

DIRECTORY FOR THE FUND

Directors of the Fund

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Investment Manager

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Administrator

HSBC Trustee (Cayman) Limited

Administrator's Delegate

HSBC Institutional Trust Services (Singapore)
Limited

Custodian to the Fund

HSBC Trustee (Cayman) Limited

Legal Advisers as to Cayman Law

Walkers

Legal Advisers as to Singapore Law

Rajah & Tann

Auditors to the Fund

PricewaterhouseCoopers Cayman

i Capital Global Fund

Quarterly Report for the period 1 May 2009 to 31 July 2009

i Capital Global Fund

Interim Report of the Fund Manager for the period 1 May 2009 to 31 July 2009

Performance

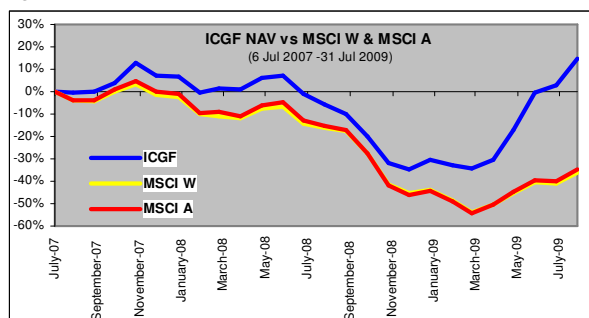
This is the first quarterly report of the *i Capital Global Fund* for the financial year ending 30 April 2010.

In the three months ending 31 July 2009, the net asset value (NAV) of the *i Capital Global Fund* rose 38.12% or US\$316.615 from US\$830.481 to US\$1,147.096 per share. In the same period, the MSCI World Index ⁽¹⁾ rose 16.99% and the MSCI All Country Index ⁽²⁾ gained 18.16%.

Between 6 July 2007 and 31 July 2009, the net asset value (NAV) of the *i Capital Global Fund* gained 14.71% or US\$147.096 from US\$1,000.000 to US\$1,147.096 per share. In the same period, the MSCI World Index plunged 35.96% and the MSCI All Country Index slumped 34.76%.

The performance of your Fund, since its inception in July 2007, is best seen visually. Figure 1 shows the NAV of the *i Capital Global Fund* against the performance of the two MSCI benchmark indices since its launch. As can be seen, your Fund has consistently outperformed the two MSCI benchmark indices.

Figure 1



As you may remember, your Fund was launched just before the financial markets and economies were seriously affected by the US-led financial crisis. Capital Dynamics (S) Pte Ltd, as the fund manager, had consistently taken advantage of the panicky pessimism and silly selling. By the end of July 2009, your Fund had only about US\$2,473,147 million in cash or 4.99% of NAV.

In the three months ending 31 July 2009, your Fund increased its investment by purchasing 1,270,000 shares of New World Department Stores.

(1): This index comprises prices from 23 developed countries.
(2): This index comprises prices from 48 countries, including China.

Part of the New World group, New World Department Stores is listed on the Hong Kong Stock Exchange. It operates and owns department stores in China.

The portfolio of your Fund is spread across 14 companies that are engaged in a wide range of business activities – see the Schedule of Securities in page 7. The top 5 investments as at 31 July 2009 are Beijing Capital Land, RexLot, Shanghai Industrial Holdings, Keppel Corporation and Oil Search. They make up 60.42% of the total assets.

Subsequent to 31 July 2009, your Fund sold all its holdings of Oil Search and made additional investments in Porsche and invested in New World Department Stores.

Strategy

The *i Capital Long Boom*, a secular boom that was first identified by our managing director about 8 years ago, has a few defining features. One of these is volatility.

More than a year ago, most were convinced that the world economy and financial markets would not recover for a long time to come. In 2009, when the equity markets rallied, when the recovery shoots appeared, we were all warned about the double-dip, the bear market rally and so on. Now we are told that there is an asset bubble, especially in Asia.

There is one word to describe this dramatic swing – volatility. In the coming months and years, we can be assured of this repeating. However, it is useful to remember that when investing, it is often true that what the majority knows is not worth knowing anymore. To most people, the surprise for 2010 will be a continuation of the global economic recovery and the rally seen in most equity markets. To Capital Dynamics (S) Pte Ltd such an outcome will be what we have been expecting since early 2009. As a result, your Fund is well positioned for such an exciting year ahead.

For those investors who agree with our views, for those who are convinced with our hard earned superior performance, and for those who share our eclectic value investing style, you may want to consider investing more in the *i Capital Global Fund*. After all, very few funds were able to go through 2008 with their investors sleeping soundly and yet still produced a handsome return.

Tan Teng Boo
Capital Dynamics (S) Pte Ltd
24 December 2009

i CAPITAL GLOBAL FUND

Income Statement

For the financial period from 1 May 2009 to 31 July 2009

	For the financial period from 1 May 2009 to 31 July 2009
	US\$
Income	
Dividend income	181,260
Interest income	83
Net foreign exchange gain	39,398
Other net changes on financial assets & financial liabilities at fair value through profit or loss	13,607,129
Total income	13,827,870
Expenses:	
Management fees	170,454
Administrative and Custodian fees	23,153
Audit fees	4,451
Other operating expenses	2,896
Total operating expenses	200,954
Operating profit	13,626,916
Interest expense	-
Total finance costs	-
Profit before tax	13,626,916
Withholding tax on dividends and other investment income	(40,258)
Increase in net assets attributable to holders of participating shares from operations (at bid market prices)	13,586,658
Adjustment from bid market prices to last traded market prices	(26,215)
Increase in net assets attributable to holders of participating shares from operations (at last traded market prices)	13,560,443

i CAPITAL GLOBAL FUND

Balance Sheet

As at 31 July 2009

	31 July 2009
	US\$
ASSETS	
Current Assets	
Financial assets at fair value through profit or loss	47,036,817
Other receivables	10
Cash and cash equivalents	2,473,147
Total Assets	49,509,974
Equity	
Management shares	10
Total Equity	10
LIABILITIES	
Current Liabilities	
Accrued expenses and other payables	194,758
Liabilities (excluding net assets attributable to holders of participating shares)	194,758
Net assets attributable to holders of participating shares (at bid market prices)	49,315,206
Represented by:	
Net assets attributable to holders of participating shares (at last traded market prices)	49,514,969
Adjustment from bid/asking market prices to last traded market prices	(199,763)
Net assets attributable to holders of participating shares (at bid market prices)	49,315,206
Net assets value per holder of participating shares at bid market prices, based on 43,165 shares outstanding	1,142.48

i CAPITAL GLOBAL FUND

STATEMENT OF CHANGES IN EQUITY

For the financial period from 1 May 2009 to 31 July 2009

	For the financial period from 1 May 2009 to 31 July 2009	
	Number of shares	US\$
Equity at beginning of the period	10	10
Issue of management shares	-	-
Equity at end of financial period	10	10

i CAPITAL GLOBAL FUND

STATEMENT OF CHANGES IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF PARTICIPATING SHARES

For the financial period from 1 May 2009 to 31 July 2009

	For the financial period from 1 May 2009 to 31 July 2009	
	Number of shares	US\$
Net assets attributable to holders of participating shares at the beginning of the period (at last traded market prices)	42,527	35,317,617
Issue of participating shares during the period	738	739,975
Redemption of participating shares during the period	(100)	(103,066)
Net increase from share transactions	638	636,909
Increase in net assets attributable to holders of participating shares from operations (at last traded market prices)	-	13,560,443
Net assets attributable to holders of participating shares at end of the period (at last traded market prices)	43,165	49,514,969

i CAPITAL GLOBAL FUND

CASH FLOW STATEMENT

For the financial period from 1 May 2009 to 31 July 2009

	For the financial period from 1 May 2009 to 31 July 2009
	US\$
Cash flows from operating activities	
Increase in net assets attributable to holders of participating shares from operations (at last traded market prices)	13,560,443
Adjustment for:	
Bid market prices to last traded market prices	26,215
Dividend income	(181,260)
Interest income	(83)
Tax expense	40,258
Operating cash flow before working capital changes	13,445,573
Changes in operating assets and liabilities	
Net increase in financial assets at fair value through profit or loss	(14,708,382)
Net decrease in other liabilities	(47,071)
Cash used in operations	(1,309,880)
Dividend received, net of withholding tax	496,992
Interest received	83
Net cash used in operating activities	(812,805)
Cash flows from financing activities	
Proceeds from participating shares issued	739,975
Redemption of participating shares	(103,066)
Net cash provided by financing activities	636,909
Net decrease in cash and cash equivalents held	(175,896)
Cash and cash equivalents at the beginning of the financial period	2,649,043
Cash and cash equivalents at the end of the financial period	2,473,147

/ CAPITAL GLOBAL FUND**NOTE TO THE FINANCIAL STATEMENTS**

As at 31 July 2009

Schedule of Securities

	Holdings as at 31 July 2009 No. of Shares	Fair Value as at 31 July 2009 USD	Percentage of total net assets attributable to unitholders at 31 July 2009 %
AEROSPACE			
ROLLS-ROYCE GROUP PLC	90,000	617,715	1.25
AGRICULTURE			
CHAODA MODERN AGRICULTURE	2,840,875	1,920,786	3.89
AUTOS & TRUCKS			
PORSCHE PFD NPV	35,000	2,260,744	4.58
DEPT STORES			
NEW WORLD DEPARTMENT STORES	1,270,000	1,102,844	2.24
FINANCE			
BANK OF EAST ASIA	1,100,000	3,647,718	7.40
ST GALLER KANTONALBANK	6,527	2,395,508	4.86
FOODS			
TESCO PLC	600,000	3,655,559	7.41
INFORMATION TECHNOLOGY-SOFTWARE & SERVICES			
REXLOT HOLDINGS LTD	76,875,000	6,645,925	13.48
MISCELLANEOUS			
SHANGHAI ASIA HLDGS LTD	1,535,000	127,735	0.26
SHANGHAI INDUSTRIAL HLDGS LTD	1,200,000	6,448,991	13.08
OIL & GAS			
CNPC HONG KONG LTD	1,500,000	1,515,474	3.07
OIL SEARCH LTD	1,000,000	4,680,500	9.49
REAL ESTATE			
BEIJING CAPITAL LAND LTD H SHR	15,000,000	6,793,505	13.78
SHIPBUILDING			
KEPPEL CORP LTD	900,000	5,223,813	10.59
		47,036,817	95.38

Other Information

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

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

From its inception in July 2007 to July 2009, the *i* Capital Global Fund's performance gained 14.72%, as opposed to -34.80% for the MSCI World Index (MSCIW) and -33.43% for the MSCI All Country World Index (MSCIA). From 1 Jan 2007 to 31 July 2009, funds under CDPL's management achieved a return of 9.12% per annum, outperforming the MSCIW and MSCIA which in that period recorded -12.69% and -11.77% per annum respectively.

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

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

Launched in June 2009, the *i* Capital International Value Fund invests in global equities and is managed with a

focus on long term capital appreciation while providing distributions.

Capital Dynamics Asset Management S/B (CDAM), based in Kuala Lumpur, manages icapital.biz Berhad, a closed-end fund listed on Bursa Malaysia, and discretionary accounts. The share price of icapital.biz Berhad consistently trades at a premium to its net asset value.

CDAM has been consistently reporting positive returns since its inception. Between 1998 and July 2009, CDAM achieved a net compound return of 21.52% per annum and has substantially outperformed the Kuala Lumpur Composite Index every year, which gained 5.82% per annum in the same period.

The Capital Dynamics group traces back to 1988, when its managing director, Tan Teng Boo, an experienced investment manager, founded Capital Dynamics S/B, the first independent investment adviser in Malaysia. It provides top quality advice on investments through *i* Capital, its weekly report, and www.icapital.biz, the Internet edition. It supervises 5 portfolios with the oldest started as far back as Sep 1991. Every portfolio has outperformed the market indices by a substantial margin.

The investment philosophy of the Capital Dynamics group, including that of CDPL, is guided by a sound and rigorous value-investing framework. Essentially, the Capital Dynamics group seeks low risk yet high return types of investment.

The Capital Dynamics group is independent and is therefore not part of any financial institution or political or government organisation. Being owner-operated, the continuity and consistency of the investment approach adopted by the group is assured.

