

ICAPITAL.BIZ BERHAD (674900-X)

FINANCIAL REPORT FOR THE PERIOD ENDED 30 NOVEMBER 2007

CONDENSED BALANCE SHEET

ASSETS	UNAUDITED	AUDITED
	AS AT 30/11/2007	AS AT 31/05/2007
	RM'000	RM'000
Non-current assets		
Investments (Note 1)	111,788	96,001
Current assets		
Other receivables and deposits	805	1,793
Tax recoverable	188	157
Short term deposits	49,091	55,100
Cash and bank balances	76	319
	<u>50,160</u>	<u>57,369</u>
TOTAL ASSETS	<u>161,948</u>	<u>153,370</u>
EQUITY AND LIABILITIES		
Equity		
Share capital	140,000	140,000
Unappropriated profit	21,937	13,244
Total equity	<u>161,937</u>	<u>153,244</u>
Current liabilities		
Other payables and accruals	11	126
Provision for Taxation	-	-
	<u>11</u>	<u>126</u>
TOTAL EQUITY AND LIABILITIES	<u>161,948</u>	<u>153,370</u>
Net assets per share (RM)	1.16	1.09
Net asset value per share (RM)	2.10	1.65

Notes:

- Investment shown here as at 30 November 2007 are taken at book cost. On this date, these investments had a total market value of RM244,185,989.00.
- The investment taken for calculation of Net Assets ("NA") per share are at the lower of book cost (which was RM111,787,898.47 as at 30 November 2007) or market value.
- The investment taken for calculation of Net Asset Value ("NAV") per share are based on market value which was RM244,185,989.00 as at 30 November 2007. At that date, the total market value of the investment portfolio exceeded the total book value by RM132,398,090.53.
- 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 2007)

ICAPITAL.BIZ BERHAD (674900-X)

FINANCIAL REPORT FOR THE PERIOD ENDED 30 NOVEMBER 2007

CONDENSED INCOME STATEMENT

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	CURRENT YEAR QUARTER 11/30/2007 RM'000	PRECEDING YEAR CORRESPONDING QUARTER 11/30/2006 RM'000	CURRENT YEAR TO DATE 11/30/2007 RM'000	PRECEDING YEAR CORRESPONDING PERIOD 11/30/2006 RM'000
Revenue	9,314	13,481	11,607	16,035
Listing expenses	-	(3)	-	(5)
Operating expenses	(1,124)	(685)	(2,090)	(1,384)
Profit from operations	8,190	12,793	9,517	14,646
Finance cost	-	-	-	-
Profit before taxation	8,190	12,793	9,517	14,646
Taxation	(352)	(1,202)	(824)	(1,318)
Profit for the period	7,838	11,591	8,693	13,328
Earnings per share (sen)				
Basic	5.60	8.28	6.21	9.52
Diluted	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 2007)

ICAPITAL.BIZ BERHAD (674900-X)

FINANCIAL REPORT FOR THE PERIOD ENDED 30 NOVEMBER 2007

CONDENSED STATEMENT OF CHANGES IN EQUITY

	Share capital RM'000	Unappropriated profit RM'000	Total RM'000
At 1.6.2007	140,000	13,244	153,244
Profit for the period	-	8,693	8,693
At 30.11.2007	<u>140,000</u>	<u>21,937</u>	<u>161,937</u>

	Share capital RM'000	Unappropriated profit/ (Accumulated 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>

(The Condensed Statement of Changes in Equity should be read in conjunction with the Annual Financial Report for the year ended 31 May 2007)

ICAPITAL.BIZ BERHAD (674900-X)
FINANCIAL REPORT FOR THE PERIOD ENDED 30 NOVEMBER 2007

CONDENSED CASH FLOW STATEMENT

	6 MONTHS ENDED 30/11/2007 RM'000	6 MONTHS ENDED 11/30/2006 RM'000
	<hr/>	<hr/>
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before working capital changes	9,517	14,646
Changes in working capital		
Purchase of investments - net	(15,787)	(6,683)
Other receivable and deposits	988	(12,292)
Other payables and accruals	(115)	993
CASH USED IN OPERATIONS	<hr/>	<hr/>
	(5,397)	(3,336)
Taxes paid	(855)	(1,128)
Net cash used in operating activities	<hr/>	<hr/>
	(6,252)	(4,464)
NET DECREASE IN CASH AND CASH EQUIVALENTS	(6,252)	(4,464)
CASH AND CASH EQUIVALENTS AT 1 JUNE	55,419	60,584
CASH AND CASH EQUIVALENTS AT 30 NOVEMBER	<hr/> <hr/>	<hr/> <hr/>
	49,167	56,120
 CASH AND CASH EQUIVALENTS COMPRISE:		
Cash on hand and at banks	76	928
Deposits with licensed financial institutions	49,091	55,192
	<hr/> <hr/>	<hr/> <hr/>
	49,167	56,120

(The Condensed Cash Flow Statement should be read in conjunction with the Annual Financial Report for the year ended 31 May 2007)

NOTES TO THE INTERIM FINANCIAL REPORT

PART A - EXPLANATORY NOTES:

A1 Basis of preparation

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

The financial report should be read in conjunction with the audited financial statements for the year ended 31 May 2007. The accounting policies and methods of computation adopted in this financial report are consistent with those adopted in the preparation of the audited financial statements for the year ended 31 May 2007, except for the adoption of Financial Reporting Standards ("FRS") 124: Related Party Disclosures effective for the financial period beginning or after 1 October 2006.

The adoption of FRS 124 does not have significant financial impact on the Company.

A2 Auditors' opinion on preceding annual financial statements

The Company's Financial Statements for the financial year ended 31 May 2007 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.

NOTES TO THE INTERIM FINANCIAL REPORT

A12 Contingent liabilities or contingent assets

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

PART B - AS REQUIRED BY THE LISTING REQUIREMENTS

B1 Review of performance

For the six months ended 30 November 2007, the Company recorded a profit before tax of RM9.516 million, compared with a profit before tax of RM14.646 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 2007 was RM2.10, compared with NAV per share of RM1.65 as at 31 May 2007.

In the second quarter ended 30 November 2007, the Company's NAV increased by 27% from 31 May 2007.

B2 Comparison with immediate preceding quarter's results

In the second quarter ended 30 November 2007, the Company recorded a profit after tax of RM7,838,000, compared with RM855,000 in the preceding quarter. The difference between the two quarters' performance is due to income from disposal of securities in the current quarter. The cost of this securities was RM2.300 million and the sales proceeds were RM10.306 million resulting in a gain of RM8.006 million. For the current quarter, the operating income and operating expenses were RM9.314million and RM1.124million respectively, compared with RM2.293million and RM0.966 million for the preceding quarter.

The NAV per share increased by 14% in the 2nd quarter ended 30 November 2007 to RM2.10, compared with the preceding quarter of RM1.84.

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

	Current Quarter Ended		Cumulative Quarter Ended	
	30/11/2007	30/11/2006	30/11/2007	30/11/2006
	RM'000	RM'000	RM'000	RM'000
Current tax expense for the financial period	352	1,202	824	1,318

The effective tax rate in the current quarter is lower than the statutory tax rate due mainly to the income from disposal of securities which is not taxable.

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.

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 current quarter ended 30 November 2007

B13 Earnings 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 30.11.2007	Cumulative To-Date Ended 30.11.2007
Profit after tax (RM'000)	7,838	8,693
No. of ordinary share capital in issue during the current quarter/current year to-date ('000 of shares of RM1.00 each)	140,000	140,000
Basic earnings per share (sen)	5.60	6.21

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 2007, 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: 08/01/2008