

ICAPITAL.BIZ BERHAD (674900 X)
INTERIM FINANCIAL REPORT FOR THE PERIOD ENDED 30 NOVEMBER 2006

CONDENSED BALANCE SHEET

	UNAUDITED AS AT 30/11/2006	AUDITED AS AT 31/05/2006
	RM'000	RM'000
Non-Current Assets		
Investments (Note 1)	84,812	78,129
Current Assets		
Cash and bank balances	928	356
Short term deposits	55,192	60,228
Other receivables & deposits	13,194	902
Tax recoverable	-	-
	69,314	61,486
Current Liabilities		
Other payables and accruals	1,619	626
Provision for Taxation	535	345
	2,154	971
Net Current Assets	67,160	60,515
	151,972	138,644
Financed by :		
Share capital	140,000	140,000
Unappropriated profit/(losses)	11,972	(1,356)
Shareholders' funds	151,972	138,644
Net assets per share (RM)	1.09	0.99
Net asset value per share (RM)	1.37	1.13

Notes:

1. Investment shown here as at 30 November 2006 are taken at book cost. On this date, these investments had a total market value of RM124,698,895.
2. The investment taken for calculation of Net Assets ("NA") per share are at the lower of book cost (which was RM84,812,282.75 as at 30 November 2006) or market value.
3. The investment taken for calculation of Net Asset Value ("NAV") per share are based on market value which was RM124,698,895 as at 30 November 2006. At that date, the total market value of the investment portfolio exceeded the total book value by RM39,886,612.
4. Calculation of NA and NAV per share are based on 140,000,000 ordinary shares in issue.

(The Condensed Balance Sheet should be read in conjunction with the Annual Financial Report for the year ended 31 May 2006)

ICAPITAL.BIZ BERHAD (674900 X)
INTERIM FINANCIAL REPORT FOR THE PERIOD ENDED 30 NOVEMBER 2006

CONDENSED INCOME STATEMENT

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	CURRENT YEAR QUARTER 30/11/2006 RM'000	PRECEDING YEAR CORRESPONDING QUARTER 30/11/2005 RM'000	CURRENT YEAR TO DATE 30/11/2006 RM'000	PRECEDING YEAR CORRESPONDING PERIOD 30/11/2005 RM'000
Revenue	13,481	1,225	16,035	1,225
Listing expenses	(3)	(2,088)	(5)	(2,217)
Pre-Operating expenses	-	(107)	-	(190)
Operating expenses	(685)	(206)	(1,384)	(206)
Profit/(Loss) from Operations	12,793	(1,176)	14,646	(1,388)
Finance cost	-	-	-	-
Profit/(Loss) before taxation	12,793	(1,176)	14,646	(1,388)
Taxation	(1,202)	-	(1,318)	-
Profit/(Loss) for the period	11,591	(1,176)	13,328	(1,388)
EPS - Basic (sen)	8.28	(3.58)	9.52	(4.22)
- Diluted (sen)	N/A	N/A	N/A	N/A

Notes:

(The Condensed Income Statement should be read in conjunction with the Annual Financial Report for the year ended 31 May 2006)

All expenses of icapital.biz Berhad for the preceding year corresponding financial period under review were mainly due to preliminary expenses, pre-operating expenses and professional fees in respect of the public issue of up to 140 million ordinary shares of RM1.00 each in icapital.biz Berhad

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INTERIM FINANCIAL REPORT FOR THE PERIOD ENDED 30 NOVEMBER 2006

CONDENSED STATEMENT OF CHANGES IN EQUITY

	Share capital RM'000	Accumulated profit/(loss) RM'000	Total RM'000
At 1.6.2006	140,000	(1,356)	138,644
Profit for the period	-	13,328	13,328
At 30.11.2006	<u>140,000</u>	<u>11,972</u>	<u>151,972</u>

	Share capital RM'000	Accumulated losses RM'000	Total RM'000
At 1.6.2005	*	(139)	(139)
Loss for the period	-	(1,388)	(1,388)
Public issue	140,000	-	140,000
At 30.11.2005	<u>140,000</u>	<u>(1,527)</u>	<u>138,473</u>

* Represent RM2

(The Condensed Statement of Changes in Equity should be read in conjunction with the Annual Financial Report for the year ended 31 May 2006)

ICAPITAL.BIZ BERHAD (674900 X)
INTERIM FINANCIAL REPORT FOR THE PERIOD ENDED 30 NOVEMBER 2006

CONDENSED CASH FLOW STATEMENT

	6 MONTHS ENDED 30/11/2006 RM'000	6 MONTHS ENDED 30/11/2005 RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit/(Loss) before working capital changes	14,646	(1,388)
Changes in working capital		
Other payables and accruals	993	2,064
Other receivable & deposits	(12,292)	(630)
Purchase of investments	(6,683)	(17,265)
CASH USED IN OPERATIONS	(3,336)	(17,219)
Taxes paid	(1,128)	-
Net cash used for operating activities	(4,464)	(17,219)
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from issue of shares	-	140,000
Net cash generated from financing activities	-	140,000
NET DECREASE IN CASH AND CASH EQUIVALENTS	(4,464)	122,781
CASH AND CASH EQUIVALENTS AT 1 JUNE	60,584	*
CASH AND CASH EQUIVALENTS AT 30 NOVEMBER	56,120	122,781
CASH AND CASH EQUIVALENTS COMPRISE:		
Cash on hand and at banks	928	98
Deposits with licensed financial institutions	55,192	122,683
	56,120	122,781

* Represent RM2

(The Condensed Cash Flow Statement should be read in conjunction with the Annual Financial Report for the year ended 31 May 2006)

**ICAPITAL.BIZ BERHAD (674900 X)
INTERIM FINANCIAL REPORT FOR THE PERIOD ENDED 30 NOVEMBER 2006**

NOTES TO THE INTERIM FINANCIAL REPORT

PART A - EXPLANATORY NOTES: FRS 134

A1 Basis of preparation

The interim financial report of icapital.biz Berhad ("the Company" or "the Fund") is prepared in accordance with the requirements of FRS 134: Interim Financial Reporting (previously known as MASB 26), and paragraph 9.22 of the Bursa Malaysia Securities Berhad Listing Requirements. The figures have not been audited.

The interim financial report should be read in conjunction with the audited financial statements for the year ended 31 May 2006. The accounting policies and methods of computation adopted in this interim financial report are consistent with those adopted in the preparation of the audited financial statements for the year ended 31 May 2006.

A2 Auditors' opinion on preceding annual financial statements

The Company's Financial Statements for the financial year ended 31 May 2006 was not qualified by the Auditors.

A3 Seasonality or cyclicity of operations

As the Company is a closed-end fund, it is dependant on the performance of the companies that it has invested in. In general, therefore, there is no seasonality or cyclicity of operations.

A4 Individually significant items

There are no significant items affecting the assets, liabilities, equity, net income or cash flows during the current financial year-to-date.

A5 Changes in estimates

There were no significant changes in estimates that have a material effect on the current financial year to-date.

A6 Issuances, cancellations, repurchases, resale and repayments of debt and equity securities

There were no issuances, cancellations, repurchases, resale and repayments of debt and equity securities during the current quarter under review.

A7 Dividend paid

There was no dividend paid during the current financial year-to-date.

A8 Segmental reporting

No segmental reporting is presented as the Company is a closed-end fund based in Malaysia and the principal activity is to invest in a diversified portfolio of quoted securities.

A9 Valuations of property, plant and equipment

No valuation was carried out as the Company does not have any property, plant and equipment.

A10 Subsequent event

There were no material events subsequent to the end of the interim period reported on that have not been reflected in the financial statements for the said period.

A11 Changes in the composition of the Company

There were no changes in the composition of the Company during the current financial year-to-date.

A12 Contingent liabilities or contingent assets

There were no contingent liabilities or contingent assets pending as at the date of this report.

ICAPITAL.BIZ BERHAD (674900 X)
INTERIM FINANCIAL REPORT FOR THE PERIOD ENDED 30 NOVEMBER 2006

NOTES TO THE INTERIM FINANCIAL REPORT

PART B - AS REQUIRED BY THE LISTING REQUIREMENTS

B1 Review of performance

For the six months ended 30 November 2006, the Company recorded a profit before tax of RM14.646 million, compared with a loss of RM1.388 million in the corresponding period of last year.

As the company is a closed-end fund, a better indication of its performance would be the movement of its Net Asset Value ("NAV"). The NAV per share as at 30 November 2006 was RM1.37, compared with NAV per share of RM1.13 as at 31 May 2006.

In the second quarter ended 30 November 2006, the Company's NAV increased by 21% from 31 May 2006.

B2 Comparison with immediate preceding quarter's results

In the second quarter ended 30 November 2006, the Company recorded a profit after tax of RM11.591 million, compared with a profit after tax of RM1.736 million in the preceding quarter. The difference between the two quarters' performance are due to the cumulative effect of gains realised from disposal of securities and a decrease in operating expenses. For the current quarter, the operating income and operating expenses were RM13.481 million and RM685,262 respectively, compared with RM2.553 million and RM699,042 for the preceding quarter.

The NAV per share increase by 12% in the 2nd quarter ended 30 November 2006 to RM1.37, compared with the preceding quarter of RM1.22.

B3 Current year prospects

As the Company is a closed-end fund, its prospects are dependent on the performance of the stock markets in general and in particular, the performance of the investments held.

Although the stock market has been rising, as a value investor, icapital.biz Berhad with its Fund Manager and Investment Adviser will continue to seek stocks that are attractively priced.

B4 Profit forecast / guarantee

The Company has not given any profit forecast or profit guarantee for the year.

B5 Taxation

	6 MONTHS ENDED 30/11/2006 RM'000	3 MONTHS ENDED 30/11/2005 RM'000
Current tax expense for the financial period	1,061	-
Underprovision of tax expense for prior financial year	257	-

The effective tax rate is lower than the statutory tax rate of 28% due mainly to certain tax exempt dividend.

B6 Profit on sale of unquoted investments and/or properties

There was no profit on the sale of unquoted investments and/or properties during the current financial year-to-date.

B7 Quoted securities

This note is not applicable to the Company.

B8 Status of corporate proposals

There was no corporate proposal announced during the current quarter or the current financial year-to-date.

B9 Borrowings and debt securities

There were no group borrowings and debt securities outstanding as at the end of the reporting period.

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INTERIM FINANCIAL REPORT FOR THE PERIOD ENDED 30 NOVEMBER 2006

NOTES TO THE INTERIM FINANCIAL REPORT

PART B - AS REQUIRED BY THE LISTING REQUIREMENTS

B10 Off balance sheet financial instruments

There were no financial instruments with off balance sheet risk.

B11 Changes in material litigation

There was no material litigation pending as at the date of this report.

B12 Dividend

The Directors did not declare any dividend for the quarter ended 30 November 2006

B13 Earnings/(Loss) per share

a) **Basic earnings per share**

The basic earnings per share for the current quarter under review and cumulative year to-date are computed as follows:

	Current Quarter Ended 30.11.2006	Cumulative To-Date Ended 30.11.2006
Profit after tax (RM'000)	11,591	13,328
No. of ordinary share capital in issue during the current quarter/current year to-date (no. of shares of RM1.00 each)	140,000	140,000
Basic earnings per share (sen)	8.28	9.52

b) **Diluted earnings per share**

There are no diluted earnings per share as the Company does not have any convertible financial instruments as at the end of the current quarter.

B14 Net asset value

The net asset value per share is calculated in accordance with the Securities Commission's Guidelines for Public Offerings of Securities of Closed-end Funds.

B15 Investments

As at 30 November 2006, the Company did not have any investments in:

- (1) securities listed on other stock exchanges;
- (2) other investment vehicles;
- (3) securities of unlisted companies; and
- (4) derivatives other than warrants, transferable subscriptions rights and convertible loan stocks.

BY ORDER OF THE BOARD

KUAN HUI FANG (MIA 16876)
THAM WAI YING (MAICSA 7016123)
SECRETARIES

Petaling Jaya, Selangor Darul Ehsan
Date: 15 December 2006