

**EAGLE CAPITAL
GROWTH
FUND, INC.**

Eagle Capital Growth Fund, Inc.
Annual Report

December 31, 2022

Top Ten Holdings (as of December 31, 2022)

<u>Company</u>	<u>Market Value</u>	<u>Percentage of Portfolio</u>
Berkshire Hathaway Inc. B	\$8,185,850	20.6%
Markel Corp.	\$2,200,208	5.5%
T. Rowe Price Group Inc.	\$1,864,926	4.7%
Franklin Resources, Inc.	\$1,846,600	4.7%
PepsiCo, Inc.	\$1,806,600	4.6%
Starbucks Corp.	\$1,785,600	4.5%
Diamond Hill Investment Group, Inc.	\$1,771,752	4.5%
Alphabet, Inc. A	\$1,676,370	4.2%
Colgate-Palmolive Company	\$1,654,590	4.2%
Illinois Tool Works Inc.	\$1,542,100	3.9%

Dear Fellow Shareholders,

2022 was a dismal year for investors. The S&P 500 (total return) index declined by 18.1%, amid Russia's invasion of Ukraine, higher oil and gas prices, and rampant inflation. The technology heavy NASDAQ fell 32.3%. Our Fund managed to avoid much of the pain; our Net Asset Value (NAV) went down by just 3.7%. This shouldn't come as a surprise since we have often noted that, while our Fund will lag the overall market in a strong up market, we do well in a down to flat market. And 2022 was further evidence of this phenomenon.

Well, in 2022, the world got a little more rational. A lot of air was taken out of the "new era" stocks like Tesla, Nvidia, and others.

We managed to avoid most of these problems. Are we prescient? Hardly. We're just a little more attuned to risk and human behavior, particularly when fear and greed are involved. Every investor loves the idea of a risk-free, above-market return; we know that this isn't possible. We're reminded of a situation that developed years ago, in which acquaintances were heavily invested in Puerto Rican bonds that offered above-market yields, in addition to being tax-free. Since we understood some of the fundamental headwinds facing the Puerto Rican economy including, among others, deteriorating infrastructure, and a declining pharmaceutical manufacturing base, we couldn't imagine anyone taking that risk. Except, Puerto Rican bonds hadn't previously defaulted and they continued to pay those above market returns for many years. Until, suddenly they didn't. The fundamental problems existed for years, but it took a long time---perhaps decades---for them to surface. Part of our role as investment advisors is to avoid major problems. That is, perhaps, at least half of our job.

We've repeatedly told you that we don't attempt to predict what the stock market will do, from day-to-day, for this year, or for any other set time period. We do believe that, over an extended timeframe, owning high-quality equities is the best place for investor capital. We try to think in decades---not days, months, or years.

As Warren Buffett has quipped in the past, "We've long felt that the only value of stock forecasters is to make fortune tellers look good." And that certainly played out during the past year. The consensus of stock market prognosticators at the end of 2021 was that the S&P 500 would end 2022 at the 4,825 level. Reality check---the S&P ended up at 3,839, a little more than 20% below that forecasted level. We particularly liked the Bank of America forecast, which at the end of 2021 was looking at a 4,500 year-end target for the S&P (about a 15% miss on the upside), and mid-year was revised down to a dire 3,600, which turned out to be an approximate 7% miss on the downside. Why is so much effort put into doing something that humans are incapable of succeeding at? Accordingly, we don't estimate or forecast what the "market" is going to do; we focus on trying to identify high-quality companies that we can invest in for the long term.

Berkshire Hathaway (BRK.B) is our largest Fund position, and it was up by single digits during 2022, contributing to the Fund's performance. Berkshire Hathaway tends to have steadier performance than the general market by virtue of its investments in noncyclical businesses, including insurance and utilities. Further, the shareholders of Berkshire Hathaway tend to be a steadier bunch, less affected by day-to-day headlines. We lightened up on Berkshire a little in March when high prices prevailed; we are big fans of Berkshire, though it made sense, for diversification, to sell a little at the then-available price.

The Fund also benefitted from a White Mountains Insurance (WTM) issuer tender offer later in the year. At some point we'd love to be holders of WTM again, just as soon as the price cooperates (declines), and we can be confident of a decent margin of safety.

The year did bring a little bad news. Our long-time Director Peggy Schmeltz died in December at age 95. Peggy was one of the Fund's original Directors, and served faithfully for more than 30 years until the end of her director's term in 2021. We begged Peggy to stay on, but she thought that some shareholders might not like seeing in the Proxy Statement that one of Fund's Directors was well into her 90s. Among other roles and duties, Peggy was a terrific person and investor, and she will be missed.

One further news item. You will see that the Fund has new auditors. There is no real news here. Our long-time auditors, Plante & Moran PLLC, concluded that, with personnel losses and other internal issues, continuing its relationship with the Fund didn't make sense. We are fortunate to have Cohen & Company, Ltd ("Cohen") in their place. Some of us have had prior personal experience with the Cohen people, and we're confident that this will be a wonderful long-term relationship. The Fund doesn't like to disturb long-term relationships. We were fortunate to have an excellent relationship with Plante & Moran for 19 years, and we look forward to an even longer relationship with Cohen.

As always, we love hearing from Fund shareholders. As we remind you every year, we won't comment on any Fund portfolio purchase or sale that hasn't been publicly reported, or that is contemplated. With that one important caveat, all other topics are fair game.

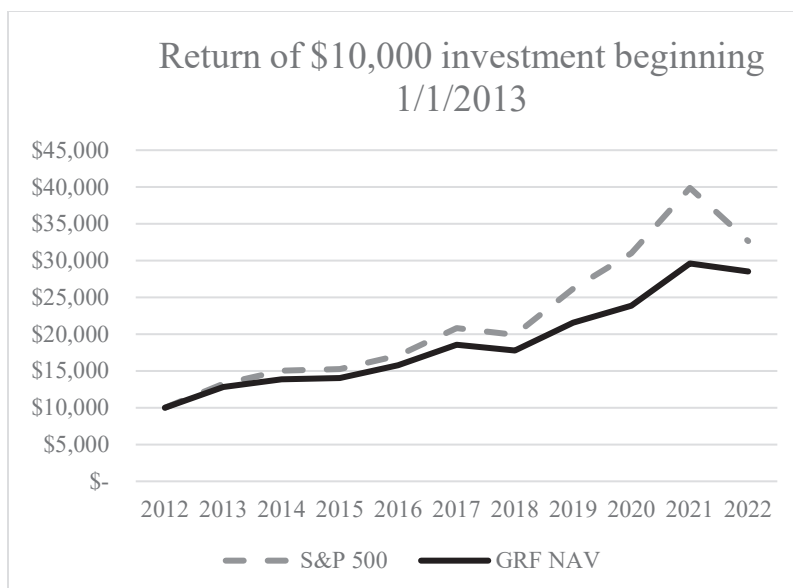
Luke E. Sims
Email: luke@simscapital.com
Phone: 414/530-5680



David C. Sims, CFA
Email: dave@simscapital.com
Phone: 414/765-1107



January 4, 2023



	1-year	5-year	10-year
Net Asset Value Return	-3.73%	8.94%	11.04%
Market Price Return	-6.57%	8.62%	10.09%

Returns are annualized average returns for periods greater than one year.

Disclosures:

The Fund has not had a public offering of shares during the period covered; shareholders and potential shareholders should not confuse the Eagle Capital Growth Fund (“Fund”) with investment funds that have ongoing share offerings.

Past performance does not guarantee future performance.

The table and graph do not reflect the deduction of taxes an investor would pay on Fund distributions or the sale of Fund shares. Likewise, the S&P 500 Index information does not factor in taxes on dividends nor the impact of realized gains had an investor owned the underlying index securities.

Reinvestment in Fund shares is calculated at the price received by participants of the Fund’s Dividend Reinvestment Plan (“DRIP”), which may understate Fund performance; however, this price is the best proxy for characterizing an investment in the Fund with cash dividends reinvested.

The S&P 500 Index is included as an equity comparable; however, the Fund holds short-term investments and cash, with different returns and a different impact on Fund returns.

The Fund’s return can be estimated using net asset value (NAV) or market price. Net asset value is used for the graph.

The Fund has a total return fundamental investment objective. The S&P 500 Index has no fundamental investment objective.

Eagle Capital Growth Fund, Inc.
Statement of Assets and Liabilities
As of December 31, 2022

Assets

Investments--at market value (cost \$23,641,843)	\$	39,700,735	
Dividends receivable		63,457	
Prepaid fees		13,563	
Total assets			<u>\$ 39,777,755</u>

Liabilities

Accounts payable	\$	2,247	
Accrued expenses		32,500	
Investment advisor fee payable		29,410	
Total liabilities			<u>\$ 64,157</u>
Total net assets			<u>\$ 39,713,598</u>

Net Assets are Comprised of:

Paid-in capital			
Common stock - \$0.001 par value per share; 50,000,000 shares authorized, outstanding 3,967,836 shares		23,638,642	
Distributable earnings		16,074,956	
Total net assets			<u>\$ 39,713,598</u>
Net asset value per share			<u><u>\$ 10.01</u></u>

See Notes to Financial Statements.

Eagle Capital Growth Fund, Inc.
Statement of Operations
For the Year Ended December 31, 2022

Investment Income

Dividends	\$ 585,149	
Interest	<u>40,682</u>	
Total investment income		<u>\$ 625,831</u>

Expenses

Advisory fees	\$ 300,441	
Legal fees	10,763	
Insurance	13,564	
Transfer agent	49,281	
Directors' fees and expenses	89,750	
Custodian fees	9,152	
Audit/Tax fee	32,500	
Listing fee	15,000	
Other fees and expenses	<u>23,991</u>	
Total expenses		<u>\$ 544,442</u>

Net investment income		<u>\$ 81,389</u>
-----------------------	--	------------------

Realized Gain and Change in Unrealized Appreciation on Investments

Realized gain on investments:		
Net realized gain on investments		\$ 1,336,088
Unrealized appreciation on investments:		
Net change in unrealized appreciation on investments	<u>\$(3,223,386)</u>	
Net realized gain and change in unrealized appreciation on investments		<u>\$ (1,887,298)</u>
Net decrease from operations		<u><u>\$ (1,805,909)</u></u>

See Notes to Financial Statements.

Eagle Capital Growth Fund, Inc.
Statements of Changes in Net Assets

	Year Ended December 31, 2021	Year Ended December 31, 2022
From Operations:		
Net investment income	\$ 127,714	\$ 81,389
Net realized gain on investments	3,786,994	1,336,088
Net change in unrealized appreciation on investments	4,901,024	(3,223,386)
Net increase (decrease) from operations	8,815,732	(1,805,909)
Distributions to Shareholders from:		
Distributions	(3,871,898)	(1,453,013)
From Capital Stock Transactions:		
Reinvested capital from distribution of shares	-	623,319
Share repurchases	(757,497)	(680,000)
Decrease from capital stock transactions	(757,497)	(56,681)
Total Net Assets:		
Beginning of year	38,841,883	43,029,202
End of year	\$ 43,029,202	\$ 39,713,598
Shares:		
Shares outstanding at beginning of year	4,074,321	3,991,647
Shares issued, due to the distribution	--	61,189
Shares repurchased	(82,674)	(85,000)
Shares outstanding at end of period	3,991,647	3,967,836

Eagle Capital Growth Fund, Inc. Financial Highlights

For the periods ended December 31:	2018	2019	2020	2021	2022
Net asset value at beginning of year	\$ 9.14	\$ 8.15	\$ 9.21	\$ 9.53	\$ 10.78
Net investment income (A)	0.10	0.09	0.05	0.03	0.02
Net realized gain and unrealized appreciation (loss) on investments	(0.52)	1.61	0.82	2.15	(0.47)
Total from investment operations	(0.42)	1.70	0.87	2.18	(0.45)
Distribution from:					
Net investment income	(0.08)	(0.07)	(0.06)	(0.02)	(0.03)
Realized gains	(0.45)	(0.46)	(0.49)	(0.95)	(0.34)
Total distributions	(0.53)	(0.53)	(0.55)	(0.97)	(0.37)
Impact of capital share transactions	(0.04)	(0.04)	-	0.10	0.05
Net asset value at end of year	\$ 8.15	\$ 9.21	\$ 9.53	\$ 10.78	\$ 10.01
Per share market price, end of year last traded price	\$ 7.30	\$ 8.02	\$ 7.98	\$ 9.51	\$ 8.57
Total Investment Return:					
Average annual return, based on market value:	(1.44%)	18.13%	6.36%	30.70%	(6.57%)
Average annual return, based on net asset value:	(4.41%)	21.35%	10.75%	24.05%	(3.73%)
Net assets, end of year (000s omitted)	\$ 31,712	\$ 37,530	\$ 38,842	\$ 43,029	\$ 39,714
Ratios to average net assets (B):					
Expenses to average net assets	1.34%	1.29%	1.30%	1.26%	1.36%
Net investment income to average net assets	1.10%	0.95%	0.57%	0.30%	0.20%
Portfolio turnover (annualized)	42%	26%	19%	5%	10%
Average commission paid per share	\$0.05	\$0.05	\$0.04	\$0.01	\$0.01

(A) Per share calculations for net investment income and gains are calculated using the average shares outstanding.

(B) Expense ratio does not reflect fees and expenses incurred by the Fund as a result of its investments in shares of investment companies. If fees for Fund investments in investment companies were included in the expense ratio, the net impact would be an increase for the year ended December 31, 2022 of less than 0.01%. For the years ended December 31, 2018, 2019, 2020, and 2021, there would have been no increase in the expense ratio.

See Notes to Financial Statements.

Eagle Capital Growth Fund, Inc.
Portfolio of Investments (as of December 31, 2022)

Common Stock (92.7% of total investments)				
<u>Industry</u>	<u>Shares</u>	<u>Cost</u>	<u>Fair Value</u>	<u>Percent of Net Assets</u>
Advertising				
Alphabet, Inc. A*	19,000	\$ 1,643,795	\$ 1,676,370	
MediaAlpha, Inc.*	40,000	804,160	398,000	
			<u>2,074,370</u>	5.2%
Bank				
JPMorgan Chase & Co	3,000	390,311	402,300	
Wells Fargo & Co.	10,000	403,661	412,900	
			<u>815,200</u>	2.1%
Brokerage				
Charles Schwab Corp.	10,000	337,286	832,600	
			<u>832,600</u>	2.1%
Conglomerate				
Berkshire Hathaway Inc. B*	26,500	4,320,855	8,185,850	
			<u>8,185,850</u>	20.6%
Consumer				
Colgate-Palmolive Company	21,000	626,458	1,654,590	
Kimberly-Clark Corp.	3,500	352,236	475,125	
Procter & Gamble Company	2,000	145,879	303,120	
			<u>2,432,835</u>	6.1%
Credit Card				
Mastercard Inc	1,000	219,636	347,730	
Visa Inc.	1,500	225,957	311,640	
			<u>659,370</u>	1.7%
Data Processing				
Automatic Data Processing, Inc.	3,000	82,775	716,580	
Paychex, Inc.	6,000	140,075	693,360	
			<u>1,409,940</u>	3.6%
Drug/Medical Device				
Johnson & Johnson	4,000	45,500	706,600	
Stryker Corp.	4,500	19,055	1,100,205	
			<u>1,806,805</u>	4.5%
Food				
Kraft Heinz Company	29,000	772,000	1,180,590	
PepsiCo, Inc.	10,000	168,296	1,806,600	
			<u>2,987,190</u>	7.5%
Industrial				
Danaher Corporation	1,000	254,997	265,420	
Illinois Tool Works Inc.	7,000	295,051	1,542,100	
Waters Corp.*	2,000	100,780	685,160	
			<u>2,492,680</u>	6.3%
Insurance				
Markel Corp.*	1,670	1,296,670	2,200,208	
			<u>2,200,208</u>	5.5%

See Notes to Financial Statements.

Eagle Capital Growth Fund, Inc.
Portfolio of Investments (as of December 31, 2022), continued

<u>Industry</u>	<u>Shares</u>	<u>Cost</u>	<u>Fair Value</u>	<u>Percent of Net Assets</u>
Mutual Fund Management				
Diamond Hill Investment Group, Inc.	9,576	\$ 1,338,331	\$ 1,771,752	
Franklin Resources, Inc.	70,000	1,794,630	1,846,600	
T. Rowe Price Group Inc.	17,100	2,257,154	1,864,926	
			5,483,278	13.8%
Restaurant				
Starbucks Corp.	18,000	940,052	1,785,600	
			1,785,600	4.5%
Retail				
AutoZone Inc.*	600	319,026	1,479,708	
eBay Inc.	3,000	68,886	124,410	
O'Reilly Automotive Inc.*	1,500	305,534	1,266,045	
			2,870,163	7.2%
Technology Services				
Amazon.com Inc.*	9,000	1,064,151	756,000	
			756,000	1.9%
Total common stock investments (Cost \$20,733,197)			36,792,089	
Money Market Funds				
Morgan Stanley Inst. Liq. Fund, Treasury, Institutional Class, 3.94%**			2,908,646	7.3%
(Cost \$2,908,646)		2,908,646	2,908,646	
Total investments (Cost \$23,641,843)			\$ 39,700,735	
Other assets in excess of liabilities			12,863	
Total net assets			<u>\$ 39,713,598</u>	

*Non-dividend paying security

**7-day yield

Eagle Capital Growth Fund, Inc.
Notes to Financial Statements

(1) Organization.

Eagle Capital Growth Fund, Inc., a Maryland corporation (“Fund”), began in 1989 with a total return investment objective. The Fund is a diversified closed-end investment company subject to the Investment Company Act of 1940. The Fund has opted into the Maryland Control Share Acquisition Act.

(2) Significant Accounting Policies.

The Fund follows the accounting and reporting requirements of investment companies under ASC 946 (ASC 946-10-50-1) *Financial Services- Investment Companies*. The policies followed by the Fund are in conformity with the accounting principles generally accepted in the United States of America (“GAAP”).

Security Transactions and Related Income—Dividends and distributions paid to the Fund from portfolio investments are recorded on the ex-dividend date. Investment security purchases and sales are accounted for on a trade date basis. Interest income is accrued on a daily basis. Realized gains and losses are determined using the specific identification method.

Investments— Investments in equity securities are valued at the closing market price as of the close of regular trading on the applicable valuation date. If no such closing market price is available on the valuation date, the Fund uses the then most recent closing market price.

In the unlikely event that there is no current or recent closing market price for a portfolio security (whether equity or debt) traded in the over-the-counter market, then the Fund uses the most recent closing bid price. If there is no closing bid price for a portfolio security for a period of ten (10) consecutive trading days, then the Fund’s Audit Committee or other appropriate committee shall determine the value of such illiquid security. From inception to December 31, 2022, the Fund has not held a security which required an illiquid pricing valuation.

Consistent with Rule 2a-5 under the Investment Company Act of 1940, the Fund’s board analyzes the risks associated with pricing for and valuation of investments as well as the suitability of the investments held.

Use of estimates—The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of increase (decrease) in operations during the reporting period. Actual results could differ from those estimates.

Federal income taxes—The Fund intends to continue to comply with the general qualification requirements of the Internal Revenue Code applicable to regulated investment companies such as the Fund. The Fund distributes annually at least 90% of its taxable income, including net long-term capital gains, to its shareholders. In order to avoid imposition of the excise tax applicable to regulated investment companies, the Fund intends to declare as dividends in each calendar year an amount equal to at least 98% of its net investment income and 98% of its net realized capital gains (including undistributed amounts from previous years).

As of and during the fiscal year ended December 31, 2022, the Fund did not have any liabilities for any unrecognized tax benefits. The Fund recognizes interest and penalties, if any, related to unrecognized tax benefits as income tax expense when incurred, reflected on the Statement of Operations. During the year, the Fund did not incur any interest or penalties. Management of the Fund has reviewed tax positions taken in tax year that remain subject to examination by all major tax jurisdictions, including federal (i.e., the previous three tax year-ends and the interim tax period since, at applicable) and has concluded that no provision for unrecognized tax benefits or expenses is required in these financial statements and does not expect this to change of the next twelve months.

Eagle Capital Growth Fund, Inc.
Notes to Financial Statements

The following information is based upon the Federal income tax basis of portfolio investments as of December 31, 2022:

Gross unrealized appreciation	\$ 17,627,624
Gross unrealized depreciation	<u>(1,568,732)</u>
Net unrealized appreciation	\$ 16,058,892
Cost basis of securities on tax basis:	\$ 23,641,843

At December 31, 2022, the components of accumulated earnings (deficit) on a tax basis were as follows:

Undistributed ordinary income	\$ 16,064
Unrealized appreciation on investments	<u>\$ 16,058,892</u>
Total accumulated earnings	\$ 16,074,956

As of December 31, 2022, there were no book to tax differences in the cost of securities or components of distributable earnings.

Expenses—The Fund’s service providers bear all of their expenses in connection with the performance of their services. The Fund bears all of its expenses incurred in connection with its operations including, but not limited to, investment advisory fees (as discussed in Note 3), legal and audit fees, taxes, insurance, shareholder reporting and other related costs. As described in Note 3, the Fund’s investment advisor, as part of its responsibilities under the Investment Advisory Agreement, is required to provide certain internal administrative services to the Fund at such investment advisor’s expense. The Investment Advisory Agreement provides that the Fund may not incur annual aggregate expenses in excess of two percent (2%) of the first \$10 million of the Fund’s average net assets, one and a half percent (1.5%) of the next \$20 million of the average net assets, and one percent (1%) of the remaining average net assets for any fiscal year. Any excess expenses are the responsibility of the investment advisor.

Repurchases—The Fund repurchases shares with the purpose of reducing total shares outstanding. The price paid for the repurchased shares is recorded to reduce common stock and paid-in capital.

Fair Value Accounting—Accounting standards require certain assets and liabilities be reported at fair value in the financial statements and provides a framework for establishing that fair value. The framework for determining fair value is based on a hierarchy that prioritizes the inputs and valuation techniques used to measure fair value.

In general, fair values determined by Level 1 inputs use quoted prices in active markets for identical assets or liabilities that the Fund has the ability to access. All of the Fund’s investments are classified as Level 1.

Fair values determined by Level 2 inputs use other inputs that are observable, either directly or indirectly. These Level 2 inputs include quoted prices for similar assets and liabilities in active markets, and other inputs such as interest rates and yield curves that are observable at commonly quoted intervals.

Level 3 inputs are unobservable inputs, including inputs that are available in situations where there is little, if any, market activity for the related asset. These Level 3 fair value measurements are based primarily on management’s own estimates using pricing models, discounted cash flow methodologies, or similar techniques taking into account the characteristics of the asset.

(3) Service Providers Arrangements

Investment advisor—For its services under the Investment Advisory agreement, the investment advisor receives a monthly fee calculated at an annual rate of three-quarters of one percent (0.75%) of the weekly net asset value of the Fund, as long as the weekly net asset value is at least \$3.8 million. The investment advisor is not entitled to any compensation for any week in which the

Eagle Capital Growth Fund, Inc.
Notes to Financial Statements

average weekly net asset value falls below \$3.8 million. Pursuant to the Investment Advisory Agreement, the investment advisor is required to provide certain internal administrative services to the Fund at the investment advisor's expense.

Effective June 1, 2007, following shareholder approval of the Investment Advisory Agreement, Sims Capital Management LLC ("SCM") began serving as the Fund's investment advisor. Pursuant to the Investment Advisory Agreement, SCM is responsible for the management of the Fund's portfolio, subject to oversight by the Fund's Board of Directors. Luke E. Sims, a Director, President and Chief Executive Officer of the Fund and owner of more than five percent of the Fund's outstanding shares, owns 50% of SCM. David C. Sims, the Chief Financial Officer, Chief Compliance Officer, Secretary, Treasurer, and Director of the Fund and the son of Luke E. Sims, owns the remaining 50% of SCM.

Custodian—US Bancorp serves as the Fund's custodian pursuant to a custodian agreement. As the Fund's custodian, US Bancorp receives fees and compensation of expenses for services provided including, but not limited to, an annual account charge and security transaction fees.

Transfer Agent—American Stock Transfer & Trust Company ("AST") serves as the Fund's transfer agent and dividend disbursing agent. AST receives fees for services provided including, but not limited to, account maintenance fees, activity and transaction processing fees and reimbursement for its out-of-pocket expenses. AST also acts as the agent under the Fund's Dividend Reinvestment and Cash Purchase Plan.

(4) Dividend Reinvestment and Cash Purchase Plan

The Fund has a Dividend Reinvestment and Cash Purchase Plan ("DRIP") which allows shareholders to reinvest cash dividends and make cash contributions. Pursuant to the terms of the DRIP, cash dividends may be used by the DRIP agent to either purchase shares from the Fund or in the open market, depending on the most favorable pricing available to DRIP participants. Voluntary cash contributions from DRIP participants are used to purchase Fund shares in the open market. A complete copy of the DRIP is available on the Fund's website (www.eaglecapitalgrowthfund.com) or from AST, the DRIP agent.

(5) Distributions to Shareholders

Distributions to shareholders from the Fund's net investment income and realized net long- and short-term capital gains will be declared and distributed at least annually. The amount and timing of distributions are determined in accordance with federal income tax regulations.

On October 14, 2022, a distribution of \$0.37 per share aggregating \$1,453,013 was declared from net investment income and net realized capital gains. The dividend was paid on December 14, 2022, to shareholders of record on November 18, 2022. The tax character of distributions paid during 2021 and 2022 was as follows:

	<u>2021</u>	<u>2022</u>
Distributions paid from:		
Ordinary income	\$ 84,904	\$ 116,925
Short term capital gains	-	934
Long-term capital gains	3,786,994	1,335,154

In 2021 and 2022, the distributions were paid in cash.

For more information about the Fund's tax information, please refer to Note 2, Federal income taxes.

Eagle Capital Growth Fund, Inc.
Notes to Financial Statements

(6) Fund Investment Transactions

For the year ended December 31, 2022, purchases and sales of securities, other than short-term securities, were \$6,074,275 and \$3,900,788, respectively.

(7) Financial Highlights

The Financial Highlights present a per share analysis of how the Fund's net asset value has changed during the periods presented. Additional quantitative measures expressed in ratio form analyze important relationships between certain items presented in the financial statements. The total investment return based on market value assumes that shareholders bought into the Fund at the market price and sold out of the Fund at the market price. In reality, shareholders buy into the Fund at the asked price and sell out of the Fund at the bid price. Therefore, actual returns may differ from the amounts shown.

(8) Subsequent Events

Management of the Fund has evaluated the need for disclosures and/or adjustments resulting from subsequent events through the date when these financial statements were published. Based upon this evaluation, there were no items requiring adjustment of the financial statements or additional disclosure.

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Shareholders and Board of Directors
Eagle Capital Growth Fund, Inc.

Opinion on the Financial Statements

We have audited the accompanying statement of assets and liabilities, including the portfolio of investments, of Eagle Capital Growth Fund, Inc. (the "Fund") as of December 31, 2022, the related statements of operations and changes in net assets, the related notes, and the financial highlights for the year then ended (collectively referred to as the "financial statements"). In our opinion, the financial statements present fairly, in all material respects, the financial position of the Fund as of December 31, 2022, and the results of its operations, the changes in its net assets, and financial highlights for year then ended, in conformity with accounting principles generally accepted in the United States of America.

The Fund's financial statements and financial highlights for the years ended December 31, 2021 and prior, were audited by other auditors whose report dated February 17, 2022, expressed an unqualified opinion on those financial statements and financial highlights.

Basis for Opinion

These financial statements are the responsibility of the Fund's management. Our responsibility is to express an opinion on the Fund's financial statements based on our audit. We are a public accounting firm registered with the Public Company Accounting Oversight Board (United States) ("PCAOB") and are required to be independent with respect to the Fund in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audit in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement whether due to error or fraud.

Our audit included performing procedures to assess the risks of material misstatement of the financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements. Our procedures included confirmation of securities owned as of December 31, 2022, by correspondence with the custodian. Our audit also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that our audit provides a reasonable basis for our opinion.

We have served as the Fund's auditor since 2022.



COHEN & COMPANY, LTD.

Cleveland, Ohio

February 28, 2023

COHEN & COMPANY, LTD.

800.229.1099 | 866.818.4538 FAX | cohencpa.com

Registered with the Public Company Accounting Oversight Board

Directors Who Are Interested Persons of the Fund and Officers

Name, Address and Age	Position(s) Held with Fund	Term of Office and Length of Time Served	Principal Occupation(s) During Past 5 Years (in addition to positions held in the Fund)	Number of Portfolios in Fund Complex Overseen by Director or Nominee for Director	Other Directorships Held by Director or Nominee for Director (Public Companies)
David C. Sims*, age 41	VP, CFO, CCO, Treasurer, Secretary, and Director	Term of office expires 2024 (Class II). Served as a director since 2015.	President of Sims Capital Management LLC (investment advisor to the Fund); Manager of Peregrine Investment Fund LLC (private investment fund); and roles with the Fund as previously identified.	One	None
Luke E. Sims**, age 73	President, CEO and Director	Term of office expires 2025 (Class III). Served as a director since 2002.	President and Chief Executive Officer of the Fund; Chairman of Sims Capital Management LLC (the Advisor to the Fund); and Retired Partner of Foley & Lardner LLP (national law firm) where he was affiliated from 1976 through 2010.	One	None

*The address of Mr. David Sims is the address of the principal executive office of the Fund. David C. Sims is an Interested Person within the meaning of Section 2(a) (19) of the Investment Company Act of 1940 because he is the Chief Financial Officer, Chief Compliance Officer, Treasurer, and Secretary of the Fund, and he is affiliated with the Fund's investment advisor, Sims Capital Management LLC (the "Advisor" or "SCM"). David C. Sims is the son of Luke E. Sims, the President, Chief Executive Officer, and a Director of the Fund.

**The address of Mr. Luke Sims is the address of the principal executive office of the Fund. Luke E. Sims is an Interested Person within the meaning of Section 2(a) (19) of the Investment Company Act of 1940 because he is the President and Chief Executive Officer of the Fund, beneficially owns in excess of five percent (5%) of the Fund's outstanding shares of common stock, and he is affiliated with the Fund's investment advisor, Sims Capital Management LLC (the "Advisor" or "SCM"). Luke E. Sims is the father of David C. Sims, the Chief Financial Officer, Chief Compliance Officer, Secretary, Treasurer, and a Director of the Fund.

Directors Who Are Not Interested Persons

Name, Address and Age*	Position(s) Held with Fund	Term of Office and Length of Time Served	Principal Occupation(s) During Past Five Years	Number of Portfolios in Fund Complex Overseen by Director or Nominee for Director	Other Directorships Held by Director or Nominee for Director (Public Companies)
Jason W. Allen, age 51	Director	Term of office expires 2023 (Class I); nominee for director. Served as a director since 2021.	Partner of Foley & Lardner LLP (law firm) where he has been a practicing corporate lawyer since 1999.	One	None
Robert M. Bilkie, Jr., age 62	Chairman; Director	Term of office expires 2023 (Class I); nominee for director. Served as a director since 2006.	President and Chief Executive Officer of Sigma Investment Counselors, Inc. (a registered investment advisor) since 1987; member of the Better Investing Securities Review Committee and of the Better Investing Editorial Advisory Committee (non-remunerative).	One	None
Phillip J. Hanrahan, age 83	Director	Term of office expires 2023 (Class I); nominee for director. Served as a director since 2008.	Retired partner of Foley & Lardner LLP (law firm) since February 2007 and, prior thereto, active partner of that firm since 1973.	One	None
Carl A. Holth, age 90	Director	Term of office expires 2024 (Class II). Served as a director since 1989.	Retired.	One	None
Anne M. Nichols, age 61	Director	Term of office expires 2024 (Class II). Served as a director since 2021.	Managing director at Fern Capital Inc, an investment advisor.	One	None
Donald G. Tyler, age 70	Director	Term of office expires 2025 (Class III). Served as a director since 2010.	Retired. Director of Administrative Services, County of Milwaukee, 2012 to 2014. Retired Interim President & Executive Director, Milwaukee Symphony Orchestra 2010; Vice President of Investment Products and Services, Northwestern Mutual, 2003-2010.	One	None
Neal F. Zalenko, age 77	Director	Term of office expires 2025 (Class III). Served as a director since 2008.	Retired; Founder and Managing Partner of Zalenko & Associates, P.C. (accounting firm), that merged with Baker Tilly in early 2005.	One	None

*The address of each is the address of the principal executive office of the Fund.

Compensation.

The following tables identify the aggregate compensation paid to all directors and nominees in 2022. Directors' fees are only payable to directors who are not officers of the Fund or affiliated with the Advisor. For 2022, Fund directors who are entitled to receive directors' fees, received an annual retainer of \$12,000, paid quarterly, together with \$1,250, paid quarterly, for service on the Audit Committee. The Audit Committee Chairman received an additional \$750 annual retainer, paid quarterly. The fees for 2023 will be unchanged from 2022.

Luke E. Sims and David C. Sims, who are deemed to be Interested Persons of the Fund, are not entitled to receive directors' fees from the Fund.

No Fund officer receives compensation in his capacity as an officer of the Fund. Fund officers are: Luke E. Sims, President and Chief Executive Officer; and David C. Sims, Chief Financial Officer, Chief Compliance Officer, Treasurer, Secretary and Director. Robert M. Bilkie, Jr. is the Fund's Chairman, which is not an executive officer position.

Sims Capital Management LLC ("SCM"), the investment advisor for the Fund, was paid \$300,441 by the Fund in 2022. SCM is 50% owned by Luke E. Sims, the President, CEO and a Director of the Fund, as well as an owner of more than five percent of the Fund's outstanding shares. David C. Sims, the Fund's Vice-President, Chief Financial Officer, Chief Compliance Officer, Treasurer, Secretary and Director, owns the remaining 50% of SCM.

Directors who are Interested Persons of the Fund:

Name, Position	Aggregate Compensation From Fund	Pension or Retirement Benefits Accrued as part of Fund Expenses	Estimated Annual Benefits upon Retirement	Total Compensation from Fund and Complex paid to Directors
David C. Sims, VP, CFO, CCO, Treasurer, Secretary, and Director	None	None	None	None
Luke E. Sims, Director, President, CEO	None	None	None	None

Directors who are not Interested Persons of the Fund:

Name, Position	Aggregate Compensation From Fund	Pension or Retirement Benefits Accrued as part of Fund Expenses	Estimated Annual Benefits upon Retirement	Total Compensation from Fund and Complex paid to Directors
Jason W. Allen, Director	\$12,000	None	None	\$12,000
Robert M. Bilkie, Jr., Director	\$12,000	None	None	\$12,000
Phillip J. Hanrahan, Director	\$13,250	None	None	\$13,250
Carl A. Holth, Director	\$13,250	None	None	\$13,250
Anne M. Nichols, Director	\$12,000	None	None	\$12,000
Donald G. Tyler, Director	\$13,250	None	None	\$13,250
Neal F. Zalenko, Director	\$14,000	None	None	\$14,000

Board of Directors

Jason W. Allen Director Fox Point, WI	Robert M. Bilkie, Jr. Chairman of the Board Northville, MI	Phillip J. Hanrahan Director Whitefish Bay, WI
Carl A. Holth Director Dearborn, MI	Anne M. Nichols Director Huntington Woods, MI	Luke E. Sims President & CEO Milwaukee, WI
David C. Sims VP, Treasurer, CFO, CCO Secretary & Director Milwaukee, WI	Donald G. Tyler Director Whitefish Bay, WI	Neal F. Zalenko Director Birmingham, MI

**EAGLE CAPITAL GROWTH FUND, INC. (“Fund”)
DIVIDEND REINVESTMENT AND CASH PURCHASE PLAN (“Plan”)**

ADVANTAGE OF THE PLAN

Participants in the Plan have the ability to have cash dividends from the Fund reinvested in additional Fund shares. Participants may also make cash contributions to the Plan to acquire additional Fund shares.

JOINING THE PLAN

You can enroll in the Plan by going to www.amstock.com or calling American Stock Transfer & Trust Company (the “Plan Agent”) at 877-739-9994. Plan information is also available at the Fund’s website at www.eaglecapitalgrowthfund.com/drip.html.

COSTS OF PARTICIPATION IN THE PLAN

You are not charged any fee or expense for enrolling in the Plan. Shareholders depositing certificated shares are charged a fee of \$7.50. Sales of shares incur a sales commission of \$15.00, plus \$0.10 per share. In the event a shareholder sends in a check to buy more shares and the check is returned, a \$35.00 charge will apply. Fees may change from time to time; please contact AST for information about current fees.

REINVESTMENT OF FUND DISTRIBUTIONS

If the Fund pays a distribution in Fund shares, Participants’ accounts under the Plan will be credited with newly-issued Fund shares at the distribution price, which is the price described in the distribution notice to shareholders. These shares will be held by the Plan Agent pursuant to the Plan.

The Fund may pay distributions in cash. In the event that the Fund makes a cash distribution, the Plan will first seek to buy shares on the open market up to and including the most recent net asset value (“NAV”) of each Fund share. The NAV of each Fund share shall be calculated within forty-eight hours of the distribution, excluding Sundays and holidays. Should the market price rise to or above the calculated NAV per share, the Fund may issue new shares to the Plan at the greater of NAV per share or 95% of the market price. For purposes of the Plan, the market price is the most recently traded price of a Fund share on the NYSE American Exchange. The reinvestment of cash distributions will occur as soon as practicable, and in no case later than 30 days after the Plan Agent’s receipt of the cash distributions, except where necessary to comply with federal securities laws.

In the event that the open market purchases take more than one day, the Fund will recalculate the NAV on a daily basis. Such recalculated NAV will be used to determine whether the market price per share has risen to or above the calculated NAV per share. If the Plan Agent terminates open market purchases based on the recalculated NAV and the Fund issues new shares to the Plan at the greater of NAV per share or 95% of the market price, the number of shares received by the participant in respect of the cash dividend or distribution will be based on the weighted average of prices paid for shares purchased in the open market and the price at which the Fund issues remaining shares.

VOLUNTARY CASH PAYMENTS

Plan participants may make voluntary cash payments of not less than \$50 per month (but in any event not more than \$250,000 in any year) for the purpose of acquiring additional Fund shares.

Voluntary cash payments received by the Plan Agent on or prior to the last day of any month will be invested beginning on or about the first (1st) business day of the following month (the “Investment Date”). The Plan will purchase Fund shares in the open market. If the Plan Agent has not completed its open market purchase of Fund shares within thirty (30) days of the Investment Date, then the balance of such voluntary cash payments will be returned to participants on a pro rata basis. All cash received by the Plan Agent in connection with the Plan will be held without earning interest or income.

Optional cash payments may be made online at **www.amstock.com**. You will need to know your 10-digit Plan account number to access your account. The Fund recommends that participants making voluntary cash payments send their cash payments so that they reach the Plan Agent as close as possible but prior to the Investment Date. A participant should be aware of possible delays in the mail if payment is to be made in that manner. Accordingly, it is recommended that a participant mail the voluntary cash payment no later than ten days prior to an Investment Date, or make cash payments online.

HOLDING OF SHARES

For your convenience, AST will hold in safekeeping all Fund shares you own by reason of your participation in the Plan. Upon your request (whether online at www.amstock.com, by mail, or telephonically to the Plan Agent at (877) 739-9994), AST will send you a physical stock certificate representing a specified number of whole shares acquired or held the Plan in your account.

The Plan Agent will allow you to deposit with it for safekeeping under the Plan any additional stock certificates for Fund shares that you may hold. Such shares, once deposited, will be retained in “book-entry” form under the Plan.

STATEMENT OF ACCOUNT

At least annually, a detailed statement of transactions in your Plan account for each calendar year will be sent to you by the Plan Agent. You may also access your account information online at www.amstock.com. You will also receive the customary Internal Revenue Service Form 1099 to report taxable income as a result of Fund distributions with respect to Fund shares held in your Plan account.

FEDERAL INCOME TAX CONSIDERATIONS

You should consult your accountant or tax advisor with respect to the Federal and/or other tax consequences resulting from participating in the Plan. However, as a general rule, participants are taxed on Fund distributions, whether those distributions are paid directly in additional Fund shares, or are in cash (whether such cash is used to purchase additional Fund shares in the open market or otherwise).

SHAREHOLDERS’ RIGHTS

Plan participants enjoy the same rights as Fund shareholders generally with respect to Fund shares held in the Plan, including, without limitation, rights with respect to stock dividends, stock splits, and voting rights. In the event of a major corporate event affecting the Fund, such as a stock split or a stock dividend, the resulting Fund shares will be properly credited to your Plan account. In the event that a Plan participant holds shares in both a Plan account and individually in his or her own name, any Fund shares resulting from a major corporate event affecting the Fund will be distributed to the Plan account and the participant individually on a pro rata basis. AST reserves the right to delay, curtail or suspend any action otherwise required of it under the Plan during the pendency of any major corporate action affecting the Fund.

ADDITIONAL INFORMATION

If you have any questions regarding participation in the Plan, please visit the Plan Agent online at www.amstock.com, call the Plan Agent at (877) 739-9994, or write the Plan Agent at:

American Stock Transfer & Trust Company
DRP Plan
P. O. Box 922, Wall Street Station
New York, NY 10269-0560

ADDITIONAL TERMS AND CONDITIONS OF PARTICIPATION IN THE EAGLE CAPITAL GROWTH FUND, INC. DIVIDEND REINVESTMENT AND CASH PAYMENT PLAN

1. By enrolling in the Plan, all of the participant's cash distributions from the Fund and/or voluntary cash payments will be reinvested in additional Fund shares.

If the Fund declares a distribution in Fund shares but includes a provision allowing shareholders to elect to receive cash in lieu of Fund shares, the Plan Agent will receive the distribution in Fund shares on behalf of each Plan participant with respect to the Fund shares the participant holds through the Plan, provided that if you (as a Plan participant) desire to elect to receive cash in lieu of Fund shares, you must promptly terminate your participation in the Plan in accordance with paragraph 5 below. You must also notify the Fund in writing of your election to receive cash. Such written notice to the Plan and to the Fund must be received at least three business days prior to the cut-off election date in order to be effective prior to the receipt of the declared dividend. If a Plan participant beneficially owns Fund shares outside of the Plan and desires to elect to receive cash in lieu of Fund shares, the participant must individually make this election.

2. The Plan Agent may commingle participant funds in connection with the receipt of cash distributions from the Fund, and from voluntary cash payments from participants. The Plan Agent will allocate purchased Fund shares among participant accounts based upon the average price paid (net of any costs).

3. The Plan Agent shall hold shares for participants in its own name or in the name of its nominee. The Plan Agent will acquire Fund shares in the open market at such price or prices then reasonably available to it. Participants understand that from time to time Fund shares may not be available for purchase, or may not be available for purchase at a reasonable price. Moreover, any temporary or continued closing of the securities trading generally might require the temporary curtailment or suspension of the Plan Agent's efforts to purchase Fund shares. The Plan Agent is not responsible or liable for, and shall not be accountable for, any inability on such its part to purchase Fund shares.

4. With respect to the voting of Fund shares held in the Plan, the Plan Agent will provide participants with proxy solicitation materials and request their direction. If a participant does not direct the Plan Agent as to the manner of voting, the Plan Agent will not vote such participant's shares.

5. Plan participation may be terminated upon request to the Plan Agent. A participant may terminate by providing written notice to the Plan Agent (the tear-off section at the bottom of participant's account statement is available for this purpose). Such written notice must be signed by all persons who are listed on the Plan account. If a request is received fewer than three business days prior to the cut-off election date in the case of a share distribution, or three days prior to the ex-dividend date in the case of a cash dividend, then the termination will begin after the receipt of Fund shares or reinvestment of the declared dividend, as applicable. The Plan Agent will send to a participant who has terminated participation in the Plan a certificate(s) representing the number of full shares held by the Plan Agent in such participant's account under the Plan. In case of termination, a participant's interest in a fractional share will be converted to, and remitted in cash, in an amount based upon the then current market value of the share (less service fees).

However, the foregoing does not apply to voluntary cash payments held for investment on the Investment Date as a result of voluntary cash payments. A participant may request the return of any voluntary cash payment, if the participant makes a separate written request which is received by the Plan Agent at the address above at least forty-eight (48) hours prior to the time when such voluntary cash payment is scheduled to be invested. If a participant so requests, the Plan Agent may sell a terminating participant's shares and remit the proceeds (less related brokerage commissions and service fees).

6. The Plan Agent shall not be liable for any action taken in good faith or for any good faith failure to act, including without limitation, any claim of liability (a) arising out of a failure to terminate the participant's account upon the participant's death, prior to receipt of notice in writing of such death and submission of documentation, by the personal representative of the deceased participant, in form and substance satisfactory to the Plan Agent and (b) with respect to the price or prices at which Fund shares are purchased or sold for a participant's account and/or the timing of such purchases and/or sales.

7. The Fund reserves the right to amend or terminate the Plan effective upon thirty (30) days written notice (from the date of mailing) to all Plan participants. All inquiries with respect to the Plan should be directed to the Plan Agent at the addresses and phone numbers identified in the Plan.

8. The Plan shall be governed by, and construed in accordance with, the internal laws of the State of Wisconsin.

9. The Plan has been last amended and revised as of February 15, 2018.

Shareholder Information

Trading. Fund shares trade under the symbol GRF on the NYSE American exchange. The Fund has opted into the Maryland Control Share Acquisition Act.

Fund Stock Repurchases. The Fund is authorized to repurchase its shares in the open market, in private transactions or otherwise, at a price or prices reasonably related to the then prevailing market price. The Fund has authorized repurchases up to 1,000,000 shares, with 907,029 shares remaining under its current authorization.

Dividend Reinvestment and Cash Purchase Plan. By participating in the Fund's Dividend Reinvestment and Cash Purchase Plan ("Plan"), you can automatically reinvest your cash dividends in additional Fund shares without paying brokerage commissions. A copy of the plan is included earlier in the Annual Report. Alternatively, you can secure a copy of the Plan from the Fund's website (www.eaglecapitalgrowthfund.com) or by contacting American Stock Transfer & Trust Company LLC, 6201 15th Avenue, Brooklyn, NY 11219, telephone number (877) 739-9994.

Dividend Checks/Stock Certificates/Address Changes/Etc. If you have a question about lost or misplaced dividend checks or stock certificates, have an address change to report, or have a comparable shareholder issue or question, please contact the Fund's transfer agent, American Stock Transfer & Trust Company LLC, 6201 15th Avenue, Brooklyn, NY 11219, telephone number (877) 739-9994.

Proxy Voting. The Fund typically votes by proxy the shares of portfolio companies. If you'd like information about the policies and procedures that the Fund follows in voting, or how the Fund has voted on a particular issue or matter during the most recent 12-month period ended June 30, you can get that information (Form N-PX) from the SEC's website (www.sec.gov) or the Fund's website (www.eaglecapitalgrowthfund.com), or by calling the Fund at (414) 765-1107 (collect) or by sending an e-mail request (to dave@simscapital.com).

Fund Privacy Policy/Customer Privacy Notice (January 1, 2023). *We collect nonpublic personal information about you from the following sources: (i) information we receive from you on applications or other forms and (ii) information about your transactions with us or others. We do not disclose any nonpublic personal information about you to anyone, except as permitted by law, and as follows. We may disclose all of the information we collect, as described above, to companies that perform marketing services on our behalf or to other financial institutions with whom we have joint marketing agreements. If you decide to close your account(s) or no longer be a shareholder of record, we will adhere to the privacy policies and practices as described in this notice. We restrict access to your personal and account information to those employees who need to know that information to provide services to you. We maintain physical, electronic, and procedural safeguards to guard your nonpublic personal information. In this notice, the term "we" refers to the Fund, Eagle Capital Growth Fund, Inc.*

Additional Information. The Fund files a complete schedule of its portfolio holdings monthly with the Securities and Exchange Commission (SEC) on Form N-PORT, with the first and third calendar quarter available to the investing public generally. You can obtain copies of these public filings, and other information about the Fund, from the SEC's website (www.sec.gov), from the Fund's website (www.eaglecapitalgrowthfund.com), or by calling the Fund at (414) 765-1107. The Fund's public forms can be reviewed and copied at the SEC's Public Reference Room in Washington, D.C., and you can obtain information about the operation of the SEC's Public Reference Room by calling the SEC at (800) 732-0330.

Approval of Renewal of Investment Advisory Agreement. At its December 5, 2022 Board meeting, the Board of Directors approved the renewal of the Fund's Investment Advisory Agreement with SCM (with Directors Luke E. Sims and David C. Sims abstaining). The Board previously received various information with respect to the proposed continuation of the investment advisory agreement with the Advisor, including a handout in the Board "book" materials which identified certain key issues for the Board to consider in evaluating Sims Capital Management LLC ("SCM") as its Advisor. The Board reviewed these various factors in considering whether to retain SCM as its investment advisor including, among other things, the nature, extent and quality of services provided by SCM, the cost of services provided by SCM (and benefits to be realized by SCM as a result of its relationship to the Fund), the economies of scale that may be realized as the Fund grows, whether the fee level reflects the economies of scale for the benefit of Fund investors, SCM's investment philosophy, the Fund's portfolio turnover, best execution and trading costs, personnel considerations, resources available to SCM, SCM's ability to satisfy compliance obligations and other relevant factors. The Board regularly considers the various factors that are involved in such a decision. Overall, the Board understands and is satisfied with the

investment philosophy and investment performance of the Advisor. Given the relatively small size of the Fund vis-à-vis other closed-end and other mutual funds, the Advisor's annual fee at 0.75% (75 basis points) of assets under management (AUM) is reasonable (and at the low end of the range for other investment advisors of actively-managed equity funds). There are few economies of scale to be realized by the Fund (as a closed-end fund), primarily because the Fund is required to make distributions to its shareholders of its net investment income and realized capital gains. Pursuant to this requirement, the Fund declared a distribution of \$1.5 Million to its shareholders at the end of December 2022, thereby reducing AUM from slightly over \$42 Million to approximately \$40.7 Million. The Fund's compliance with law and reporting with respect to the Securities and Exchange Commission and other governmental authorities is fine. The Fund's execution of transactions (including cost) and portfolio turnover are excellent, and clearly consistent with industry practice. As a general rule, the Board is satisfied with the Advisor's personnel, including professional competence, conscientiousness, independence and overall communications.

Electronic Distribution of Shareholder Reports and Other Communications. If you'd like to receive copies of the Fund's annual report, semiannual report, proxy statement, press releases and other comparable communications electronically, please provide your e-mail address to dave@simscapital.com. By providing your e-mail address to the Fund, you are consenting to the Fund sending the identified materials to you by e-mail.

General Inquiries. If you have a question or comment on any matter not addressed above, please contact the Fund at: Eagle Capital Growth Fund, Inc., 225 East Mason Street, Suite 802, Milwaukee, WI 53202-3657, telephone number (414) 765-1107, or the Fund's investment advisor, Sims Capital Management LLC (dave@simscapital.com).

