as fair value through other comprehensive income, the cumulative gain or loss previously accumulated in the fair value reserve is reclassified from equity to profit or loss. In contrast, there is no subsequent

reclassification of the fair value reserve to profit or loss following the derecognition of an equity investment.

A financial liability or a part of it is derecognised when, and only when, the obligation specified in the contract is discharged or cancelled or expires. On derecognition of a financial liability, the difference between the carrying amount of the financial liability extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss.

4.4 CASH AND CASH EQUIVALENTS

Cash and cash equivalents comprise cash in hand, bank balances, demand deposits, and short-term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value with original maturity periods of three months or less.

4.5 IMPAIRMENT

(a) Impairment of Financial Assets

Your Fund recognises a loss allowance for expected credit losses on investments in debt instruments that are measured at amortised cost or at fair value through other comprehensive income.

The expected credit loss is estimated as the difference between all contractual cash flows that are due to your Fund in accordance with the contract and all the cash flows that your Fund expects to receive, discounted at the original effective interest rate.

The amount of expected credit losses is updated at each reporting date to reflect changes in credit risk since initial recognition of the respective financial instrument. Your Fund always recognises lifetime expected credit losses for the trade receivables using the simplified approach. The expected credit losses on these financial assets are estimated using a provision matrix based on your Fund's historical credit loss experience and are adjusted for looking-forward information (including time value of money where appropriate).

For all other financial instruments, your Fund recognises lifetime expected credit losses when there has been a significant increase in credit risk since initial recognition. However, if the credit risk on the financial instrument has not increased significantly since initial recognition, your Fund

measures the loss allowance for that financial instrument at an amount equal to 12-month expected credit losses.

Your Fund recognises an impairment gain or loss in profit or loss for all financial instruments with a corresponding adjustment to their carrying amount through a loss allowance account, except for investments in debt instruments that are measured at fair value through other comprehensive income, for which the loss allowance is recognised in other comprehensive income and accumulated in the fair value reserve, and does not reduce the carrying amount of the financial asset in the statement of financial position.

(b) Impairment of Non-Financial Assets

The carrying values of assets, other than those to which MFRS 136 does not apply, are reviewed at the end of each reporting period for impairment when there is an indication that the assets might be impaired. Impairment is measured by comparing the carrying values of the assets with their recoverable amounts. When the carrying amount of an asset exceeds its recoverable amount, the asset is written down to its recoverable amount and an impairment loss shall be recognised. The recoverable amount of an asset is the higher of the asset's fair value less costs to sell and its value-in-use, which is measured by reference to discounted future cash flows using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. Where it is not possible to estimate the recoverable amount of an individual asset, your Fund determines the recoverable amount of the cash-generating unit to which the asset belongs.

An impairment loss is recognised in profit or loss.

When there is a change in the estimates used to determine the recoverable amount, a subsequent increase in the recoverable amount of an asset is treated as a reversal of the previous impairment loss and is recognised to the extent of the carrying amount of the asset that would have been determined (net of amortisation and depreciation) had no impairment loss been recognised. The reversal is recognised in profit or loss immediately.

4.6 INCOME TAXES

(a) Current Tax

Current tax assets and liabilities are the expected

amount of income tax recoverable or payable to the taxation authorities.

Current taxes are measured using tax rates and tax laws that have been enacted or substantively enacted at the end of the reporting period and are recognised in profit or loss except to the extent that the tax relates to items recognised outside profit or loss (either in other comprehensive income or directly in equity).

(b) Deferred Tax

Deferred tax is recognised using the liability method for temporary differences other than those that arise from the initial recognition of an asset or liability in a transaction which is not a business combination and at the time of the transaction, affects neither accounting profit nor taxable profit.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period when the asset is realised or the liability is settled, based on the tax rates that have been enacted or substantively enacted at the end of the reporting period.

Deferred tax assets are recognised for all deductible temporary differences, unused tax losses and unused tax credits to the extent that it is probable that future taxable profits will be available against which the deductible temporary differences, unused tax losses and unused tax credits can be utilised. The carrying amounts of deferred tax assets are reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that the related tax benefits will be realised.

Current and deferred tax items are recognised in correlation to the underlying transactions either in profit or loss, other comprehensive income or directly in equity.

Current tax assets and liabilities or deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when the deferred taxes relate to the same taxable entity (or on different tax entities but they intend to settle current tax assets and liabilities on a net basis) and the same taxation authority.

4.7 OPERATING SEGMENTS

An operating segment is a component of your Fund that engages in business activities from which it may earn revenues and incur expenses, including

revenues and expenses that relate to transactions with any of your Fund's other components. An operating segment's operating results are reviewed regularly by the chief operating decision maker to make decisions about resources to be allocated to the segment and assess its performance, and for which discrete financial information is available.

4.8 NET ASSET VALUE PER ORDINARY SHARE

Net asset value per ordinary share is calculated by dividing the net assets by the number of ordinary shares issued at the end of the reporting period.

4.9 FAIR VALUE MEASUREMENTS

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using a valuation technique. In estimating the fair value of an asset or a liability, your Fund takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. The measurement assumes that the transaction takes place either in the principal market or in the absence of a principal market, in the most advantageous market. For non-financial asset, the fair value measurement takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

For financial reporting purposes, the fair value measurements are analysed into level 1 to level 3 as follows:-

Level 1: Inputs are quoted prices (unadjusted) in active markets for identical asset or liability that the entity can access at the measurement date;

Level 2: Inputs are inputs, other than quoted prices included within level 1, that are observable for the asset or liability, either directly or indirectly; and

Level 3: Inputs are unobservable inputs for the asset or liability.

The transfer of fair value between levels is determined as of the date of the event or change in circumstances that caused the transfer.

The fair value for measurement and disclosure purposes in these financial statements is determined on such a basis, except for share-based payment

transactions (MFRS 2), leasing transactions (MFRS 16) and measurement that have some similarities to fair value but not are fair value, such as net realisable value (MFRS 102) or value-in-use (MFRS 136).

4.10 REVENUE FROM OTHER SOURCES

(a) Dividend Income

Dividend income from investment is recognised when the right to receive dividend payment is established.

(b) Interest Income

Interest income is recognised on an accrual basis using the effective interest method.

5. INVESTMENTS

	2023 (RM)	2022 (RM)
Quoted investments, at fair value	328,326,395	283,063,721

Equity Investments at Fair Value Through Other Comprehensive Income

- (a) Your Fund has designated the below equity investments at fair value through other comprehensive income because your Fund intends to hold for long-term strategic purposes.

The fair value of each investment is summarised below:-

	2023 (RM)	2022 (RM)
Quoted investments:-		
Apex Healthcare Berhad	14,957,313	6,802,148
APM Automotive Holdings Berhad	9,395,600	9,082,600
Bioalpha Holdings Berhad	5,151,048	7,113,352
Bioalpha Holdings Berhad - Irredeemable Convertible Preference Shares	191,631	574,894
Boustead Holdings Berhad	-	9,110,840
Capital A Berhad	22,840,116	19,033,430
Capital A Berhad - Redeemable Convertible Unsecured Islamic Debt Securities	7,808,586	6,783,709
Capital A Berhad - Warrants	1,024,877	927,270
EUPE Corp Berhad	84,500	80,000
Hibiscus Petroleum Berhad	11,311,482	-
HPMT Holdings Berhad	657,986	874,309
Kelington Group Berhad	39,736,480	33,492,176
Kelington Group Berhad - Warrants	3,500,594	4,352,090
Kronologi Asia Berhad	16,489,572	14,933,952
Luxchem Corp Berhad	2,378,230	3,204,352
MKH Berhad	3,541,717	3,836,859

	2023 (RM)	2022 (RM)
Oceancash Pacific Berhad	943,561	1,037,916
OCK Group Berhad	2,245,762	1,346,910
Padini Holdings Berhad	63,264,924	57,142,512
Parkson Holdings Berhad	3,441,344	3,441,345
Salutica Berhad	1,606,689	569,567
SAM Engineering & Equipment (M) Berhad	84,962,592	75,340,760
Suria Capital Holdings Berhad	14,392,200	13,916,425
Tong Herr Resources Berhad	5,135,632	5,758,705
United Plantations Berhad	11,408,320	2,415,600
Wellcall Holdings Berhad	1,855,639	1,892,000
	328,326,395	283,063,721

- (b) During the financial year, your Fund disposed of some of its investments as part of the fund's value investing strategy. The shares sold had a fair value of RM10,386,357 (2022 - RM3,004,715) at the time of sales and your Fund realised a cumulative loss of RM17,058,118 (2022 - cumulative gain of RM1,332,014) by transferring the associated fair value reserve to retained profits.

6. OTHER RECEIVABLES AND PREPAYMENTS

	2023 (RM)	2022 (RM)
Other receivables	629,373	356,474
Prepayments	1,362,620	1,158,330
	1,991,993	1,514,804

Included in prepayments is an amount of RM1,214,852 (2022 - RM1,144,647) being prepayment to related parties.

7. SHORT-TERM DEPOSITS

	2023 (RM)	2022 (RM)
Deposits with licensed financial institutions	126,845,022	150,174,514

The deposits with licensed financial institutions of your Fund at the end of the reporting period bore effective interest rates ranging from 3.15 % to 3.30% (2022 - 1.75% to 2.05%) per annum. The deposits with licensed financial institutions have maturity periods ranging from 1 to 3 months (2022 - 1 month).

8. OTHER PAYABLES AND ACCRUALS

	2023 (RM)	2022 (RM)
Other payables	40,822	1,016,453
Accruals	502,572	449,328
	543,394	1,465,781

9. SHARE CAPITAL

	2023	2022	2023	2022
	Number of Shares		(RM)	
Issued and Fully Paid-up				
Ordinary Shares				
At 1 June/ 31 May	140,000,000	140,000,000	140,000,000	140,000,000

The holders of ordinary shares are entitled to receive dividends as and when declared by your Fund and are entitled to one vote per ordinary share at meetings of your Fund. The ordinary shares have no par value.

10. RESERVES

	2023 (RM)	2022 (RM)
Fair value reserve	89,133,730	43,871,727
Retained profits	246,995,617	262,307,275
	336,129,347	306,179,002

Fair Value Reserve

The fair value reserve represents the cumulative fair value changes (net of tax, where applicable) of investments designated at fair value through other comprehensive income.

11. NET ASSET VALUE PER ORDINARY SHARE

The net asset value per ordinary share of your Fund is calculated based on the net assets at the end of the reporting period of RM476,129,347 (2022 – RM446,179,002) divided by the number of ordinary shares in issue at the end of the reporting period of 140,000,000 (2022 – 140,000,000).

12. INCOME TAX EXPENSE

	2023 (RM)	2022 (RM)
Current tax expense	841,494	547,665
Underprovision in the previous financial year	19,675	85,713
	861,169	633,378

A reconciliation of income tax expense applicable to the profit/(loss) before taxation at the statutory tax rate to income tax expense at the effective tax rate of your Fund is as follows:-

	2023 (RM)	2022 (RM)
Profit/(Loss) before taxation	2,607,629	(1,404,864)
Tax at the statutory tax rate of 24% (2022 - 24%)	625,831	(337,167)
Tax effects of:-		
Tax-exempt dividends	(284,485)	(211,733)

	2023 (RM)	2022 (RM)
Single tier dividends	(1,412,064)	(747,612)
Non-deductible expenses	1,912,212	1,844,177
Underprovision of current tax in the previous financial year	19,675	85,713
	861,169	633,378

13. OTHER COMPREHENSIVE INCOME

	2023 (RM)	2022 (RM)
Items that Will Not be Reclassified Subsequently to Profit or Loss		
Fair value of investments:		
- changes during the financial year	28,203,885	50,390,825

14. EARNINGS/(LOSS) PER SHARE

The basic earnings/(loss) per ordinary share is arrived by dividing the profit after taxation attributable to owners of your Fund for the financial year of RM1,746,460 (2022 - loss after taxation of RM2,038,242) over the weighted average number of ordinary shares in issue during the financial year of 140,000,000 (2022 - 140,000,000).

Your Fund has not issued any dilutive potential ordinary shares and hence, the diluted earnings/(loss) per share is equal to the basic earnings/(loss) per share.

15. DIVIDEND

	2023 (RM)	2022 (RM)
Special COVID-19 relief dividend of RM0.20 sen per ordinary share in respect of the previous financial year	-	28,000,000

16. CASH AND CASH EQUIVALENTS

For the purpose of the statement of cash flows, cash and cash equivalents comprise the following:-

	2023 (RM)	2022 (RM)
Short-term deposits	126,845,022	150,174,514
Bank balance	18,876,819	12,143,889
	145,721,841	162,318,403

17. RELATED PARTY DISCLOSURES

(a) Identities of Related Parties

Parties are considered to be related to your Fund if your Fund has the ability, directly or indirectly, to control or jointly control the party or exercise significant influence over the party in making financial and operating

decisions, or vice versa, or where your Fund and the party are subject to common control.

Your Fund has related party relationships with Capital Dynamics Asset Management Sdn. Bhd. ("CDAM"), the fund manager of your Fund and Capital Dynamics Sdn. Bhd. ("CDSB"), the investment adviser of your Fund.

In addition to the information detailed elsewhere in the financial statements, your Fund has related party relationships with its directors, key management personnel and entities within the same group of companies.

(b) Significant Related Party Transactions and Balances

Other than those disclosed elsewhere in the financial statements, your Fund also carried out the following significant transactions with the related parties during the financial year:-

	2023 (RM)	2022 (RM)
Fund management fees paid to CDAM	3,455,641	3,562,242
Investment advisory fees paid to CDSB	3,455,641	3,562,242

(c) Key Management Personnel Compensation

The key management personnel compensation during the financial year are as follows:-

	2023 (RM)	2022 (RM)
Directors of your Fund		
<i>Non-executive Directors</i>		
- fees	255,000	238,700
- meeting allowances	62,000	51,000
	317,000	289,700

18. SEGMENTAL INFORMATION

No segmental information is presented as your Fund is a closed-end fund and operates primarily in Malaysia.

Your Fund's investments are managed as a portfolio of equity investments. The fund manager of your Fund is responsible for allocating resources for investments in accordance with the overall investment strategies as set out in the prospectus. The fund manager assesses the performance of the investments portfolio and provides updates to the Board of Directors on the financial performance of your Fund's investments.

19. FINANCIAL INSTRUMENTS

Your Fund's financial risk management policy seeks to ensure that adequate financial resources are available

for the development of your Fund's business whilst managing its single issuer risk, market risk (including foreign currency risk, interest rate risk and equity price risk), credit risk and liquidity risk.

19.1 FINANCIAL RISK MANAGEMENT POLICIES

Your Fund's policies in respect of the major areas of treasury activity are as follows:-

(a) Single Issuer Risk

The investment of your Fund in any quoted investments shall not exceed 10% of its net asset value or 10% of the issued capital of the issuer, whichever is lower. Under such restriction, the exposure risk to the securities of any issuer is mitigated.

(b) Market Risk

(i) Foreign Currency Risk

Your Fund does not have any transactions or balances denominated in foreign currencies and hence, is not exposed to foreign currency risk.

(ii) Interest Rate Risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Your Fund's exposure to interest rate risk arises mainly from its interest-earning financial assets. Your Fund's policy is to obtain the most favourable interest rates available.

Your Fund's short-term deposits with licensed financial institutions are carried at amortised cost. Therefore, they are not subject to interest rate risk as defined in MFRS 7 since neither carrying amounts nor the future cash flows will fluctuate because of a change in market interest rates.

Interest Rate Risk Sensitivity Analysis

The sensitivity analysis for short-term deposits at the end of the reporting period is not presented as change in interest rate would not have impact to the profit or loss and equity of your Fund.

(iii) Equity Price Risk

Your Fund's principal exposure to equity price risk arises mainly from changes in quoted investment prices. The Fund Manager manages its exposure to equity price risks by maintaining a portfolio of equities with different risk profiles.

Equity Price Risk Sensitivity Analysis

The following table details the sensitivity analysis to a reasonably possible change in the prices of the quoted investments classified as fair value through other comprehensive income at the end of the reporting period, with all other variables held constant:-

	2023 (RM)	2022 (RM)
Effects on Equity		
Increase of 10%	32,832,640	28,306,372
Decrease of 10%	(32,832,640)	(28,306,372)

There is no impact on your Fund's profit after taxation.

(c) Credit Risk

Your Fund's exposure to credit risks, or the risk of counterparties defaulting, arises from the ability to make timely payments of interest, principals and proceeds from realisation of investments. It is your Fund's policy to monitor the financial standing of those counterparties on an ongoing basis to ensure that your Fund is exposed to minimal credit risk.

(i) Credit Risk Concentration Profile

Your Fund does not have any major concentration of credit risk related to any individual or counterparty.

(ii) Maximum Exposure to Credit Risk

At the end of the reporting period, the maximum exposure to credit risk is represented by the carrying amount of each class of financial assets recognised in the statement of financial position of your Fund after deducting any allowance for impairment losses (where applicable).

(iii) Assessment of Impairment Losses

At each reporting date, your Fund assesses whether any of the financial assets at amortised cost are credit impaired.

The gross carrying amounts of financial assets are written off against the associated impairment, if any, when there is no reasonable expectation of recovery despite the fact that they are still subject to enforcement activities.

A financial asset is credit impaired when any of the following events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred:

- Significant financial difficulty of the receivable;
- A breach of contract, such as a default or past due event;
- Restructuring of a debt in relation to the receivable's financial difficulty;
- It is becoming probable that the receivable will enter bankruptcy or other financial reorganisation.

Other Receivables

Your Fund applies the 3-stage general approach to measuring expected credit losses for its other receivables.

Under this approach, loss allowance is measured on either 12-month expected credit losses or lifetime expected credit losses, by considering the likelihood that the receivable would not be able to repay during the contractual period (probability of default, PD), the percentage of contractual cash flows that will not be collected if default happens (loss given default, LGD) and the outstanding amount that is exposed to default risk (exposure at default, EAD).

In deriving the PD and LGD, your Fund considers the receivable's past payment status and its financial condition as at the reporting date. The PD is adjusted to reflect current and forward-looking information on macroeconomic factors affecting the ability of the receivable to settle its debts.

Allowance for Impairment Losses

No expected credit loss is recognised on other receivables as it is negligible.

Short-term Deposits and Bank Balance

Your Fund considers the licensed banks and financial institutions have low credit risks. In addition, some of the bank balances are insured by Government agencies. Therefore, your Fund is of the view that the loss allowance is immaterial and hence, it is not provided for.

(d) Liquidity Risk

Liquidity risk arises mainly from general funding and business activities. Your Fund practises prudent risk management by maintaining sufficient cash balances and adequate working capital to meet its obligations as and when they fall due.

Maturity Analysis

The following table sets out the maturity profile of the financial liability at the end of the reporting

period based on contractual undiscounted cash flows (including interest payments computed using contractual rates or, if floating, based on the rates at the end of the reporting period):-

	Carrying Amount (RM)	Contractual Undiscounted Cash Flows (RM)	Within 1 Year (RM)
2023			
<u>Non-derivative Financial Liability</u>			
Other payables and accruals	543,394	543,394	543,394
2022			
<u>Non-derivative Financial Liability</u>			
Other payables and accruals	1,465,781	1,465,781	1,465,781

19.2 CAPITAL RISK MANAGEMENT

Your Fund manages its capital by maintaining an optimal capital structure so as to support its businesses and maximise shareholders' value. To achieve this objective, your Fund may make adjustments to the capital structure in view of changes in economic conditions, such as adjusting the amount of dividend payment, returning of capital to shareholders or issuing new shares.

Your Fund manages its capital based on debt-to-equity ratio. As your Fund has no external borrowings, the debt-to-equity ratio is not presented as it may not provide a meaningful indicator of the risk of borrowings.

There was no change in your Fund's approach to capital management during the financial year.

19.3 CLASSIFICATION OF FINANCIAL INSTRUMENTS

	2023 (RM)	2022 (RM)
FINANCIAL ASSETS		
<u>Designated at Fair Value Through Other Comprehensive Income Upon Initial Recognition</u>		
Investments (Note 5)	328,326,395	283,063,721
<u>Amortised Cost</u>		
Other receivables (Note 6)	629,373	356,474
Short-term deposits (Note 7)	126,845,022	150,174,514
Bank balance	18,876,819	12,143,889
	146,351,214	162,674,877
FINANCIAL LIABILITY		
<u>Amortised Cost</u>		
Other payables and accruals (Note 8)	543,394	1,465,781

19.4 GAINS ARISING FROM FINANCIAL INSTRUMENTS

	2023 (RM)	2022 (RM)
FINANCIAL ASSETS		
<u>Fair Value Through Other Comprehensive Income</u>		
Net gains recognised in other comprehensive income	28,203,885	50,390,825

19.5 FAIR VALUE INFORMATION

The fair values of the financial assets and financial liabilities of your Fund which are maturing within the next 12 months approximated their carrying amounts due to the relatively short-term maturity of the financial instruments or repayable on demand terms.

The following table sets out the fair value profile of financial instruments that are carried at fair value and those not carried at fair value at the end of the reporting period:-

	Fair Value of Financial Instruments Carried at Fair Value		
	Level 1 (RM)	Level 2 (RM)	Level 3 (RM)
2023			
<u>Financial Asset</u>			
Investments: - quoted investments	328,326,395	-	-
2022			
<u>Financial Asset</u>			
Investments: - quoted investments	283,063,721	-	-

	Fair Value of Financial Instruments Not Carried at Fair Value		
	Level 1 (RM)	Level 2 (RM)	Level 3 (RM)
2023			
<u>Financial Asset</u>			
Investments: - quoted investments	-	-	-
2022			
<u>Financial Asset</u>			
Investments: - quoted investments	-	-	-

	Total Fair Value (RM)	Carrying Amount (RM)
2023		
<u>Financial Asset</u>		
Investments: - quoted investments	328,326,395	328,326,395
2022		
<u>Financial Asset</u>		
Investments: - quoted investments	283,063,721	283,063,721

The fair value above has been determined using the following basis:-

- (i) The fair value of quoted investments is determined at their quoted closing bid prices at the end of the reporting period.
- (ii) There was no transfer between level 1 and level 2 during the financial year.

20. SIGNIFICANT EVENT DURING THE FINANCIAL YEAR

Further to the updates made in the 4th quarter report for the period ended 31 May 2023, the Board of Directors wishes to announce that at the hearing on 2 August 2023, the Federal Court unanimously dismissed your Fund's motion for leave to appeal to the Federal Court with costs of RM30,000.00 payable to City of London Investment Management Limited. The Federal Court's decision was on grounds that the matter did not meet the required threshold for conditions of appeal under the Courts of Judicature Act 1964.

DIRECTORS' RESPONSIBILITY STATEMENT

The Directors are required by the Companies Act, 2016 to prepare financial statements which give a true and fair view of the state of affairs of your Fund as at the end of each financial year and of the results and cash flows of your Fund for the financial year then ended. The Directors ensure that the relevant accounting policies have been adopted and applied consistently and that reasonable and prudent judgments and estimates have been made, in the preparation of the financial statements. The Directors also ensure that applicable approved

accounting standards have been complied with. The Directors are responsible for keeping proper accounting records, which disclose with reasonable accuracy the financial position of your Fund that enables them to ensure that the financial statements comply with the Companies Act, 2016.

The Statement by Directors pursuant to Section 251(2) of the Companies Act, 2016 is set out on page 39 of this Annual Report.

INVESTMENT PORTFOLIO

As of 31 May 2023, your Fund has not invested in unlisted investments and all other investments apart from securities listed on Bursa Malaysia Securities Berhad. The investment objectives and policies of your Fund have been consistently applied to its investment portfolio.

Details of the investment portfolio of your Fund are as follows: -

	Companies	Shares (Unit)	Cost (RM)	Fair Value (RM)	Unrealised Profit/(Loss) (RM)
1	Apex Healthcare Berhad	3,748,700	10,041,392	14,957,313	4,915,921
2	APM Automotive Holdings Berhad	4,697,800	17,486,569	9,395,600	(8,090,969)
3	Bioalpha Holdings Berhad - Ordinary shares	49,057,600	13,050,056	5,151,048	(7,899,008)
4	Bioalpha Holdings Berhad - Irredeemable Convertible Preference Shares	7,665,250	153,305	191,631	38,326
5	Capital A Berhad - Ordinary shares	29,282,200	24,811,409	22,840,116	(1,971,293)
6	Capital A Berhad - Redeemable Convertible Unsecured Islamic Debt Securities	9,760,733	7,320,550	7,808,586	488,036
7	Capital A Berhad - Warrants	4,880,366	-	1,024,877	1,024,877
8	EUPE Corporation Berhad	100,000	86,003	84,500	(1,503)
9	Hibiscus Petroleum Berhad	12,430,200	12,887,585	11,311,482	(1,576,103)
10	HPMT Holdings Berhad	1,802,700	643,487	657,986	14,499
11	Kelington Group Berhad - Ordinary shares	28,383,200	18,485,673	39,736,480	21,250,807
12	Kelington Group Berhad - Warrants	9,461,066	-	3,500,594	3,500,594

13	Kronologi Asia Berhad	31,112,400	19,817,030	16,489,572	(3,327,458)
14	Luxchem Corporation Berhad	5,006,800	3,733,610	2,378,230	(1,355,380)
15	MKH Berhad	2,951,430	5,468,915	3,541,717	(1,927,198)
16	Oceancash Pacific Berhad	3,145,200	1,722,775	943,561	(779,214)
17	OCK Group Berhad	5,909,900	2,661,528	2,245,762	(415,766)
18	Padini Holdings Berhad	17,006,700	4,929,308	63,264,924	58,335,616
19	Parkson Holdings Berhad	22,942,298	23,784,408	3,441,344	(20,343,064)
20	Salutica Berhad	1,700,200	2,320,178	1,606,689	(713,489)
21	SAM Engineering & Equipment (M) Berhad	18,154,400	35,926,338	84,962,592	49,036,254
22	Suria Capital Holdings Berhad	11,894,380	16,407,531	14,392,200	(2,015,331)
23	Tong Herr Resources Berhad	1,888,100	4,796,923	5,135,632	338,709
24	United Plantations Berhad	740,800	10,825,367	11,408,320	582,953
25	Wellcall Holdings Berhad	1,613,600	1,832,725	1,855,639	22,914
	Total	285,336,023	239,192,665	328,326,395	89,133,730

Positive fair value of investment of RM 89,133,730 represents 18.72% of the net asset value of RM 476,129,347.

Details of the investments were disposed during the financial year ended 31 May 2023:-

Companies		Shares (Unit)	Cost (RM)	Disposal Value (RM)	Realised Loss (RM)
1	Boustead Holdings Berhad	12,147,786	27,444,475	10,386,357	17,058,118
	Total	12,147,786	27,444,475	10,386,357	17,058,118

Principal Activities of Companies

Apex Healthcare Berhad

Apex Healthcare develops, manufactures, markets, distributes and wholesales pharmaceuticals, consumer healthcare products and diagnostics with operations in Malaysia and Singapore.

APM Automotive Holdings Berhad

APM Automotive is a Malaysia automotive parts manufacturer that has expanded rapidly and become a major regional supplier and now to global markets.

Bioalpha Holdings Berhad

Bioalpha Holdings is an integrated health supplement company that covers the entire value chain, from R & D to cultivation of herbal raw materials to processing, manufacturing, and distribution. It operates a chain of retail pharmacies.

Capital A Berhad

Capital A is a travel and lifestyle platform and South-East Asia's largest low cost carrier with operations in Malaysia, Thailand, Philippines and Indonesia.

EUPE Corporation Berhad

EUPE Corporation Berhad is a well-established property developer with a focus in Northern Malaysia and Klang Valley.

Hibiscus Petroleum Berhad

Hibiscus Petroleum is Malaysia's first listed independent oil and gas exploration and production company with a portfolio of exploration, development and producing assets in the United Kingdom, Malaysia, Australia, and Vietnam.

HPMT Holdings Berhad

HPMT Holdings manufactures and distributes high precision cutting tools, trading of third party cutting tools, supporting equipment and accessories for metalworking as well as provision of PVD coating services.

Kelington Group Berhad

Kelington Group is a one-stop engineering solution provider of ultra-high purity gas delivery systems,

process engineering, industrial gases to electronics and semiconductor industries, etc.

Kronologi Asia Berhad

Kronologi Asia Berhad is a leading provider of hybrid and cloud enterprise data management (EDM) technology and solutions. It offers hardware and software solutions, and managed services.

Luxchem Corporation Berhad

Luxchem Corporation Berhad manufactures and trades unsaturated polyester resin, latex chemical dispersions, latex processing chemicals and related products, besides distributing industrial chemicals.

MKH Berhad

MKH is involved in property development, oil palm plantation, property investment, building materials trading, and furniture manufacturing across Malaysia, China and Indonesia.

Oceancash Pacific Berhad

Oceancash Pacific is a manufacturer of insulation felts and hygiene nonwoven fabric with presence in Malaysia, Indonesia and Thailand.

OCK Group Berhad

OCK Group is involved in the provision of telecommunication services equipped with the ability to provide full turnkey services.

Padini Holdings Berhad

Padini is a leading retailer of its own fashion labels through freestanding stores, franchised outlets and consignment counters in Malaysia and abroad.

Parkson Holdings Berhad

Parkson is a leading department store operator in Malaysia and China.

Salutica Berhad

Salutica is a vertically integrated electronic manufacturer, specialising in designing, developing and manufacturing mobile communication products, wireless electronics and lifestyle devices.

SAM Engineering & Equipment (M) Berhad

SAM Engineering & Equipment is a key player in precision machining, equipment integration and automation solutions for the aerospace, semiconductor and equipment industries.

Suria Capital Holdings Berhad

Suria Capital is the leading port operator in Sabah.

Tong Herr Resources Berhad

Tong Herr Resources is an international stainless steel fastener manufacturing group with manufacturing operations in Malaysia and Thailand.

United Plantations Berhad

United Plantations Berhad engages in the cultivation and processing of palm oil, coconuts and other plantation crops.

Wellcall Holdings Berhad

Wellcall manufactures and sells industrial rubber hoses and related products.

ADDITIONAL INFORMATION as at 31 May 2023

1. Audit and non-audit fees

The information on the audit and non-audit fees is disclosed in page 63 of this Annual Report.

2. Basis of the fees paid to the Fund Manager and Investment Adviser

Annual management fee: 0.75% of the Net Asset Value of your Fund.

Annual investment advisory fee: 0.75% of the Net Asset Value of your Fund.

The annual management and investment advisory fees are payable quarterly as per the Fund Management Agreement and Investment Advisory Agreement dated 6 September 2005 on the following basis:

(0.75% divided by 4) multiply by NAV^(quarter)

NAV^(quarter), being the NAV of your Fund based on the last business day of the preceding quarterly fee period.

3. Brokers/Dealers Transaction Information

No.	Name of Broker/ Dealer	Brokerage fees/ commissions paid (RM)	Brokerage fees/ commissions paid (%)
1.	Broker A	20,499.66	37.47
2.	Broker B	18,732.50	34.24
3.	Broker C	15,482.00	28.30
	Total	54,714.16	100

None of the above brokers/dealers are related parties to the Fund Manager.

4. Fund Manager's Interest in your Fund

As at 31 May 2023, the Designated Person has a direct interest in 65,000 shares and an indirect interest in 2,881,500 shares in your Fund, whilst the Fund Manager has a direct interest in 2,112,800 shares in your Fund.

5. Gross Revenue of the Closed-End Fund

The information on your Fund's gross revenue is presented on page 42 in the audited income statement for the financial year ended 31 May 2023, as attached in this Annual Report.

6. Sales and Purchases by the Closed-End Fund where Fund Manager is Counterparty

Your Fund Manager is not a counterparty to any of the sales or purchases of investment by your Fund.

7. Analysis of Realised and Unrealised Gains or Income, Profits and Losses of Investments

The analysis of realised and unrealised gains or income, profits and losses of the investments are presented in page 54 to 55 of this Annual Report.

8. Financial Information of your Fund for the Last 5 Financial Years

	2019	2020	2021	2022	2023
Issued and Paid-up shares	140,000,000	140,000,000	140,000,000	140,000,000	140,000,000
Total Asset Value (RM)	450,684,050	395,206,301	426,259,063	447,644,783	476,672,741
NAV (RM)	450,208,147	394,308,527	425,826,419	446,179,002	476,129,347
NAV/share (RM)	3.22	2.82	3.04	3.19	3.40

Fund Price (RM)	2019	2020	2021	2022	2023
Highest	2.82	2.47	2.22	2.50	2.08
Lowest	2.33	1.86	1.87	1.85	1.90

	2019	2020	2021	2022	2023
Dividend Paid (RM)	NIL	NIL	NIL	0.20	NIL
Dividend Yield (%)	N/A	N/A	N/A	9.62	N/A

	2019	2020	2021	2022	2023
Management Expenses Ratio (MER)	1.84%	3.39% ¹	1.69%	1.77%	1.86%
MER varies compared with preceding year	0.01%	1.55%	-1.70%	0.08%	0.09%

Note: ¹ MER without the dual-listed fund project expenses is 1.83%. The MER of your Fund has been verified by the auditors.

9. Average Return of your Fund Measured over 1 year, 3 years and 5 years as at the Financial Year ended 31 May 2023

	1 Year	3 Years	5 Years
	From 1 Jun 2022 to 31 May 2023	From 1 Jun 2020 to 31 May 2023	From 1 Jun 2018 to 31 May 2023
Fund's NAV	6.58%	8.46%	0.21%
Fund's Market Price	-0.96%	3.53%	-2.75%
MSCI Malaysia	-11.31%	-4.53%	-5.98%

ANALYSIS OF SHAREHOLDINGS

as at 23 August 2023

Issued and Paid-up Share Capital : 140,000,000
Class of Shares : Ordinary shares
Voting Rights : One vote per ordinary share

Distribution of Shareholdings

Size of holdings	No. of Holders		No. of Shares		%	
	Malaysian	Foreign	Malaysian	Foreign	Malaysian	Foreign
1 – 99	131	1	1,078	2	0.001	0.000
100 – 1,000	1,017	5	584,683	2,100	0.418	0.002
1,001 – 10,000	1,170	13	5,331,528	84,200	3.808	0.060
10,001 – 100,000	629	11	23,000,625	301,300	16.429	0.215
100,001 to less than 5% of issued shares	201	20	73,918,184	36,776,300	52.799	26.269
5% and above of issued shares	0	0	0	0	0.000	0.000
Total	3,148	50	102,836,098	37,163,902	73.455	26.546
Grand Total	3,198		140,000,000		100	

Substantial Shareholder

Name of Substantial Shareholder	No. of shares held			
	Direct	%	Indirect	%
City of London Investment Management Company Ltd	-	-	⁽¹⁾ 32,117,900	⁽¹⁾ 22.941

Note:

⁽¹⁾ Deemed interested in shares held by:-

- (a) Cartaban Nominees (Asing) Sdn Bhd – Favour: The Bank of New York Mellon;
- (b) HSBC Nominees (Asing) Sdn Bhd – Favour: Northern Trust;
- (c) Cartaban Nominees (Asing) Sdn Bhd – Favour: RBC; and
- (d) Cartaban Nominees (Asing) Sdn Bhd – Favour: State Street

Directors' Shareholdings

Name of Directors	No. of shares held			
	Direct	%	Indirect	%
Dato' Seri Md Ajib Bin Anuar	-	-	-	-
Dato' Sri Syed Ismail Bin Dato' Haji Syed Azizan	-	-	-	-
Boh Boon Chiang	1,000	0.001	-	-
Tan Mun Lin	25,000	0.018	-	-
Datuk Mohd Nasir Bin Ali	-	-	-	-

Thirty Largest Shareholders

No.	Name	No. of shares	Percentage holding (%)
1.	CHONG AH HIM @ CHONG KUM KWAN	5,321,000	3.801
2.	CARTABAN NOMINEES (ASING) SDN BHD THE BANK OF NEW YORK MELLON FOR EMERGING MARKETS COUNTRY FUND	5,133,483	3.667
3.	CARTABAN NOMINEES (ASING) SDN BHD THE BANK OF NEW YORK MELLON FOR EMERGING BMI MARKETS COUNTRYFUND	4,292,200	3.066
4.	CARTABAN NOMINEES (ASING) SDN BHD SSBT FOR BILL AND MELINDA GATES FOUNDATION TRUST	4,194,017	2.996
5.	CARTABAN NOMINEES (ASING) SDN BHD THE BANK OF NEW YORK MELLON FOR GLOBAL EMERGING MARKETS FUND	3,555,500	2.540
6.	CARTABAN NOMINEES (ASING) SDN BHD BNYM SA/NV FOR THE WORLD MARKETS UMBRELLA FUND PLC	2,670,500	1.908
7.	CARTABAN NOMINEES (ASING) SDN BHD THE BANK OF NEW YORK MELLON FOR EMERGING MARKETS GLOBAL FUND	2,645,100	1.889
8.	TUNKU SARA BINTI TUNKU AHMAD YAHAYA	2,640,000	1.886
9.	MAYBANK NOMINEES (TEMPATAN) SDN BHD YEOH AH TU	2,419,400	1.728
10.	ANNHOW HOLDINGS SDN BHD	2,000,000	1.429
11.	CARTABAN NOMINEES (ASING) SDN BHD THE BANK OF NEW YORK MELLON FOR EMERGING MARKETS INVESTABLE FUND	1,892,000	1.351

Thirty Largest Shareholders

No.	Name	No. of shares	Percentage holding (%)
12.	LAM FOOK SHIN	1,823,200	1.302
13.	CARTABAN NOMINEES (ASING) SDN BHD EXEMPT AN FOR RBC INVESTOR SERVICES TRUST (CLIENTS ACCOUNT)	1,761,400	1.258
14.	CARTABAN NOMINEES (ASING) SDN BHD THE BANK OF NEW YORK MELLON FOR SCHOOL EMPLOYEES RETIREMENT SYSTEM OF OHIO	1,648,100	1.177
15.	LOH KIAN CHONG	1,600,000	1.143
16.	CARTABAN NOMINEES (ASING) SDN BHD THE BANK OF NEW YORK MELLON FOR EMERGING MARKETS FREE FUND	1,423,200	1.017
17.	OCUVAS SDN.BHD.	1,358,500	0.970
18.	KENANGA NOMINEES (ASING) SDN BHD POP INVESTMENTS LIMITED	1,279,600	0.914
19.	LEOW KOK MEOW & SONS SENDIRIAN BERHAD	1,250,000	0.893
20.	HENG KIM SIANG	1,238,100	0.884
21.	CARTABAN NOMINEES (ASING) SDN BHD THE BANK OF NEW YORK MELLON FOR CORNELL UNIVERSITY	1,221,400	0.872
22.	CAPITAL DYNAMICS ASSET MANAGEMENT SDN BHD	1,161,500	0.830
23.	MIKE LEO TONG	1,150,000	0.821
24.	WONG YOON TET	1,080,000	0.771
25.	YEOH AH TU	1,050,000	0.750
26.	LEE SIEW LIN	1,040,000	0.743
27.	SOON KHIAT VOON	1,002,000	0.716
28.	HSBC NOMINEES (ASING) SDN BHD EXEMPT AN FOR BROWN BROTHERS HARRIMAN & CO. (CGWI LTD)	990,000	0.707
29.	LAI HUI ENG	941,100	0.672
30.	CAPITAL DYNAMICS ASSET MANAGEMENT SDN BHD	937,900	0.670
	TOTAL	60,719,200	43.371

CORPORATE RESPONSIBILITY

Your Fund takes its responsibility as a corporate citizen seriously. It is committed to achieving its investment objectives through responsible corporate practices, and to improving and nurturing a more harmonious society, be it for its share owners, investors or the community at large.

Share Owner Value

By adhering to its eclectic value investing philosophy, your Fund is committed to safeguarding share owners' long-term interests by increasing its net asset value over the long-term, within levels of risk acceptable to value investing.

Community Engagement and Responsible Investing

As a relatively small listed fund, we focus our initiatives

on where our limited resources can have the greatest positive impact on the community. Therefore, we apply our corporate responsibility efforts by identifying areas where we can engage the community and encourage responsible investing.

Ever since your Fund held its inaugural Investor Day in 2010, your Fund Manager and Investment Adviser have been working diligently in organising all the investor days, with the objective of educating the investing public on sound investing and to increase the awareness of icapital.biz Berhad among the general public. Believing strongly in the raison d'être of your Fund that "serious long-term investing in Bursa Securities can offer superior returns", they were not paid any extra fees for undertaking these selfless initiatives.

Besides the Investor Day, it is also a tradition for your Fund to organise the Annual General Meeting (AGM) on a Saturday for share owners' convenience, and so that the AGM session may be extended from a half-day event to a full-day event. The objective is to facilitate better and more effective share owner engagement through more insight sharing by the Designated Person and Q & A sessions.

2022 Investor Day

In 2022, the long-awaited Investor Day of your Fund returned after a 2-year pause due to the disruption of the COVID-19 pandemic. Asia's most innovative investment event was again held at the Kuala Lumpur Convention Centre, on 26th and 27th November 2022, with the key objective of educating the investing public on the benefits of sound investing. As in the past, this event was full of top-quality programmes, featuring highly experienced speakers who shared their valuable insights on investing, business, and life.

Day 1, 26th November 2022

On Day 1 of the 2022 Investor Day, the participants gained valuable insights from your Designated Person, Mr. Tan Teng Boo as he dug deep into the impact of climate change, tightened monetary policy and budget deficits, US-China relations after China's 20th National Congress and the US mid-term elections, and the worsening Ukrainian Crisis. Finally, Mr. Tan Teng Boo also discussed Malaysia's political and economic future and stock market outlook post 15th General Election with the participants.

Day 2, 27th November 2022

Day 2 of 2022 Investor Day was aimed at educating investors so that they can invest now to harvest later. Tan Teng Boo and his team conveyed the importance of having an investment framework for successful investing, and ways to utilise it in a volatile and tumultuous world. They also discussed why the "Buy low, sell high" advice does not work, the beauty of the low-risk, high-return offered by icapital.biz Berhad, and why value investing still works despite such worrying macro-conditions in this chaotic world.

The second day also consisted of prominent corporate leaders from some of the most reputable companies in Malaysia that your Fund has invested in, whose presentations had given participants rare insights on their industries and companies in relation to the current world events. They were Ahmad Shahredzuan, Chief Reinvention and Strategy Officer of Boustead Holdings Berhad, Dr Kenneth Gerard Perreira, Managing Director of Hibiscus Petroleum Berhad, Lor Seng Thee, Group General Manager of Oceancash Pacific Berhad, Nicole Tan, Head of IR of Bioalpha Holdings Berhad, Gary Yu Tat Keong, Financial Controller of Wellcall Holdings Berhad, Datuk Ng Kiat Min, Group Managing Director of Suria Capital Holdings Berhad, Edmond Tay, ED/Chief Executive Officer of Kronologi Asia Berhad, Dato' Beh Huck Lee, Group Managing Director of EUPE Corporation Berhad, David Low Hock Keong, Group Chief Executive of OCK Group Berhad, and Tan Sri Tony Fernandes, Chief Executive Officer of Capital A Berhad.

Besides seasoned investors, the 2022 Investor Day successfully attracted participation from younger crowds.

Sunday, 5th November: The 2023 Investor Day - MARK YOUR CALENDAR

With the main theme of 'Why Now Is The Right Time to Invest in Malaysia', this year's Investor Day will consist of three tracks. Track 1 will cater to the experienced investors, where we will have corporate leaders from the listed companies that your Fund has invested in presenting on their latest businesses updates. Don't miss out on an independent assessment from a top finance lecturer from University of Technology Sydney as he assesses the NAV and price performance of your Fund since inception. Most importantly, in a very rare integrated multi-sector case study, the Designated Person of your Fund Manager, Mr. Tan Teng Boo will share his valuable insights on why now is the right time to invest in Malaysia.

In Track 2, various educational topics will be provided for would-be-investors who are looking for how and where to begin their investment journey. A thought-provoking panel discussion involving professional financial planners and Capital Dynamics will be held as they study the likelihood of one retiring at 40. An exciting forum discussing if choosing a career is similar to choosing a spouse will also be held in Track 2, consisting of speakers who are successful in their respective fields and university student representatives. You will also listen to the latest market outlook on Malaysia from the head of research of an established stockbroking company. Capital Dynamics research team will also be sharing their knowledge in financial statement analysis, value investing, compound return and economic literacy with interesting case studies in various talks. For those of you who long for a place to talk about any topics, from insightful investment ideas, the latest market trends, confusing local and global politics, to light-hearted events like durian hiking or kopitiam-hopping, don't miss the session on ICAP Fan Club!

Last but not least, enjoy your evening with live performances from talented university students in Track 3, where the Grand Finale of the *i* Capital Talent Show takes place. In our efforts to reach out to a wider pool of young investors, your Fund and Fund Manager have decided to organise and sponsor a talent show – the *i* Capital Talent Show, an exciting talent competition targeting university and college students where they can unleash their talents through all types of performances, such as dances, music, plays, martial arts, etc. The competition consists of two stages: in Stage 1, participants are required to submit 2-minute videos online for voting; in Stage 2, top 20 finalists from Solo and Group acts will be chosen to perform and compete live on 5th November at the 2023 Investor Day.

Scan the QR code for the full programme and registration of the 2023 Investor Day



The first 500 paid participants will receive a **1-year complimentary access to www.icapital.biz** and iCapital mobile app (Digital version of *i Capital* investment publication) with a **limited edition of *i Capital* bag**.



Empowering Youth

Your Fund, Fund Manager, and Investment Adviser believe firmly in empowering the youth through sound investment education. On behalf of your Fund, your Fund Manager has been actively engaging with the university students through all types of university activities and collaborations.

On 23rd November 2022, one of your Fund Directors, Ms Tan Mun Lin, offered her insights on why buy-low-sell-high does not work in the stock markets in an investment talk organised by the University of Nottingham Malaysia's Investment Club. The students showed great interest in the investment talk by participating actively in an interactive question-and-answer session.

In another well-received panel discussion organised by the same Investment Club on 30th March 2023, your Fund Manager, Mr Tan Teng Boo shared pertinent advice with the students on how they should navigate their investments during times of uncertainty.

On 7th August 2023, the research team from your Fund Manager had the pleasure of sharing an introductory session on "Investing versus Spending" with the students from Tunku Abdul Rahman University of Management and Technology (TAR UMT). In this session, students were introduced to the wonder of compound interest and the exciting investment opportunity in iCapital.biz Berhad.

In line with your Fund's objective of educating and empowering the students with proper investing knowledge, your Investment Adviser, at its own effort and costs, chose to reach out to the students by distributing their flagship investment publication, *i Capital* on a weekly basis to about 17 major universities in the Klang Valley, beginning November 2022. The universities that have benefitted from this initiative are Universiti Malaya, Putra Business School, Universiti Kebangsaan Malaysia, Universiti Teknologi MARA, Multimedia University, Universiti Tenaga Nasional, Nottingham University, Sunway University, Universiti Kuala Lumpur, University Tunku Abdul Rahman, Tunku Abdul Rahman University of Management and Technology, Xiamen University, UCSI University, HELP University, Asia Pacific University of Technology and Innovation, Lincoln University College, and International Islamic University Malaysia. The initiative is well received by the said universities. Some lecturers are using *i Capital* as their teaching material; students found reading *i Capital* extremely useful as it enhances their understanding and mastery of the knowledge from their classes.

EXPLANATORY NOTES

Explanatory Note to the Corporate Governance Overview Statement, Audit Committee Report and Statement on Risk Management and Internal Control

As explained in the section of this Annual Report under "About iCapital.biz Berhad", your Fund is a closed-end fund and in essence, has a structure and function that is significantly different from other public companies listed on Bursa Malaysia Securities Berhad ("Bursa Securities").

As provided in the Securities Commission under the Guidelines for Public Offerings of Securities of Closed-end Funds ("SC CEF Guidelines"), a closed-end fund is set up for the purpose of engaging wholly in the business of investing its funds in securities through managing a portfolio of investments for the benefits of its share owners.

Other unique features of a closed-end fund as provided under the SC CEF Guidelines are that a closed-end fund [1] shall not conduct any other business other than that of a closed-end fund; [2] shall not take effective control of its underlying investments; [3] that no shareholder shall hold more than 20% of the total issued and paid-up shares of the closed-end fund; and [4] borrowings shall not exceed 30% of its Net Asset Value ("NAV"). Your Fund has adopted the strictest threshold, that is, your Fund is not allowed to borrow without the unanimous approval from share owners, thus making your Fund a safe and sound investment. All these conditions are not applicable to a normal listed company.

Your Fund's Board comprises independent, non-independent and non-executive Directors. Your Fund does not have any management such as a Chief Executive Officer or Chief Operating/Financial Officer and does not have any employees. The entire operations of your Fund are outsourced to service providers independent of your Fund.

It is mandatory for your Fund to appoint a Designated Person (besides a Fund Manager) who plays a key role in managing the assets of your Fund in accordance with the investment objectives and policies as stated in your Fund's Constitution and Initial Public Offering Prospectus. The Designated Person must be approved by the Securities Commission under the SC CEF Guidelines.

Another significant difference between a closed-end fund and a normal listed company is that the NAV of a closed-end fund, which is computed on a daily marked-to-market basis and is released to the public on a weekly basis, is the most appropriate performance indicator. Therefore, it is not appropriate to look at the earnings, earnings per share or the profit and loss statement when tracking the performance of your Fund unlike a normal listed company. Bursa Securities has specific disclosure and reporting requirements for closed-end funds which are not applicable to a normal listed company, and vice versa.

AUDIT COMMITTEE REPORT

1. COMPOSITION

The Audit Committee ("AC") comprises of the following Members:-

Name of Director	Membership	Directorship
Mr Boh Boon Chiang	Chairman	Independent Non-Executive Director
Dato' Sri Syed Ismail Bin Dato' Haji Syed Azizan	Member	Independent Non-Executive Director
Datuk Mohd Nasir Bin Ali	Member	Independent Non-Executive Director

The composition of the AC fulfills the requirements set out in Paragraphs 15.09 and 15.10 of the Main Market Listing Requirements ("MMLR") of Bursa Malaysia Securities Berhad ("Bursa Securities"). No alternate Director is appointed as a Member of the AC.

2. TERMS OF REFERENCE

The Terms of Reference of the AC is available on your Fund's corporate website.

3. MEETINGS

In accordance with Clause 3.2 of Terms of Reference of AC pertaining to the frequency of meeting, the AC should hold at least four (4) meetings in a year.

During the financial year ended 31 May 2023 ("FYE 2023"), a total of four (4) AC meetings were held. The attendance of each AC member is set out on page 71 of this Annual Report.

As a closed-end fund ("CEF"), the entire Board of Directors of your Fund is non-executive with mostly independent directors and unlike a normal listed company, your Fund has no Chief Executive Officer, Management or employees. Your Fund employs an external management structure whereby all its functions are undertaken by external Service Providers and their details are set out on page 67 of this Annual Report. The External Auditors of your Fund is Crowe Malaysia PLT.

The Service Providers and External Auditors attended the AC meetings by invitation of the AC. Minutes of each AC meeting were recorded and tabled for confirmation at the following AC meeting and presented to your Board for notation.

4. ANNUAL ASSESSMENT

Your Board, based on the recommendation of the Nomination Committee ("NC"), reviewed the term of office and assessed the performance of the AC through an annual assessment of the Board and Board Committees. The Board was of the view that the AC:

- was well-balanced, with its Members having diverse skill sets and core competencies; and
- had performed satisfactorily in the discharge of its functions, duties and responsibilities in accordance with the Terms of Reference during the FYE 2023.

5. SUMMARY OF THE WORK OF THE AC DURING THE FYE 2023

The principal activities undertaken by the AC in the discharge of its functions and duties during the FYE 2023 are summarised as follows:

5.1 Financial Reporting

- The AC reviewed your Fund's quarterly financial results and annual audited financial statements of your Fund prior to approval of your Board and announcements to Bursa Securities by the Company Secretary.
- In discharging of their role, the AC deliberated with the Administrator, Fund Manager and the External Auditors to ensure the quarterly financial results and annual audited financial statements gave a true and fair view of the financial position of your Fund and were prepared in accordance with:
 - Malaysian Financial Reporting Standards;
 - International Accounting Standard 34 Interim Financial Reporting;
 - Paragraph 9.22 of the MMLR; and
 - Section 244 of the Companies Act 2016.

5.2 External Audit

- On 27 July 2023, the AC reviewed and discussed with the External Auditors the Audit Findings, Audit Review Memorandum and the draft audited financial statements for FYE 2023.
- The External Auditors declared their independence with respect to the audit of your Fund in accordance with the International Federation of Accountants' Code of Ethics for Professional Accountants and the Malaysian Institute of Accountants' By-Laws (on Professional Ethics, Conduct and Practice). The External Auditors also confirmed that they were not aware of any non-audit services which compromised their independence as External Auditors of your Fund.
- The AC also received written confirmation dated 27 July 2023 from the External Auditors that during their course of audit for FYE 2023, nothing had come to their attention on any material deficiency in internal controls of your Fund for FYE 2023.
- The AC had on 27 July 2023 conducted an evaluation on the External Auditors for FYE 2023 through External Auditors' evaluation forms based on the following criteria:
 - Quality of services and sufficiency of resources provided by the Auditors;
 - Communication and interaction with the Auditors; and
 - Auditors' objectivity, independence and professional scepticism.

Based on the aforesaid evaluation, the AC was satisfied with the performance of the External Auditors and agreed that Crowe Malaysia PLT had demonstrated their objectivity, independence and professionalism throughout their course of audit.

- Based on the AC's recommendation, your Board agreed to table the re-appointment of Crowe Malaysia PLT as the External Auditors for the ensuing financial year for share owners' approval at the forthcoming Annual General Meeting.
- Before recommending to your Board for approval, the AC had reviewed the Audit Planning Memorandum for the FYE 2023 received from the External Auditors, and the amount of audit and non-audit fees of your Fund for the FYE 2023, the particulars of which are as follows:

Particulars	Amount (RM)	Total (RM)
Audit fee	50,000.00	50,000.00
Non-audit fees		15,000.00
• Review of Statement on Risk Management and Internal Control	5,000.00	
• Review of Annual Report	10,000.00	
		65,000.00

- g. The AC held two (2) private discussion sessions with the External Auditors in respect of the audit of your Fund's financial statements for the FYE 2023.

5.3 Internal Audit

- a. Your Fund has outsourced its internal audit function to PKF Risk Management Sdn. Bhd. ("PKF"), an independent professional services firm, to assist the AC in discharging its duties and responsibilities more effectively.

The priority of the Internal Auditors is to focus on the review of risk management and internal controls implemented by the Service Providers of your Fund in accordance with International Standards for the Professional Practice of Internal Auditing and Internal Audit Plan approved by the AC to ensure that the assets of your Fund are adequately safeguarded and to report any audit findings directly to the AC.

PKF has approximately two (2) audit personnel assisting the person responsible for the internal audit. Details on the person responsible for the internal audit are set out below:

Name	: Dr. Wong Ka Fee
Qualification	: • Doctor of Business Administration (Behavioural Finance), Universiti Utara Malaysia • Master of Science (Management Consultancy), Liverpool John Moores University • Master of Business Administration, University of Wales
Independence	: Does not have any family relationship with any Directors and/or major share owners of your Fund
Public Sanction	: Has no convictions for any offences within the past 5 years, other than traffic offences, if any and has not been imposed any public sanction or penalty by the relevant regulatory bodies during the financial year

- b. The AC has reviewed and accepted the Internal Audit Plan for FYE 2023 presented by the Internal Auditors, where PKF will conduct its internal audit on the services that the Service Providers are providing to your Fund.
- c. The AC also reviewed and accepted the Internal Audit Reports on a half-yearly basis, which were presented by the

Internal Auditors in respect of the audit of the following key processes carried out by the respective Service Providers:

- ✓ Fund management services;
- ✓ Custodian services;
- ✓ Accounting and administrative services; and
- ✓ Corporate secretarial services.

The AC noted that the overall test results on the above audits were satisfactory and there were no significant findings.

- d. The AC had on 27 July 2023 reviewed and accepted the Enterprise Risk Management Report ("ERM Report") for 2023 presented by the Internal Auditors.
- e. The AC had on 27 July 2023 conducted an evaluation of the internal audit function for FYE 2023 through the Internal Auditors' Evaluation Form based on the following criteria:
- Understanding of the business of your Fund;
 - Skills and experience of the Internal Auditors;
 - Communication skills; and
 - Overall performance of the Internal Auditors.

Based on the aforesaid evaluation, the AC was satisfied that the internal audit functions carried out by the Internal Auditors were appropriate for the size and the nature and scope of the activities of your Fund.

- f. The costs incurred for the Internal Audit function in respect of FYE 2023 was RM34,000.

5.4 Other Activities

a. Recurrent Related Party Transactions ("RRPTs")

The AC reviewed all the RRPTs of your Fund at its meetings held during the FYE 2023.

On 2 August 2023, your Board made an announcement to Bursa Securities because your Fund had, in the ordinary course of business, entered into the RRPTs with its related parties namely the Fund Manager and Investment Advisor where the aggregated actual value of such RRPTs transacted for the periods from 1 February 2023 to 31 October 2023 had exceeded the percentage ratio of 1% as prescribed under Paragraph 10.09(1)(a) of the MMLR.

Details of the announcement can be found at Bursa Securities' website and your Fund's corporate website.

b. Analysis of Corporate Governance Disclosures in Annual Reports and Reports on Company's Performance from Bursa Securities

The AC had on 15 September 2023 reviewed and recommended the following statements for Annual Report to your Board for approval:

- i) AC Report;
- ii) Corporate Governance Overview Statement;
- iii) Statement on Risk Management and Internal Control; and
- iv) Investment portfolio.

This AC Report was approved by the Board on 15 September 2023.

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL (SORMIC)

Introduction

The Malaysian Code on Corporate Governance 2021 requires listed companies to maintain a sound risk management framework and internal control system to safeguard shareholders' investments and the company's assets. Bursa Malaysia Securities Berhad's ("Bursa Securities") Main Market Listing Requirements ("Listing Requirements") require directors of public listed companies to include an overview statement in their annual reports on the state of their risk management framework and internal controls. The Listing Requirements and Statement on Risk Management and Internal Control: Guidelines for Directors of Listed Issuers ("Guidelines"), which is issued by the Taskforce on Internal Control, provide guidance for compliance with these requirements. Set out below is your Board's Statement on Risk Management and Internal Control which has been prepared in accordance with the Guidelines.

Roles and Responsibility

A) Board of Directors

Your Board recognises the importance of maintaining sound internal control and effective risk management practices in your Fund. Your Board acknowledges that its primary responsibility is to ensure that risks in your Fund are identified, measured, and managed with an appropriate risk management framework and internal controls, and to ensure that the effectiveness, adequacy and integrity of the risk management function and internal control systems are reviewed on an ongoing basis. The review covers, inter-alia, financial and investment, operational, compliance and regulatory controls and risk management procedures and processes of your Fund. Your Board acknowledges its overall responsibility to review the adequacy and integrity of the system on internal controls. Nonetheless, it recognises that such a system can only provide reasonable but not absolute assurance, because of limitations inherent in any system of internal control against material misstatements or fraud, and that such a system is designed to mitigate and manage rather than eliminate the risk of failure to achieve business objectives.

B) Audit Committee

The Audit Committee ("AC") is established by your Board and governed by clearly defined terms of reference and authority for areas within their scope. The review of the risk management and internal control reports and processes is delegated by the Board to the AC to assist the Board in reviewing and overseeing the effectiveness of the risk management of your Fund.

C) External Service Providers

As a closed-end fund, your Fund employs an external management structure, whereby all your Fund's functions

are undertaken by external service providers. Your Board's responsibilities are to oversee and review the functions of these parties, particularly the Fund Manager, the Investment Adviser, the Custodian Bank and the Administrator.

Internal Audit Function

To achieve these objectives, your Board has outsourced its internal audit function to an independent professional services firm that provides independent and objective reports directly to the AC, which assists the AC in discharging its duties and responsibilities on a bi-annual basis. The internal audit function reviews the internal controls of the key activities of your Fund's service providers based on the annual internal audit plan approved by the AC. The internal auditors perform the audit based on the International Professional Practices Standards of Internal Auditing. Since the adoption of the Enterprise Risk Management framework, the internal audit function has taken on a risk-based approach in preparing its audit strategy and plans, after having considered the risk profiles of your Fund's operations. The system of internal control has been structured in such a manner that provides reasonable assurance that the likelihood of a significant adverse impact arising from a future event or situation is at a level acceptable to the business. This is achieved through a combination of preventive, detective, and corrective measures. The internal audit reports that were tabled to the AC for deliberation on a bi-annual basis have included responses from the service providers and their corrective actions taken or to be taken regarding specific findings and recommendations. The service provider as a whole is responsible for ensuring that the necessary corrective actions on reported weaknesses are promptly taken. The AC presents the internal audit findings on a bi-annual basis to your Board.

Other Internal Control Elements

Your Fund's overall internal control elements include:

(i) Control Environment

Your Fund Manager is responsible for managing the investments of your Fund, while your Investment Adviser provides continuous investment advice and recommendations to your Fund as to the purchase, holding and disposal of investments. The Administrator is responsible for keeping the accounting records relating to your Fund's portfolio and financial information, and computation of the Net Asset Value ("NAV"). The custodian function is performed by an approved independent custodian bank, which maintains custody of your Fund's investments and cash.

Reconciliation of cash and stock holdings is performed on a weekly and monthly basis by the Administrator and verified by your Fund Manager. Quarterly and annual financial statements are prepared by the Administrator, verified by your Fund Manager, reviewed by the AC and approved by your Board prior to submission to Bursa Securities for release to share owners. The Fund does not have any subsidiaries, material joint ventures and associated companies.

The core service providers are regulated entities, are required to have adequate risk management and internal control systems and are respectively subjected to internal audit and compliance review by their own business requirements.

The Fund Manager and Administrator have provided an annual written assurance to the Board that their risk management

and internal control systems are operating adequately and effectively.

The Custodian has provided similar assurance via their annual report on internal controls of their security services.

(ii) Information and Communication

Your Board has the authority to assess the state of internal control as it deems necessary. In doing so, your Board has the right to request for information and clarification from the service providers as well as seek inputs from the AC, external and internal auditors, and other experts at the Fund's expense.

(iii) Audit Committee

Your Board has established the AC which comprises three (3) Independent Non-Executive Directors. Details of reports of the AC are disclosed in the AC Report on pages 62 to 63 and the terms of reference of the AC are made available for reference on your Fund's website at www.icapital.my.

(iv) Whistleblowing Policy

Your Board has formalised a whistle-blowing policy as its commitment to the highest standard of integrity, openness, and accountability in the conduct of its businesses and operations.

It aspires to conduct its affairs in an ethical, responsible, and transparent manner. In recognising these values, your Fund provides an avenue for share owners, service providers, and members of the public to disclose any improper conduct of your Fund.

Any concerns relating to misconduct, questionable issues or improper actions can be made in writing via post to the Chairman of the AC at the registered address of icapital.biz Berhad, details of which are set out in the inside back cover of this Annual Report.

The reporting parties should disclose their names, contact numbers, details of person(s) involved, nature of allegation(s), and where and when the incident took place and evidence, if possible.

All concerns will be dealt with in strictest confidence and the reporting parties will be assured that their identities will be kept confidential within the limits required by the law.

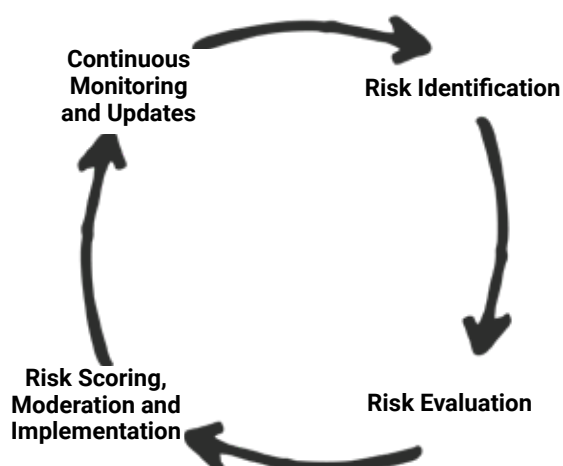
Risk Management

Your Board recognises that to ensure the review process for identifying, evaluating, and managing the significant risks affecting your Fund is complete, the internal control procedures with clear lines of accountability and delegated authority have to be established. Your Board, throughout the current financial year, has identified and evaluated the significant risks faced by your Fund through the establishment of the Enterprise Risk Management ("ERM") framework.

The responsibility of risk identification and risk management with respect to the relevant functions lies with the respective service providers. Any significant risks identified with the corresponding risk management activities are documented in the ERM and communicated to the service providers to evaluate and score the risks.

A detailed ERM report will then be presented to your Board, through the AC, for further deliberation and adoption. The internal auditors, together with the various service providers, will monitor significant risks identified and the risk management activities adopted. The internal auditors will update the risk register annually.

The ERM process adopted is as follows: -



Key aspects of the risk management process during the year under review were:

Risk Identification	<ul style="list-style-type: none"> Identifying the sources of risks, both internal and external, the causes and consequences of the risk and the existence of controls currently in place.
Risk Assessment and Evaluation	<ul style="list-style-type: none"> Assessment of the likelihood and impact of the risks identified. Evaluating the control strategies in relation to the risks.
Risk Profiling and Treatment of Risk	<ul style="list-style-type: none"> Assessment of the reasonableness of the risks identified and the appropriateness of the proposed mitigating actions.
Monitoring and Reporting	<ul style="list-style-type: none"> Baseline risk profile for all risks identified and shortlisted principal risks will be presented to Board. Report and tracking the outcome of ERM through risk register dashboard to the Board.

Significant or Main Principal Risk Relating to Your Fund

Your Fund has identified the following significant risks that have potential high impact and likelihood of occurring in your Fund's operation:

Risk Profile	Causes	Mitigation Control
1. Volatility & market risk of investee company	Arises from no direct control of the management & operations of companies invested, mismanagement of the investee companies or third-party liability. Senior rights of creditors over the shareholders in the event of winding up of the investee companies.	Your Board mitigates such risk by ensuring that your Fund Manager consistently applies the value investing philosophy and emphasises on margin of safety in managing your Fund's investments.
2. Prolonged Slow Down in Economy	Arises from uncertain global economic environment and the lingering effects of the COVID-19 pandemic, slower growth, tighter monetary policy, supply chain disruptions, sluggish labour markets and rising inflationary pressures which have caused slowdown in many businesses and economies, including activities of Malaysian economic partners.	While economic slowdown is an external factor which is beyond your Fund's control, your Board has delegated to your Fund Manager who mitigates such risk by consistently applying the value investing philosophy where your Fund Manager will analyse the underlying business values of the investee companies (intrinsic value) over the medium to longer-term and invest when the market price is below the intrinsic value, that encompasses the core principle of margin of safety, i.e., the disparity between the intrinsic value and the market price. Your Fund Manager will also decide on the asset allocation, i.e., when the market is overvalued with less opportunities, your Fund Manager will hold more cash and wait until the market is undervalued with plenty of opportunities to invest, and vice versa.

Risk Profile	Causes	Mitigation Control
3. Local Political Instability	Arises from establishment of new government, changes in government policies, war, riots, and expropriation.	Your Board has delegated to your Fund Manager to mitigate such risk by consistently applying the value investing philosophy where your Fund Manager will analyse the underlying business values of the investee companies, which includes any political risk that may affect the investee companies business operations.
4. Climate change	Cause threat to share market prices and investee companies such as flooding, deadly heat waves, wildfires, adverse weather patterns and rising sea levels may present significant risks to the global community.	Your Board has delegated to your Fund Manager to mitigate such risk by applying the value investing philosophy by analysing the underlying business values of the investee companies and emphasis on margin of safety in managing your Fund investments.
5. Litigation risk	Arises from legal actions taken to protect the interest of your Fund and its share owners.	Your Board has ensured that competent lawyers are consulted on the decisions made that may have legal implications/ liability which can jeopardise your Fund.

As at the date of the annual report, the ERM framework, policy and your Fund's risk profiles have been implemented and are subject to annual review.

Pursuant to Paragraph 15.23 of the Bursa's MMLR, the External Auditors have reviewed this Statement on Risk Management & Internal Control. Their limited assurance review was performed in accordance with Malaysian Approved Standard on Assurance Engagements, ISAE 3000 (Revised), Assurance Engagements Other than Audits or Reviews of Historical Financial Information, and the guidance published in Audit Assurance Practice Guide 3 ("AAPG"), Guidance for Auditors on Engagements to Report on the Statement on Risk Management and Internal Control included in the Annual Report. Based on their review, nothing has come to their attention that causes them to believe that this statement is not prepared, in all material respects, in accordance with the disclosures required by Chapter 15, Paragraph 15.26 of the Main Market Listing Requirements of Bursa Malaysia and the Statement on Risk Management and Internal Control: Guidelines for Directors of Listed Issuers, nor is this statement factually inaccurate.

Conclusion

Your Board has received written assurance from your Fund Manager, Investment Advisor, Custodian and Administrator ("Service Providers") and is of the view that the risk management and internal control systems of each of the Service Providers for the year under review, in relation to their functions in your Fund pursuant to their respective terms of engagement, are in place, sound and operating adequately and effectively in all material aspects and provide a level of confidence on which your Board relies on.

After due consideration and review of the risk management and internal control, your Board is satisfied that there is no significant control failure or weaknesses identified that would result in material losses or require disclosure in your Fund's Annual Report during the financial year ended 31 May 2023.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

The Board of Directors ("your Board") of icapital.biz Berhad ("your Fund") supports the Principles and Practices as set out in the Malaysian Code on Corporate Governance ("MCCG" or "the Code") and recognises that the adoption of high standards of corporate governance is imperative for the performance of your Fund and enhancement of share owners' value.

The corporate governance adopted by your Fund provides a framework of control mechanisms in achieving its goals. This is critical to the performance of your Fund and consequently leads to its success in adopting a strong corporate governance framework that is designed to meet the best practice principles. In particular, your Board and your Fund have the obligation to act honestly, with due care and diligence, and in the best interests of share owners and other stakeholders by emphasising on the transparency of decision-making process, fairness and trustworthiness in managing your Fund. Your Board also recognises the need to adapt and improve the principles and practices to meet the ongoing changes and challenges in regulatory requirements, international developments and investor expectations.

In making this Corporate Governance ("CG") Overview Statement, your Fund is guided by Practice Note 9 of Main Market Listing Requirements ("MMLR") of Bursa Malaysia Securities Berhad ("Bursa Securities") and the CG Guide (4th edition) issued by Bursa Securities. This statement provides an overview of your Fund's application of the three (3) principles set out in the MCCG throughout the financial year ended 31 May 2023.

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS

I. Board Responsibilities Clear Roles and Responsibilities

Your Fund, being a closed-end fund, functions differently from other public companies listed on Bursa Securities. Your Fund employs an external management structure whereby all

functions are undertaken by the following service providers ("Service Providers") and the scope of work of these Service Providers are stated in their respective engagement letters/agreements with your Fund:

No.	Outsourced Service Providers	Scope of work
a.	Capital Dynamics Asset Management Sdn. Bhd. ("Fund Manager")	Fund management services
b.	Capital Dynamics Sdn. Bhd. ("Investment Adviser")	Investment research and advisory services
c.	Boardroom Corporate Services Sdn. Bhd. ("Corporate Secretarial")	Corporate secretarial services
d.	Boardroom Share Registrars Sdn. Bhd. ("Registrar")	Share registration services
e.	TMF Administrative Services Malaysia Sdn. Bhd. ("Administrator")	Accounting and administrative services
f.	Standard Chartered Bank Malaysia Berhad ("Custodian")	Custodian services
g.	PKF Risk Management Sdn. Bhd. ("Internal Auditor")	Internal audit review

The principal investment policies adopted by your Fund are to invest primarily in a managed portfolio of securities, which includes shares, stocks, warrants and bonds issued by companies listed on the Main and ACE Markets of Bursa Securities. Whilst your Fund may also invest in securities and bonds of unlisted companies, the focus will be primarily on companies listed on Bursa Securities.

The details of the investment policies and investment objectives are disclosed in your Fund's Initial Public Offering Prospectus, which is available on your Fund's website at www.icapital.my ("corporate website").

Your Board observes the investment policies and investment objectives in discharging its duties and responsibilities, which are clearly stated in the Board Charter, which is available on the corporate website.

Your Fund grants your Fund Manager the powers to invest and reinvest its assets on behalf of your Fund with a view to achieving the investment objectives as set out in the investment policies of your Fund.

Your Board wishes to highlight that any amendment to the investment policies and investment objectives of your Fund shall be approved by the share owners by way of a special resolution pursuant to Clause 111(3) of your Fund's Constitution.

Mr. Tan Teng Boo, the Designated Person of the Fund Manager ("Designated Person"), updates your Board on the investment portfolio of your Fund, economic and market outlook at Board meetings held from time to time. The investment portfolio of your Fund is disclosed on pages 54 to 56 of this Annual Report.

Separation of Positions of the Chairman & Chief Executive Officer ("CEO")

The Code states that the positions of the Chairman of the Board and the CEO should be held by different individuals and the Chairman must be a non-executive member of the Board.

Separation of the positions promotes accountability and facilitates the division of responsibilities between them. If the same person assumes the positions of Chairman of the Board and Chairman

of the Audit Committee or Nomination Committee, this gives rise to the risk of self-review and may impair the objectivity of the Chairman and the Board when deliberating on the observations and recommendations put forth by the Board Committees.

Thus, the Chairman of the Board should not be a member and/or chair of any Board Committees to ensure there are checks and balances as well as objective review by the Board and the Board Committees.

In this context, your Fund has a clear division of supervisory oversight and management functions. Your Board is led by Dato' Seri Md Ajib Bin Anuar, the Independent Non-Executive Chairman, whilst your Fund does not have any employees, management and CEO, hence, the day-to-day management affairs of your Fund are delegated to the respective Service Providers. Your Board undertakes the supervisory and oversight roles to ensure that the respective Service Providers are performing their services in accordance with the agreed mandates. Your Board, which is made up of mostly of Independent Non-Executive Directors, with diverse professional backgrounds, skills, experiences, age, ethnicity, gender and knowledge, will further strengthen the governance framework of your Fund.

Access to Information

The Directors have unrestricted access to all information on your Fund's business and affairs, whether on an individual basis or as a full Board, directly from the Service Providers, so as to enable them to discharge their duties effectively. In addition, Board papers containing the full details of the agenda are generally given in hard copies and via e-mail to the Directors before the meetings to allow sufficient time for review and to obtain explanations, if needed.

The Directors, collectively or individually, have unrestricted access to the Company Secretary and may also seek independent professional advice and information in furtherance of their duties and responsibilities at your Fund's expense, to ensure that the Directors are able to make independent and informed decisions.

Fees for independent professional advice shall be payable by your Fund subject to the following procedure:

- i. Discussion of the subject matter with the Chairman;
- ii. Provision of written notice to the Company Secretary of the Director's intention to seek independent advice with a brief summary of the subject matter; and
- iii. Notification to the Board and obtaining the Board's approval prior to the engagement of the professional advisor(s).

Independent advice sought shall exclude matters relating to the Director's personal disputes, which are not related to or do not affect your Board or your Fund as a whole.

Company Secretary

Your Board is supported by one (1) suitably qualified and competent external Company Secretary who is accountable to your Board. The Company Secretary plays an advisory role to your Board on matters related to your Fund's Constitution, Board policies and procedures, and compliance with the relevant regulatory requirements, codes or guidance and legislation. The Company Secretary supports your Board by ensuring that all Board and Board Committee meetings are properly conducted and deliberations as well as conclusions arising therefrom are accurately recorded. The Company Secretary also keeps your Board updated on changes in the MMLR and directives issued by the regulatory authorities and the resultant implications to your Fund and the Directors in relation to their duties

and responsibilities. The Company Secretary also undertakes continuous professional development to carry out its functions.

Board Charter

Your Board adopted a Board Charter to ensure that all Board members are aware of their duties and responsibilities as Board members and the various laws, regulations and guidelines affecting their conduct, and ensures that the principles of good corporate governance are applied in all their dealings in respect of and on behalf of your Fund. The Board Charter is periodically reviewed and updated in accordance with the practicality and needs of your Fund and any new regulations that may have an impact on the discharge of your Board's duties and responsibilities.

The Board Charter which was updated on 17 August 2022, is made available on the corporate website.

Code of Ethics & Conduct

Your Board has adopted the Directors' Code of Ethics and Conduct ("the Code of Conduct"), which was last updated on 9 April 2018, and has been made available on the corporate website.

Your Board and Service Providers are guided by the Code of Conduct in discharging their oversight roles and responsibilities effectively. The Code of Conduct requires your Board and Service Providers to observe high ethical business standards, maintain a healthy corporate culture and apply these values to all aspects of your Fund's business and professional practice, and to act in good faith in the best interests of your Fund and the share owners.

Anti-Bribery and Anti-Corruption Policy and Procedure

Your Board adopted the Anti-Bribery and Anti-Corruption Policy and Procedure ("ABAC Policy"), which is made available on the corporate website.

Your Board has adopted a zero-tolerance approach against all forms of Bribery and Corruption, as defined in the ABAC Policy, and takes a strong stance against such acts. The ABAC Policy leverages on the core principles of your Fund as set out in your Fund's Code of Ethics and Conduct. The ABAC Policy serves as a guideline on how to deal with Bribery and Corruption which may arise in the normal course of business.

Whistle-Blowing Policy and Procedures

Your Board had also adopted Whistle-blowing Policy, which is made available on the corporate website.

The Whistle-blowing Policy provides an avenue for Service Providers, stakeholders and share owners of the public to disclose any improper conduct within your Fund via post to the Chairman of the Audit Committee ("AC") at the registered address of your Fund, details of which are set out in the inside back cover of this Annual Report.

The reporting parties should disclose their names, contact numbers, details of person(s) involved, nature of allegation, where and when the incident took place and evidence, if possible.

All concerns will be dealt with in strictest confidence and the reporting parties will be assured that their identities will be kept confidential within the limits required by the law.

Directors Fit And Proper Policy

Your Board has also adopted the Directors Fit and Proper Policy which has been made available on the corporate website.

The Directors Fit and Proper Policy aims to guide your Fund's Nomination Committee as well as your Board in their review and assessment of candidates who are to be appointed onto your Board as well as the directors who are seeking for re-election, in complying with the new requirement of Paragraph 15.01A of MMLR.

Strategies Promoting Sustainability

Your Board is cognisant of corporate sustainability strategies, priorities and targets that create long-term share owner value by embracing opportunities and managing risks derived from the environment, social developments and governance. Your Board promotes good corporate governance in the implementation of sustainability practices throughout your Fund, the benefits of which are believed to translate into better corporate performance.

Your Fund's activities on corporate social responsibilities are disclosed on page 59 to 61 of this Annual Report and on the corporate website.

II. Board Composition

Board Composition and Balance

Your Board has five (5) members, of which four (4) members are Independent Non-Executive Directors and one (1) member is Non-Independent Non-Executive Director. This fulfils the MMLR which requires at least two (2) or one-third (1/3) of the Board, whichever is higher, to be Independent Non-Executive Directors.

Currently, there is only one (1) woman Director on the Board, comprising 20% of Board's composition.

The Nomination Committee is tasked to consider candidates for directorship taking into consideration the following:-

- skill, knowledge, expertise, experience;
- professionalism;
- integrity; and
- the ability to discharge such responsibilities and functions as expected from a director.

Your Board will, from time to time, undertake a formal and objective annual evaluation to determine the effectiveness of the Board, Board Committees and each individual Director, review its composition and size to ensure it fairly reflects the investments of the share owners while at the same time having due regard for diversity in skills, experience, age, cultural background and gender.

Your Board contributes in areas such as policy and performance monitoring, as well as improving governance and controls. They are free from any relationship which could materially interfere with the exercise of their independent judgement, objective participation and decision making process of your Board.

Your Board is ensured of a balanced view arising from the Directors having diverse professional background, skills, experience, age, ethnicity, gender and knowledge. In addition, majority of them are Independent Non-Executive Directors and are therefore not involved in the day-to-day operations of your Fund, which have been outsourced to the Service Providers. Your Board

oversees the performance of the outsourced Service Providers of your Fund and has expressed its satisfaction and confidence in the services provided by the Service Providers involved in the operations of your Fund.

The profiles of Directors are set out in the Profile of Directors in this Annual Report.

In order to ensure effective discharge of its fiduciary duties, your Board has delegated certain responsibilities to Board Committees, namely the Audit Committee ("AC") and Nomination Committee ("NC"). These Committees have their written terms of reference approved by your Board, which are available on the corporate website. However, your Board retains full responsibility for the direction and control of your Fund.

Nomination Committee

The NC was established on 19 June 2006 and as at the date of issuance of this Annual Report, comprises the following members:-

Name of Director	Membership	Directorship
Dato' Sri Syed Ismail Bin Dato' Haji Syed Azizan	Chairman	Independent Non-Executive Director
Mr Boh Boon Chiang	Member	Independent Non-Executive Director
Ms Tan Mun Lin	Member	Non-Independent Non-Executive Director

The duties and responsibilities of the NC are set out in the Terms of Reference of NC, which was updated on 9 April 2018 and are available on the corporate website.

During the financial year ended 31 May 2023 ("FYE 2023"), the NC has undertaken the following activities:-

- a) Conducted the annual Board and Board Committee Assessments for the FYE 2023;
- b) Reviewed the outcome of the Board and Board Committee Assessments;
- c) Reviewed and assessed the independence of the Independent Non-Executive Directors;
- d) Reviewed and assessed term of office and performance of the AC and each of its members;
- e) Reviewed the retirement by rotation, re-election and re-appointment of the Directors pursuant to the Constitution of your Fund and the Companies Act 2016;
- f) Reviewed and recommended the following statements for Annual Report to your Board for approval:-
 - Board's succession plan;
 - Diversity policy; and
 - Assessment criteria of the training attended by the Directors.
- g) Reviewed the training needs of the Directors; and
- h) Reviewed the composition and size of the Board of Directors.

Board and Board Committee Assessments

The NC is responsible to your Board in assessing the performance and effectiveness of the entire Board, the Board Committees and each individual Director annually. The assessment process is led by the NC Chairman and supported by the Company Secretary via the Evaluation of Board Effectiveness Form and Directors' Evaluation Form – Self and Peer Assessment ("Evaluation Forms"),

which are to be completed by your Board members. Your Board and Board Committees respectively evaluated their structure, operation, roles and responsibilities, composition and effectiveness. For the individual Directors, the assessment criteria include an assessment of fitness and propriety, contribution and performance, calibre and personality.

Based on the summary of results compiled from the Evaluation Forms for FYE 2023, the NC reviewed the mix of skills, experience, size and diversity of your Board and opined that your Board was well-balanced, with its members having diverse skill sets and core competencies. The NC opined that your Board and Board Committees and their respective members had performed satisfactorily in the discharge of their duties and responsibilities.

Annual Assessment of the Level of Independence of the Director

Your Board, through the NC, reviews and assesses the independence of the Independent Non-Executive Directors annually. The criteria for assessing the independence of an Independent Non-Executive Director include the assessment of the relationship between the Independent Non-Executive Director and your Fund and his/her involvement in any significant transaction with your Fund.

Based on the assessment of the independence of the Independent Non-Executive Directors conducted by the NC for the FYE 2023, none of your Independent Non-Executive Directors had been involved in business transactions with your Fund and your Board is satisfied that all Independent Non-Executive Directors are able to provide checks and balances to your Board's decision making process and bring independent and objective judgement to Board's deliberations.

The NC, having taken into consideration the declarations made by the Independent Non-Executive Directors and the independent judgment the Independent Non-Executive Directors had brought to your Board, was satisfied with the level of independence demonstrated by them and their ability to act in the best interests of your Fund.

Term of Office of the Audit Committee

The NC reviewed and assessed the term of office and performance of the AC and each of its members through the AC Evaluation Form (duly completed by NC). The NC evaluated their quality and composition, skills and competencies, meeting administration and conduct.

Based on the summary of results compiled from the Evaluation Form, the NC reviewed and opined that the AC and each of its members had performed satisfactorily in the discharge of their duties and responsibilities.

Tenure of Independent Directors

Your Board, as documented in the Board Charter, takes cognisance that under the Code the tenure of an Independent Director should not exceed a cumulative term of nine (9) years, unless share owners' approval is obtained to retain such Director as an Independent Director. Alternatively, an Independent Director may continue to serve on your Board if such Director is re-designated as a Non-Independent Director upon completion of nine (9) years tenure.

As at the date of this statement, none of your Directors has served your Fund for more than nine (9) years.

Appointment Process

The appointment of a new Director is a matter for consideration and decision by your Board, upon the recommendation from the NC. In making these recommendations, the NC may use independent sources to identify potential candidates with the required mix of skills, experience, gender, age, character and diversity to contribute to your Board. The Company Secretary will ensure that all appointments are properly conducted and that legal and regulatory obligations are met.

Re-election of Directors

In accordance with your Fund's Constitution, at least one-third (1/3) of the Directors, or if their number is not three (3) or a multiple of three (3), then the number nearest to one-third (1/3), shall retire from office at every Annual General Meeting ("AGM"), provided always that all the Directors shall retire from office once in every three (3) years but shall be eligible for re-election.

In addition, Directors who are appointed by your Board to fill a casual vacancy or as an additional Director to the existing Directors during the year shall hold office only until the next AGM following their appointment and shall be eligible for re-election.

Based on the office period of the Directors since their last election and upon recommendation by the NC, your Board is proposing the re-election of Dato' Seri Md Ajib Bin Anuar, who is due for retirement by rotation pursuant to Clause 100(1) of your Fund's Constitution and Ms Tan Mun Lin, who is due for retirement by rotation pursuant to Clause 100(1) of your Fund's Constitution at the forthcoming AGM, and who being eligible, have offered themselves for re-election.

To assist the share owners in their decision, sufficient information such as personal profiles of the Directors standing for re-election are disclosed in the Profile of Directors, on pages 35 to 36 of this Annual Report.

Diversity Policy

Pursuant to the Diversity Policy set out in the Board Charter, the NC and your Board shall consider diversity in terms of skills, experience, gender, ethnicity and age, amongst other criteria, when there are any appointments to your Board ("Board appointment") and when conducting an annual assessment of the Directors, Board and Board Committees.

Your Board is of the view that all Board appointments should be based on merit and candidates will be considered against objective criteria, having due regard for the benefits of diversity on your Board, including skills, experience, gender, ethnicity and age.

Succession Planning

Your Board has not established any succession plan for senior management as your Fund does not have any employees. As a closed-end fund, your Fund employs an external management structure whereby all your Fund's functions are undertaken by the Service Providers under their respective engagement letters/agreements with your Fund.

Your Board, through the NC, is responsible for ensuring that the Directors are qualified individuals of good reputation with diverse professional background, skills, necessary experience and knowledge for the performance of their duties.

As for your Board's succession plan, your Board will ensure an orderly succession of Directors based on the criteria set by the NC. Your Board agreed that if it is needed to fill a casual vacancy due to the

resignation or retirement of any Director, your Board will search for a suitable candidate in the following manner:-

- i. Your Board, through the NC, will identify and shortlist suitable candidates with the desirable professional background, gender, age, character, diversity, skills, experience and knowledge for the position; and
- ii. Fill the Board seat based on the recommendation of the NC.

The existing Board members also agree that if any one of them intends to resign or retire from the Board, he/she would inform the Chairman of the intention at least three months before the cessation of office, if possible.

Time Commitment

In accordance with the Board Charter, the Directors are required to notify the Chairman before accepting any new directorships and to indicate the time expected to be spent on the new appointment.

To ensure that the Directors have the time to focus and fulfil their roles and responsibilities effectively, none of the Directors hold directorships in more than five (5) public listed companies.

Your Board is satisfied that each individual Director of your Fund is committed to your Board and has a good attendance record for meetings held during the FYE 2023. The table below shows the full attendance of all the Directors for meetings held during the FYE 2023:-

	Board of Directors	Board Committees	
		AC	NC
Independent Non-Executive Chairman Dato' Seri Md Ajib Bin Anuar	6/6	-	-
Independent Non-Executive Director Dato' Sri Syed Ismail Bin Dato' Haji Syed Azizan	6/6	4/4	2/2
Independent Non-Executive Director Boh Boon Chiang	6/6	4/4	2/2
Non-Independent Non-Executive Director Tan Mun Lin	6/6	-	2/2
Independent Non-Executive Director Datuk Mohd Nasir Bin Ali	6/6	4/4	-

Directors' Training

All of your Directors have attended the Mandatory Accreditation Programme ("MAP") as required by Bursa Securities. Your Directors shall continue to update their knowledge and enhance their skills through appropriate continuing education programmes, to enable them to effectively discharge their duties and maintain active participation in Board deliberations. With assistance from the NC, your Board shall assess the training needs of the Directors on an ongoing basis, such as changes in laws, regulations and guidelines. Your Board is also regularly briefed on the performance of your Fund and the outlook of the local and global markets by the Designated Person.

Your Board shall ensure that newly appointed Directors comply with the MAP requirements of Bursa Securities and attend appropriate induction programmes.

During the FYE 2023, your Board members attended the following Directors' continuing education programme(s):-

Directors	Date	Course/Seminar/Conference/ Forum Attended
Dato' Seri Md Ajib Bin Anuar	26 – 27 November 2022	2022 Investor Day of icapital. biz Berhad "Invest Now To Harvest" – Organised by Capital Dynamics
	20 December 2022	ASEAN Private Sector Forum on Mineral Resources, Kuala Lumpur – Organised by AFMA (ASEAN Federation of Mining Associations)
	18 – 19 May 2023	CHINA ASEAN Mining Corporation Forum & Exhibition, Nanning, China – Organised by China-ASEAN Mining Cooperation Forum – Exhibition (CAMCFE)
Dato' Sri Syed Ismail Bin Dato' Haji Syed Azizan	26 – 27 November 2022	2022 Investor Day of icapital. biz Berhad "Invest Now To Harvest" – Organised by Capital Dynamics
Boh Boon Chiang	26 – 27 November 2022	2022 Investor Day of icapital. biz Berhad "Invest Now To Harvest" – Organised by Capital Dynamics
Datuk Mohd Nasir Bin Ali	6 October 2022	ESG, Stakeholder Capitalism & Sustainable and Responsible Investment (SRI) and "Anti-Money Laundering & Counter Financing of Terrorism (AML/CFT) – The Role of Boards and Senior Management" – Organised by MIDF
	26 November 2022	2022 Investor Day of icapital. biz Berhad "Invest Now To Harvest" – Organised by Capital Dynamics
	15 June 2023	MIDF Green Conference – Organised by MIDF
Tan Mun Lin	29 October 2022	Part 2 – The Investment Talk That You Should Attend Now – Organised by Capital Dynamics
	26 – 27 November 2022	2022 Investor Day of icapital. biz Berhad "Invest Now To Harvest" – Organised by Capital Dynamics
	12 July 2023	H2 2023 Global and Malaysia Outlook – Organised by Standard Chartered Bank Malaysia Berhad

III. Directors' Remuneration

Your Board is of the view that the need for establishing the Remuneration Committee does not arise as your Fund does not have any Executive Directors. The determination of remuneration of the Non-Executive Directors is a matter for your Board as a whole and the remuneration payable are tabled to the share owners for approval at every AGM.

The details of the remuneration policy and procedures are disclosed in your Fund's Remuneration Policy for Directors, which was last updated on 9 April 2018, are available on your Fund's corporate website.

The detailed disclosure on named basis for the remuneration of individual Directors for FYE 2023 are set out below:-

Directors	Fees (RM)	Allowance (RM)	Bonus (RM)	Benefits in kind (RM)	Others (RM)	Total (RM)
Dato' Seri Md Ajib Bin Anuar	60,000	9,000	-	--	--	69,000
Dato' Sri Syed Ismail Bin Dato' Haji Syed Azizan	50,000	15,000	-	--	--	65,000
Boh Boon Chiang	55,000	15,000	-	-	-	70,000
Tan Mun Lin	40,000	11,000	-	--	-	51,000
Datuk Mohd Nasir Bin Ali	50,000	12,000	-	-	-	62,000
Total	255,000	62,000	-	-	-	317,000

PRINCIPLE B – EFFECTIVE AUDIT AND RISK MANAGEMENT

I. Audit Committee

Composition

The AC assists your Board in its oversight of your Fund's financial statements and reporting in fulfilling its fiduciary responsibilities relating to internal controls, financial and accounting records and policies as well as financial reporting practices of your Fund. The Chairman of the AC and the Chairman of your Board are two (2) separate persons.

The AC comprises three (3) members, all of whom are Independent Non-Executive Directors. The composition of the AC, including its roles and responsibilities are set out in the AC Report on page 62 of this Annual Report.

Assessment of Sustainability and Independence of External Auditors

The AC and your Board communicate regularly with the External Auditors and they are invited to attend AC meetings, whenever appropriate.

During the meetings, the External Auditors will be invited to present their yearly audit plans, audit findings and accounting standards updates to the members of the AC. The AC held two (2) private discussion sessions with the External Auditors in respect of the audit of your Fund's financial statements for FYE 2023.

The AC had obtained written assurance from the External Auditors, Crowe Malaysia PLT, who confirmed that they are, and have been independent throughout the conduct of the audit engagement in accordance with the terms of all relevant professional and regulatory requirements.

The Terms of Reference of the AC has been revised to require a former key audit partner to observe a cooling off period of at least two (2) years before being appointed as a member of the AC.

In safeguarding and supporting the External Auditors' independence and objectivity, your Board has established an Auditor Independence Policy to set out the basic principles on the prohibition of non-audit services and the approval process required for the provision of non-audit services to the External Auditors.

A summary of the activities of the AC during the year are set out in the AC Report on pages 62 to 63 of this Annual Report.

II. Risk Management and Internal Control Framework

Establishment of Risk Management and Internal Control Framework

Your Board acknowledges its responsibilities of setting up and maintaining an effective system of risk management and internal control to ensure a proper risk management environment. In achieving this, your Board has obtained assurance that the system of risk management and internal control has taken into account the process of identifying key risks as well as the likelihood of occurrence and materiality. Your Board, through the AC, defines the level of risk appetite, approves and oversees the operation of your Fund's Risk Management Framework. Your Board, through the AC, assesses its effectiveness and reviews any major/significant risks faced by your Fund. The AC reviews the Enterprise Risk Management and advises your Board on areas of high risk faced by your Fund and the adequacy of compliance and control.

The AC also reviews the action plans implemented and makes relevant recommendations to your Board to manage residual risks. Your Fund continues to maintain and review its internal control procedures to ensure the protection of its assets and share owners' investments.

Your Fund's Statement on Risk Management and Internal Control, which provides an overview of the risk management and the state of internal control of your Fund is set out on pages 64 to 67 of this Annual Report.

Effectiveness and Independence of Internal Auditors

Your Fund has appointed PKF Risk Management Sdn Bhd, an independent professional service firm, to carry out the internal audit function. As the Internal Auditors report directly to the AC, they are independent of your Fund's activities and perform their duties with professionalism and impartiality.

A summary of the activities and details of the Internal Auditors, including performing internal audit reviews during the financial year, are set out in the AC Report on pages 63 of this Annual Report.

PRINCIPLE C – INTEGRITY IN CORPORATE REPORTING AND MEANINGFUL RELATIONSHIP WITH STAKEHOLDERS

I. Communication with Stakeholders

Corporate Disclosure Policies and Procedures

Your Board has adopted a Corporate Disclosure Policy and Procedures which is available on the corporate website. In formulating the Corporate Disclosure Policy and Procedures, your Fund has taken into account the Code and the disclosure obligations contained in the MMLR.

Leverage on Information Technology for Effective Dissemination of Information

In disseminating the corporate information and disclosure, your Fund has made use of a broad range of communication channels, including but not limited to the electronic facilities provided by Bursa Securities, press releases, letters to share owners, the corporate website, e-mails, investor/news conferences, road shows/events and general meetings of your Fund.

The corporate website disseminates corporate information relating to your Fund, such as financial information, share price information, performances of your Fund, announcements and press releases. The website is regularly updated to ensure that the information contained within is current.

II. Conduct of Annual General Meetings

Encourage Share Owners Participation at General Meetings

The AGM and any general meeting of your Fund serve as the principal forum for share owners to have direct access to your Board and provides the opportunity for share owners to raise questions pertaining to the annual report, audited financial statements, corporate developments, resolutions being proposed and the performance of your Fund. We are pleased to receive strong support especially from the majority of our individual share owners as indicated by their active participation at all of our past AGMs.

Share owners are encouraged to attend the AGM and participate in the question-and-answer session on the resolutions being proposed or on your Fund's operations in general. Share owners who are unable to attend are allowed to appoint proxies to attend and vote on their behalf in accordance with the Constitution of your Fund. Your Board members in attendance, the Fund Manager, the Administrator, the External Auditors and invited Counsels, if so required, will endeavor to respond to share owners' questions during the meeting.

Notice of AGM

Proper notices of AGM or any general meeting are at all times circulated to the share owners at least twenty-eight (28) days prior to the general meetings, unless otherwise required by law, in order to provide sufficient time for share owners to understand and evaluate the subject matter. The Notice convening the 2023 AGM will be issued to share owners on 29 September 2023, thirty-six (36) days prior to the AGM (in excess of the minimum notice period of twenty-one (21) days prescribed by the MMLR).

Encourage Poll Voting

Effective from 1 July 2016, all resolutions set out in the notice of general meetings of your Fund must be voted on by poll. To assist share owners in exercising their right to vote, your Board has put in place the electronic proxy lodgement system ("e-proxy system") to facilitate greater share owners' participation in the voting process after taking into consideration the e-proxy system's reliability, applicability and cost efficiency. Your Chairman will also invite the Share Registrar or the Independent Scrutineer to brief the share owners on the poll procedures before the commencement of polling at the AGM.

Effective Communication and Proactive Engagement with Share Owners

Your Fund recognises the importance of maintaining transparency and accountability to its share owners and investors.

The means of communication to share owners and investors, amongst others, are as follows:-

- i. General meetings of your Fund;
- ii. Announcements and disclosures made to Bursa Securities, which include annual reporting, release of financial results on a quarterly basis, weekly NAV updates and any other material information that may affect the decisions of the share owners and investors;
- iii. Press conferences and/or press releases; and
- iv. Conducting of investor awareness and education events such as Investor Day, and roadshows as and when necessary.

III. Investor Relations

Taking care of the interests of share owners are always your Fund's top priority. Having this in mind, your Fund Manager has taken the extra mile to conduct physical roadshows nationwide on behalf of your Board of Directors to personally meet with retail share owners every year. As retail investors form the majority of your Fund's shareholding, it is of utmost importance to make sure our retail share owners always stay informed of your Fund's developments and take charge of their future investments in your Fund.

Nationwide roadshows were held this year from 27 June 2023 to 30 July 2023 at eight locations throughout Malaysia including Kuala Lumpur, Kota Kinabalu, Kuching, Johor Bharu, Melaka, Alor Setar, Penang, and Ipoh. A special session was also held in Singapore for the convenience of shareowners who reside in Singapore.

This Corporate Governance Overview Statement was approved by your Board on 15 September 2023.

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT the Nineteenth Annual General Meeting ("19th AGM") of ICAPITAL.BIZ BERHAD ("icapital" or "Company") will be held at Kuala Lumpur Convention Centre, Conference Hall 2, Level 3, West Wing, Jalan Pinang, Kuala Lumpur City Centre, 50088 Kuala Lumpur, Wilayah Persekutuan Kuala Lumpur, Malaysia on Saturday, 4 November 2023 at 9.00 a.m. for the following purposes:-

AGENDA

As Ordinary Business

- | | |
|---|---|
| 1. To receive the Audited Financial Statements for the financial year ended 31 May 2023 together with the Reports of the Directors and Auditors thereon. | (Please refer to Note 1 of the Explanatory Notes) |
| 2. To approve the Directors' fees payable to the Directors of the Company amounting to RM255,000 for the financial year ended 31 May 2023. | Ordinary Resolution 1 |
| 3. To re-elect Dato' Seri Md Ajib Bin Anuar 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. | Ordinary Resolution 2 |
| 4. To re-elect Ms Tan Mun Lin as a Director who is to retire pursuant to Clause 100(1) of the Constitution of the Company and, being eligible, has offered herself for re-election. | Ordinary Resolution 3 |
| 5. To re-appoint Messrs Crowe Malaysia PLT as Auditors of the Company and to authorise the Directors to fix their remuneration. | Ordinary Resolution 4 |

As Special Business

To consider and, if deemed fit, to pass the following resolutions:-

- | | |
|--|-----------------------|
| 6. Payment of Benefits Payable to the Directors under Section 230(1)(b) of the Companies Act 2016 | Ordinary Resolution 5 |
| <p>"THAT the benefits payable to the Directors of the Company of up to an aggregate amount of RM50,000.00 for the period from 5 November 2023 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."</p> | |
| 7. To transact any other business for which due notice shall have been given pursuant to the Companies Act 2016. | |

BY ORDER OF THE BOARD

TAI YIT CHAN (MAICSA 7009143) (SSM PC No.: 202008001023)

Company Secretary
Selangor Darul Ehsan
Dated: 29 September 2023

Notes:

1. A member of the Company who is entitled to attend and vote at the 19th AGM of the Company, may appoint not more than two (2) proxies to attend and vote instead of the member at the 19th AGM.
2. Where a member of the Company is an authorised nominee as defined in the Central Depositories Act, it may appoint not more than two (2) proxies in respect of each securities account it holds with ordinary shares of the Company standing to the credit of the said securities account.

3. Where a member of the Company is an exempt authorised nominee which holds ordinary shares in the Company for multiple beneficial owners in one securities account ("omnibus account"), there is no limit to the number of proxies which the exempt authorised nominee may appoint in respect of each omnibus account it holds.

An exempt authorised nominee refers to an authorised nominee defined under Central Depositories Act which is exempted from compliance with the provisions or subsection 25A(1) of Central Depositories Act.

4. Where a member appoints more than one (1) proxy, the proportion of shareholdings to be represented by each proxy must be specified in the instrument appointing the proxies.
5. A proxy need not be a member. There shall be no restriction as to the qualification of the proxy. A proxy appointed to attend and vote at the 19th AGM of the Company shall have the same rights as the member to speak at the 19th AGM.
6. The instrument appointing a proxy shall be deemed to confer authority to demand or join in demanding a poll.
7. The appointment of proxy must:-
 - (i) In the case of an appointment made in hard copy form, be deposited at Company's Share Registrar's office at Level 11, Menara Symphony, No. 5, Jalan Prof. Khoo Kay Kim, Seksyen 13, 46200 Petaling Jaya, Selangor Darul Ehsan, Malaysia not less than 48 hours before the time appointed for holding the 19th AGM or adjourned meeting at which the person named in the appointment proposes to vote together with any authority under which it is made or a copy of the authority, certified notorially or in some other manner approved by the Board;
 - (ii) In the case of an appointment made by electronic means:-
 - a) via email to BSR.Helpdesk@boardroomlimited.com not less than 48 hours before the time appointed for holding the 19th AGM or adjourned meeting at which the person named in the appointment proposes to vote. Any authority pursuant to which such an appointment is made or a copy of the authority, certified notorially or in some other manner approved by the Board, must, if required by the Board, be received at the Company's Share Registrar's office at Level 11, Menara Symphony, No. 5, Jalan Prof. Khoo Kay Kim, Seksyen 13, 46200 Petaling Jaya, Selangor Darul Ehsan, Malaysia not less than 48 hours before the time appointed for holding the 19th AGM or adjourned meeting at which the person named in the appointment proposes to vote;
 - b) via proxy form can be lodged electronically with the Share Registrar, Boardroom Share Registrars Sdn Bhd via Boardroom Smart Investor Portal at <https://investor.boardroomlimited.com> not less than 48 hours before the time appointed for holding the 19th AGM or adjourned meeting at which the person named in the appointment proposes to vote. Kindly refer to the Administrative Guide on the procedures for electronic lodgement of proxy form. Any authority pursuant to which such an appointment is made or a copy of the authority, certified notorially or in some other manner approved by the Board, must, if required by the Board, be received the Company's Share Registrar's office at Level 11, Menara Symphony, No. 5, Jalan Prof. Khoo Kay Kim, Seksyen 13, 46200 Petaling Jaya, Selangor Darul Ehsan, Malaysia not less than 48 hours before the time appointed for holding the 19th AGM or adjourned meeting at which the person named in the appointment proposes to vote;
8. In respect of deposited securities, only members whose names appear on the Record of Depositors on 27 October 2023 (General Meeting Record of Depositors) shall be eligible to attend the 19th AGM or appoint proxy(ies) to attend and/or vote on his behalf, subject to Note 11 below.
9. Any Notice of Termination of Authority to act as Proxy must be received by the Company before the commencement of the meeting or at any adjournment thereof, failing which, the termination of the authority of a person to act as proxy will not affect the following in accordance with Section 338 of the Companies Act 2016:-
 - (a) the constitution of the quorum at such meeting;
 - (b) the validity of anything he did as chairman of such meeting;
 - (c) the validity of a poll demanded by him at such meeting; or
 - (d) the validity of the vote exercised by him at such meeting.
10. Pursuant to Paragraph 8.29A of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad ('MMLR'), all resolutions set out in the notice of the 19th AGM will be put to vote by way of poll. Poll Administrator and independent Scrutineers will be appointed by the Company to conduct the poll process and verify the results of the poll respectively.
11. Foreign depositors who hold voting shares within the prescribed limit of 20% as against the total quantity of shares listed on the official list of the Stock Exchange shall be entitled to vote at any general meeting save for restricted shares standing to the credit of the securities account of foreign depositors as being in suspense, pursuant to the Securities Industry (Central Depositories) (Foreign Ownership) Regulations 1996 ('SICDA FOR') read together with the Prescribed Limit of 20% in the Company's Constitution, the Securities Commission Guidelines for Public Offerings of Securities of Closed-end Funds, the MMLR and Chapter 24A of the Rules of Bursa Malaysia Depository concerning foreign ownership of shares in the Company. Determination(s) on rights and obligations attached to restricted shares may be made by the Board of Directors of the Company upon the happening of any of the events listed in regulation 6 (2) of SICDA FOR.

EXPLANATORY NOTES:-

1. Agenda item no. 1 - Audited Financial Statements

Agenda item no. 1 is meant for discussion only as the provision of Section 340(1)(a) of the Companies Act 2016 does not require a formal approval of Share Owners for the Audited Financial Statements. Hence, this item on the Agenda will not be put forward for voting.

2. Ordinary Resolution 5 - Payment of Benefits Payable to the Directors

The benefits payable to the Directors pursuant to Section 230(1)(b) of the Companies Act 2016 will only be made by the Company monthly in arrears after each month of completed service of the Directors, if the resolution is passed. The benefits payable has been reviewed by the Board of Directors of the Company, which recognises that the benefits payable is in the best interest of the Company for the applicable period of between 5 November 2023 until the next Annual General Meeting of the Company. The benefits comprise allowance for attendance at the Board and Board Committee meetings, subscription to club membership, outpatient medical expenses, hospitalisation and surgical insurance, handphone allowances, travelling allowances and such other benefits which have been/ may be approved by the Board of Directors. The estimated amount of benefits is determined based on the scheduled and special meetings of the Board and Board Committees to be held during the period from 5 November 2023 until the next Annual General Meeting as well as the number of Directors. This authority, unless revoked or varied by the Company at a general meeting, will expire at the conclusion of the next Annual General Meeting of the Company.

PRESENTATION ON NET ASSET VALUE ("NAV"), SHARE PRICE PERFORMANCE AND DIVIDEND POLICY

Together with the Designated Person, Mr Tan Teng Boo, two senior finance lecturers from the University of Technology Sydney, Australia, Dr Hardy Hulley and Dr Lorenzo Casavecchia, will present on icapital's NAV and share price performance and the Dividend Policy at the 19th AGM.

PERSONAL DATA PRIVACY:-

By submitting an instrument appointing a proxy(ies) and/or representative(s) to attend, speak and vote at the 19th AGM and/or any adjournment thereof, a member of the Company (i) consents to the collection, use and disclosure of the member's personal data by the Company (or its agents) for the purpose of the processing and administration by the Company (or its agents) of proxies and representatives appointed for the 19th AGM (including any adjournment thereof) and the preparation and compilation of the attendance lists, minutes and other documents relating to the 19th AGM (including any adjournment thereof), and in order for the Company (or its agents) to comply with any applicable laws, listing rules, regulations and/or guidelines (collectively, the "Purposes"), (ii) warrants that where the member discloses the personal data of the member's proxy(ies) and/or representative(s) to the Company (or its agents), the member has obtained the prior consent of such proxy(ies) and/or representative(s) for the collection, use and disclosure by the Company (or its agents) of the personal data of such proxy(ies) and/or representative(s) for the Purposes, and (iii) agrees that the member will indemnify the Company in respect of any penalties, liabilities, claims, demands, losses and damages as a result of the member's breach of warranty.

PRESENTATION ON INVESTMENT PORTFOLIO OF THE COMPANY

In order to keep the Share Owners abreast of the investments of the Company for the financial year ended 31 May 2023, the Board is pleased to invite the Share Owners of the Company to attend the Presentation on the Company's Investment Portfolio by Mr Tan Teng Boo, the Designated Person to the Fund Manager of your Fund at the 19th AGM.

PROXY FORM

ICAPITAL.BIZ BERHAD
[Registration No.: 200401036389 (674900-X)]
(Incorporated in Malaysia)

CDS account number of holder

PROXY FORM

No. of shares held

I/We _____ Tel: _____
(Full name in block letters and NRIC/Passport/ Company No.)
of _____
(Full address)

being a member of **ICAPITAL.BIZ BERHAD**, hereby appoint:-

Full Name (in Block Letters)	NRIC / Passport No.	Proportion of Shareholdings	
		No. of Shares	%
Address			
Email:	Tel:		

*and/or (delete as appropriate)

Full Name (in Block Letters)	NRIC / Passport No.	Proportion of Shareholdings	
		No. of Shares	%
Address			
Email:	Tel:		

or failing him/her, the *Chairman of the Meeting as my/our proxy to vote for me/us on my/our behalf at the Nineteenth Annual General Meeting ("19th AGM") of the Company to be held at Kuala Lumpur Convention Centre, Conference Hall 2, Level 3, West Wing, Jalan Pinang, Kuala Lumpur City Centre, 50088 Kuala Lumpur, Wilayah Persekutuan, Malaysia on Saturday, 4 November 2023 at 9.00 a.m. or at any adjournment thereof.

(*Please delete the words "Chairman of the Meeting" if you wish to appoint some other person to be your proxy.)

My/our proxy is to vote as indicated below:-

Item No.	Agenda	Resolutions	For	Against
1.	To receive the Audited Financial Statements for the financial year ended 31 May 2023 together with the Reports of the Directors and Auditors thereon.			
2.	To approve the Directors' fees payable to the Directors of the Company amounting to RM255,000.00 for the financial year ended 31 May 2023.	Ordinary Resolution 1		
3.	To re-elect Dato' Seri Md Ajib Bin Anuar 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.	Ordinary Resolution 2		
4.	To re-elect Ms Tan Mun Lin as a Director who is to retire pursuant to Clause 100(1) of the Constitution of the Company and, being eligible, has offered herself for re-election.	Ordinary Resolution 3		
5.	To re-appoint Messrs Crowe Malaysia PLT as Auditors of the Company and to authorise the Directors to fix their remuneration.	Ordinary Resolution 4		
Special Business				
6.	Payment of Benefits Payable to the Directors under Section 230(1)(b) of the Companies Act 2016.	Ordinary Resolution 5		

(Please indicate with an "X" in the spaces provided on how you wish your vote to be cast. If you do not do so, the proxy will vote or abstain from voting at his/her discretion.)

Signature/Common Seal of Shareholder

Date:



NOTES:

1. A member of the Company who is entitled to attend and vote at the 19th AGM of the Company, may appoint not more than two (2) proxies to attend and vote instead of the member at the 19th AGM.
2. Where a member of the Company is an authorised nominee as defined in the Central Depositories Act, it may appoint not more than two (2) proxies in respect of each securities account it holds with ordinary shares of the Company standing to the credit of the said securities account.
3. Where a member of the Company is an exempt authorised nominee which holds ordinary shares in the Company for multiple beneficial owners in one securities account ("omnibus account"), there is no limit to the number of proxies which the exempt authorised nominee may appoint in respect of each omnibus account it holds.

An exempt authorised nominee refers to an authorised nominee defined under Central Depositories Act which is exempted from compliance with the provisions or subsection 25A(1) of Central Depositories Act.
4. Where a member appoints more than one (1) proxy, the proportion of shareholdings to be represented by each proxy must be specified in the instrument appointing the proxies.
5. A proxy need not be a member. There shall be no restriction as to the qualification of the proxy. A proxy appointed to attend and vote at the 19th AGM of the Company shall have the same rights as the member to speak at the 19th AGM.
6. The instrument appointing a proxy shall be deemed to confer authority to demand or join in demanding a poll.
7. The appointment of proxy must:-
 - (i) In the case of an appointment made in hard copy form, be deposited at Company's Share Registrar's office at 11th Floor, Menara Symphony, No. 5, Jalan Prof. Khoo Kay Kim, Seksyen 13, 46200 Petaling Jaya, Selangor Darul Ehsan, Malaysia not less than 48 hours before the time appointed for holding the 19th AGM or adjourned meeting at which the person named in the appointment proposes to vote together with any authority under which it is made or a copy of the authority, certified notari ally or in some other manner approved by the Board;
 - (ii) In the case of an appointment made by electronic means:-
 - a) via email to BSR.Helpdesk@boardroomlimited.com not less than 48 hours before the time appointed for holding the 19th AGM or adjourned meeting at which the person named in the appointment proposes to vote. Any authority pursuant to which such an appointment is made or a copy of the authority, certified notari ally or in some other manner approved by the Board, must, if required by the Board, be received at the Company's Share Registrar's office at Level 11, Menara Symphony, No. 5, Jalan Prof. Khoo Kay Kim, Seksyen 13, 46200 Petaling Jaya, Selangor Darul Ehsan, Malaysia not less than 48 hours before the time appointed for holding the 19th AGM or adjourned meeting at which the person named in the appointment proposes to vote;
 - b) via proxy form can be lodged electronically with the Share Registrar, Boardroom Share Registrar Sdn Bhd via Boardroom Smart Investor Portal at <https://investor.boardroomlimited.com> not less than 48 hours before the time appointed for holding the 19th AGM or adjourned meeting at which the person named in the appointment proposes to vote. Kindly refer to the Administrative Guide on the procedures for electronic lodgement of proxy form. Any authority pursuant to which such an appointment is made or a copy of the authority, certified notari ally or in some other manner approved by the Board, must, if required by the Board, be received the Company's Share Registrar's office at 11th Floor, Menara Symphony, No. 5, Jalan Prof. Khoo Kay Kim, Seksyen 13, 46200 Petaling Jaya, Selangor Darul Ehsan, Malaysia not less than 48 hours before the time appointed for holding the 19th AGM or adjourned meeting at which the person named in the appointment proposes to vote;
 - (iii) in the case of a poll, be received as aforesaid not less than 24 hours before the time appointed for the talking of the poll.
8. In respect of deposited securities, only members whose names appear on the Record of Depositors on 27 October 2023 (General Meeting Record of Depositors) shall be eligible to attend the 19th AGM or appoint proxy(ies) to attend and/or vote on his behalf, subject to Note 11 below.
9. Any Notice of Termination of Authority to act as Proxy must be received by the Company before the commencement of the meeting or at any adjournment thereof, failing which, the termination of the authority of a person to act as proxy will not affect the following in accordance with Section 338 of the Companies Act 2016:-
 - (a) the constitution of the quorum at such meeting;
 - (b) the validity of anything he did as chairman of such meeting;
 - (c) the validity of a poll demanded by him at such meeting; or
 - (d) the validity of the vote exercised by him at such meeting.
10. Pursuant to Paragraph 8.29A of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad ("MMLR"), all resolutions set out in the notice of the 19th AGM will be put to vote by way of poll. Poll Administrator and independent Scrutineers will be appointed by the Company to conduct the poll process and verify the results of the poll respectively.
11. Foreign depositors who hold voting shares within the prescribed limit of 20% as against the total quantity of shares listed on the official list of the Stock Exchange shall be entitled to vote at any general meeting save for restricted shares standing to the credit of the securities account of foreign depositors as being in suspense, pursuant to the Securities Industry (Central Depositories) (Foreign Ownership) Regulations 1996 ('SICDA FOR') read together with the Prescribed Limit of 20% in the Company's Constitution, the Securities Commission Guidelines for Public Offerings of Securities of Closed-end Funds, the MMLR and Chapter 24A of the Rules of Bursa Malaysia Depository concerning foreign ownership of shares in the Company. Determination(s) on rights and obligations attached to restricted shares may be made by the Board of Directors of the Company upon the happening of any of the events listed in regulation 6 (2) of SICDA FOR.

Personal Data Privacy:-

By submitting an instrument appointing a proxy(ies) and /or representative(s), the member accepts and agrees to the personal data privacy terms set out in the Notice of Annual General Meeting dated 29 September 2023.

Please fold here to seal

STAMP

BOARDROOM SHARE REGISTRARS SDN. BHD.

[Registration No. 199601006647 (378993-D)]

11TH FLOOR, MENARA SYMPHONY

NO. 5, JALAN PROF. KHOO KAY KIM

SEKSYEN 13

46200 PETALING JAYA

SELANGOR DARUL EHSAN

MALAYSIA

ADMINISTRATIVE GUIDE FOR THE NINETEENTH ANNUAL GENERAL MEETING ("19TH AGM") OF ICAPITAL.BIZ BERHAD

Meeting Title : icapital 19th AGM

Day, Date and Time : Saturday, 4 November 2023 at 9.00 a.m.

Meeting Venue : Kuala Lumpur Convention Centre – Conference Hall 2, Level 3, West Wing
Jalan Pinang, Kuala Lumpur City Centre
50088 Kuala Lumpur, Wilayah Persekutuan, Malaysia

vote at the meeting. The last date to purchase the shares of the Company to be eligible to attend, participate, speak and/or vote at the meeting is **25 October 2023**.

For further details, kindly refer to "Explanation of SICDA FOR" in the Letter to Share Owners on page 3 of the 2023 Annual Report.

PROXY

If you are unable to attend the 19th AGM, you are encouraged to appoint a proxy or the Chairman of the Meeting as your proxy and indicate the voting instructions in the Proxy Form which may be submitted in the following manner:

(a) In the case of an appointment made in hard copy form, be deposited at Company's Share Registrar's office at Level 11, Menara Symphony, No. 5, Jalan Prof. Khoo Kay Kim, Seksyen 13, 46200 Petaling Jaya, Selangor Darul Ehsan, Malaysia by **9.00 a.m. on 2 November 2023**;

(b) In the case of an appointment made by electronic means:-

(i) by emailing to **BSR.Helpdesk@boardroomlimited.com** by **9.00 a.m. on 2 November 2023**;

(ii) by lodging electronically with the Share Registrar, Boardroom Share Registrars Sdn Bhd via **Boardroom Smart Investor Portal ("BSIP")** at **<https://investor.boardroomlimited.com>** by **9.00 a.m. on 2 November 2023**. Kindly refer to the table below on the procedures for electronic lodgement of proxy form.

GENERAL MEETING ARRANGEMENTS

The 19th AGM will be held at Kuala Lumpur Convention Centre – Conference Hall 2, Level 3, West Wing.

With that, you may exercise your right as a Share Owner of the Company to participate (including to pose questions to the Board of Directors of the Company) and vote at the 19th AGM. Alternatively, you may also appoint the Chairman of the Meeting as your proxy to attend and vote on your behalf at the 19th AGM.

ENTITLEMENTS TO ATTEND, SPEAK AND VOTE

In respect of deposited securities and where relevant, subject to the Prescribed Limit pursuant to the Securities Industry (Central Depositories) (Foreign Ownership) Regulations 1996 read together with the Prescribed Limit of 20% in the Company's Constitution, the Securities Commission Guidelines for Public Offerings of Securities of Closed-end Funds, the Main Market Listing Requirements and the Rules of Bursa Malaysia Depository Sdn Bhd, only Share Owners whose names appear on the Record of Depositors on **27 October 2023** (General Meeting Record of Depositors) shall be eligible to attend, participate, speak and/or

LODGE MENT OF E-PROXY FORM via Boardroom Smart Investor Portal ("BSIP")

<p>Step 1 -</p> <p>Register Online with Boardroom Smart Investor Portal (For first-time registration only)</p>	<p><i>Note: If you have already signed up with Boardroom Smart Investor Portal, you are not required to register again. You may proceed to Step 2.</i></p> <ul style="list-style-type: none"> • Access the website https://investor.boardroomlimited.com • Click "Register" to sign up as a user. • Please select the correct account type i.e. sign up as "Shareholder" or "Corporate Holder". • Complete registration with all the required information. Upload and attach a softcopy of your Identity Card (NRIC) (front and back) or Passport. For Corporate Holder, kindly upload the authorisation letter as well. Click "Sign Up". • You will receive an email from BSIP Online for email address verification. Click on "Verify Email Address" from the email received to continue with the registration. • Once your email address is verified, you will be re-directed to BSIP Online for verification of mobile number. • Click on "Request OTP Code" and an OTP code will be sent to the registered mobile number. You will need to enter the OTP Code and click "Enter" to complete the process. • Once your mobile number is verified, registration of your new BSIP account will be pending for final verification. • An email will be sent to you to inform of the approval of your BSIP account within one (1) business day. Subsequently, you can log in at https://investor.boardroomlimited.com with the email address and password filled up by you during the registration to proceed.
--	--

<p>Step 2 –</p> <p>Appointment of Proxy</p>	<p>Appointment of Proxy for individual shareholder and corporate holder (via BSIP)</p> <ul style="list-style-type: none"> • Login to https://investor.boardroomlimited.com using your user ID and password from Step 1 above. • Click "Meeting Events" and select from the list of companies "icapital.biz Berhad 19th Annual General Meeting" and click "Enter". • Click "Submit eProxy Form". • Select the company you would like to represent (if you are representing more than one company, for Corporate holder) • Enter your CDS Account Number and number of securities held. • Select your proxy - either the Chairman of the meeting or individual named proxy(ies). • Read and accept the General Terms and Conditions then click "Next". • Enter the required particulars of your proxy(ies). • Indicate your voting instructions – FOR or AGAINST or ABSTAIN. If you wish to have your proxy(ies) to act upon his/her discretion, please indicate DISCRETIONARY. • Review and confirm your proxy appointment. Click "Apply". Download or print the eProxy Form as acknowledgment. <p>Appointment of Proxy for Authorised Nominee and Exempt Authorised Nominee (via BSIP)</p> <ul style="list-style-type: none"> • Login to https://investor.boardroomlimited.com using your user ID and password from Step 1 above. • Click "Meeting Events" and select from the list of companies "icapital.biz Berhad 19th Annual General Meeting" and click "Enter". • Click "Submit eProxy Form". • Select the company you would like to represent (if you are representing more than one company) • Proceed to download the file format for "Submission of Proxy Form" from BSIP. • Prepare the file for the appointment of proxies by inserting the required data. • Proceed to upload the duly completed proxy appointment file. • Review and confirm your proxy appointment and click "Submit". • Download or print the eProxy form as acknowledgment.
---	--

REVOCATION OF PROXY

If you have submitted your Proxy Form and subsequently decide to appoint another person or wish to participate in our electronic AGM by yourself, please write in to bsr.helpdesk@boardroomlimited.com to revoke the earlier appointed proxy at least 48 hours before the meeting.

HELP DESK

1. Please proceed to the Help Desk for any clarification or enquiry.
2. The Help Desk will also handle revocation of proxy's appointment.

REGISTRATION

1. **Registration will start at 7.00 a.m.** and the shareowners and proxies are requested to be punctual.
2. Please produce your **original MYKAD (for Malaysian) or Passport (for non-Malaysian)** to the registration staff for verification. **No photocopy of MYKAD or Passport will be accepted.** Please make sure you collect your MYKAD or Passport thereafter.

3. **No person will be allowed to register on behalf of another person** even with the original MYKAD or Passport of that other person.

ONLY PERSONS WITH TAG ARE ALLOWED INTO THE MEETING ROOM

1. You will be provided with an identification tag upon verification and registration.
2. No person will be allowed to enter the meeting hall without the identification tag.
3. The identification tag must be worn throughout the 19th AGM.
4. There will be no replacement in the event that you lose or misplace the identification tag.
5. If you are attending the 19th AGM as share owner as well as proxy, you will be registered once and will be provided only one (1) identification tag to enter the meeting hall.
6. The registration counter will handle only verification of identity and registration. If you have any enquiries or in need of clarification, please proceed to the Help Desk.
7. Children are not allowed to enter the meeting room.

POLL VOTING

The voting at the 19th AGM will be conducted by poll in accordance with Paragraph 8.29A of Main Market Listing Requirements of Bursa Malaysia Securities Berhad. The Company has appointed Boardroom Share Registrars Sdn. Bhd. as Poll Administrator to conduct the poll by way of electronic means and SKY Corporate Services Sdn. Bhd. as Scrutineers to verify the poll results.

Share Owners can proceed to vote on the resolutions before the end of the voting session which will be announced by the Chairman of the Meeting and **submit your votes at any time from the commencement of the 19th AGM at 9.00 a.m.** The Scrutineers will verify and announce the poll results followed by the Chairman's declaration whether the resolutions are duly passed.

RECORDING OR PHOTOGRAPHY

Strictly **NO audio** and/or **video recording** or **photography** of the proceedings of the 19th AGM (including presentation by Mr Tan Teng Boo and any invitees) is allowed. In the event we find that there is audio and/or video recording or photography of the proceedings by anyone, we will not hesitate to take legal action against the perpetrator and/or any other person involved in the recording or photography.

NO GIFTS DISTRIBUTION

There will be **no gift distribution** for the Share Owners/Proxies at the 19th AGM.

PRE-MEETING SUBMISSION OF QUESTIONS TO THE BOARD OF DIRECTORS

Share Owners may submit questions for the Board in advance of the 19th AGM no later than **9.00 a.m., Saturday, 21 October 2023** by:

- a) emailing to enquiries@cdam.biz or
- b) via BSIP at <https://investor.boardroomlimited.com>. Click "**Submit Question**" after selecting **icapital.biz Berhad 19th Annual General Meeting** from the **Meeting Events**. The Board and your Fund Manager will endeavor to answer the questions received at the 19th AGM.

ENQUIRY

If you have any enquiries on the above, please contact the following persons during office hours on Mondays to Fridays from 8.30 a.m. to 5.30 p.m. (except on public holidays):

Address : **Boardroom Share Registrars Sdn. Bhd.**
11th Floor, Menara Symphony
No. 5 Jalan Prof. Khoo Kay Kim
Seksyen 13
46200 Petaling Jaya
Selangor Darul Ehsan
Malaysia

General Line : 603-7890 4700

Fax Number : 603-7890 4670

Email : BSR.Helpdesk@boardroomlimited.com

Personal Data Policy

By registering for the remote participation and electronic voting meeting and/or submitting the instrument appointing a proxy(ies) and/or representative(s), the Share Owner of the Company has consented to the use of such data for purposes of processing and administration by the Company (or its agents); and to comply with any laws, listing rules, regulations and/or guidelines. The Share Owner agrees that he/she will indemnify the Company in respect of any penalties, liabilities, claims, demands, losses and damages as a result of the Share Owner's breach of warranty.

NOTES

[illegible]

CORPORATE INFORMATION

BOARD OF DIRECTORS

Dato' Seri Md Ajib Bin Anuar
(Independent Non-Executive Chairman)

Dato' Sri Syed Ismail Bin Dato' Haji Syed Azizan
(Independent Non-Executive Director)

Boh Boon Chiang
(Independent Non-Executive Director)

Tan Mun Lin
(Non-Independent Non-Executive Director)

Datuk Mohd Nasir Bin Ali
(Independent Non-Executive Director)

AUDIT COMMITTEE ("AC")

Chairman
Boh Boon Chiang

Members :
Datuk Mohd Nasir Bin Ali

Dato' Sri Syed Ismail Bin Dato' Haji Syed Azizan

NOMINATION COMMITTEE ("NC")

Chairman
Dato' Sri Syed Ismail Bin Dato' Haji Syed Azizan

Members :
Boh Boon Chiang
Tan Mun Lin

STOCK EXCHANGE LISTING

Main Market of Bursa Malaysia Securities Berhad
Date of listing: 19 October 2005
Stock Name: ICAP
Stock Code: 5108

FUND MANAGER

Capital Dynamics Asset Management Sdn. Bhd.
[Registration No. 199601017422 (389773-H)]
16.01B, 16th Floor
Plaza First Nationwide
161, Jalan Tun H.S. Lee
50000 Kuala Lumpur

Designated Person:
Tan Teng Boo
Tel: (603) 2070 2106 – 8
Fax: (603) 2070 6653
Email: cdam@cdam.biz
Website: www.cdam.biz

INVESTMENT ADVISER

Capital Dynamics Sdn. Bhd.
[Registration No. 198801004387 (171744-U)]
16.01A, 16th Floor
Plaza First Nationwide
161, Jalan Tun H.S. Lee
50000 Kuala Lumpur

Tel: (603) 2070 2104/5
(603) 2070 1654(75)
Fax: (603) 2070 2103
Email : cdsb@icapital.biz
Website : www.icapital.biz

ADMINISTRATOR

TMF Administrative Services Malaysia Sdn. Bhd.
[Registration No. 199501012166 (341368-X)]
10th Floor, Menara Hap Seng
No. 1 & 3 Jalan P. Ramlee
50250 Kuala Lumpur

CUSTODIAN

Standard Chartered Bank Malaysia Berhad
[Registration No. 198401003274 (115793-P)]
Level 24, Equatorial Plaza
Jalan Sultan Ismail
50250 Kuala Lumpur

REGISTERED OFFICE

12th Floor, Menara Symphony
No. 5, Jalan Prof. Khoo Kay Kim
Seksyen 13
46200 Petaling Jaya
Selangor
Tel: (603) 7890 4800
Fax: (603) 7890 4650

SHARE REGISTRAR

Boardroom Share Registrars Sdn. Bhd.
[Registration No. 199601006647 (378993-D)]
11th Floor, Menara Symphony
No. 5, Jalan Prof. Khoo Kay Kim
Seksyen 13
46200 Petaling Jaya
Selangor
Tel: (603) 7890 4700
Fax: (603) 7890 4670

COMPANY SECRETARY

Tai Yit Chan (MAICSA No. 7009143)
(SSM PC No. 202008001023)

AUDITORS

Crowe Malaysia PLT
201906000005
(LLP0018817 – LCA) & AF 1018
Level 16, Tower C
Megan Avenue II
12 Jalan Yap Kwan Seng
50450 Kuala Lumpur

FUND'S CORPORATE WEBSITE

www.icapital.my



www.icapfanclub.com

CONTENTS

About icapital.biz Berhad	Inside Front Cover
How did we do ?	
a. Letter to share owners	3
b. Important announcement	4
c. What we have done with your funds	5
Mengenai icapital.biz Berhad	13
Bagaimanakah pencapaian kita?	
a. Surat kepada pemilik-pemilik saham	14
b. Pengumuman penting	15
c. Apa yang telah kami lakukan dengan dana anda	16
关于资本投资有限公司	25
我们的表现	
a. 致股东的信	26
b. 重要宣布	27
c. 我们如何管理您的基金	28
Profile of Directors	35
Profile of Designated Person	37
Financial Statements	
Directors' Report	37
Statement by Directors	39
Statutory Declaration	39
Independent Auditors Report	40
Statement of Financial Position	42
Statement of Profit or Loss and Other Comprehensive Income	42
Statement of Changes in Equity	43
Statement of Cash Flows	43
Notes to the Financial Statements	44
Directors' Responsibility Statement	54
Investment Portfolio	54
Additional Information	56
Analysis of Shareholdings as at 23 August 2023	58
Corporate Responsibility	59
Explanatory Notes	61
Audit Committee Report	62
Statement on Risk Management and Internal Control	64
Corporate Governance Overview Statement	67
Notice of Annual General Meeting	74
Proxy Form	77
Administrative Guide for the 19th AGM	79
Corporate Information	Inside Back Cover