

ICAPITAL.BIZ BERHAD (674900 X)
INTERIM FINANCIAL REPORT FOR THE PERIOD ENDED 28 FEBRUARY 2006

CONDENSED BALANCE SHEET

	UNAUDITED AS AT 28/02/2006	AUDITED AS AT 31/05/2005
	RM'000	RM'000
Non-Current Asset		
Investments (Note 1)	63,707	-
Current Assets		
Cash and bank balances	42	*
Short term deposits	78,543	-
Tax recoverable	137	-
Other receivable & deposits	569	1.3
	<u>79,291</u>	<u>1.3</u>
Current Liabilities		
Other payables and accruals	4,050	140.0
	<u>4,050</u>	<u>140.0</u>
Net Current Assets/(Liabilities)	<u>75,241</u>	<u>(138.7)</u>
	<u>138,948</u>	<u>(138.7)</u>
Financed/Represented by:		
Share capital	140,000	*
Accumulated losses	(1,052)	(138.7)
Shareholders' funds	<u>138,948</u>	<u>(138.7)</u>
Net assets/(liabilities) per share (RM)	0.99	(69,350)
Net asset/(liability) value per share (RM)	1.10	(69,350)

* Represent RM2

Notes:

1. Investment shown here as at 28 February 2006 are taken at book cost. On this date, these investment had a total market value of RM79,241,148.
2. The investment taken for calculation of Net Assets ("NA") per share are at the lower of book cost (which was RM63,707,151 as at 28 February 2006) or market value.
3. The investment taken for calculation of Net Asset Value ("NAV") per share are based on market value which was RM79,241,148 as at 28 February 2006. At that date, the total market value of the investment portfolio exceeded the total book value by RM15,533,997.
4. Calculation of NA and NAV per share are based on 140,000,000 ordinary shares in issue.

There are no comparative results presented as these are the first set of quarterly results for the third quarter ended 28 February 2006 announced by icapital.biz Berhad.

(The Condensed Balance Sheet should be read in conjunction with the Annual Financial Report for the year ended 31 May 2005)

ICAPITAL.BIZ BERHAD (674900 X)
INTERIM FINANCIAL REPORT FOR THE PERIOD ENDED 28 FEBRUARY 2006

CONDENSED INCOME STATEMENT

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	CURRENT YEAR QUARTER 28/02/2006	PRECEDING YEAR CORRESPONDING QUARTER 28/02/2005	CURRENT YEAR TO DATE 28/02/2006	PRECEDING YEAR CORRESPONDING PERIOD 28/02/2005
	RM'000	RM'000	RM'000	RM'000
Revenue	1,067	N/A	2,291	N/A
Listing expenses	(17)	N/A	(2,233)	N/A
Pre-Operating expenses	(1)	N/A	(191)	N/A
Operating expenses	(574)	N/A	(780)	N/A
Profit/(Loss) from Operations	475	N/A	(913)	N/A
Finance cost	-	-	-	-
Profit/(Loss) before taxation	475	N/A	(913)	N/A
Taxation	-	N/A	-	N/A
Profit/(Loss) for the period	475	N/A	(913)	N/A
EPS - Basic (sen)	1.03	N/A	(1.34)	N/A
- Diluted (sen)	N/A	N/A	N/A	N/A

Notes:

There are no comparative results presented as these are the first set of quarterly results for the third quarter ended 28 February 2006 announced by icapital.biz Berhad.

(The Condensed Income Statement should be read in conjunction with the Annual Financial Report for the year ended 31 May 2005)

ICAPITAL.BIZ BERHAD (674900 X)
INTERIM FINANCIAL REPORT FOR THE PERIOD ENDED 28 FEBRUARY 2006

CONDENSED STATEMENT OF CHANGES IN EQUITY

	Share Capital RM'000	Accumulated losses RM'000	Total RM'000
At 1.6.2005	*	(139)	(139)
Loss for the period	-	(913)	(913)
Public issue	140,000	-	140,000
At 28.02.2006	<u>140,000</u>	<u>(1,052)</u>	<u>138,948</u>

* Represent RM2

Notes:

There are no comparative results presented as these are the first set of quarterly results for the third quarter ended 28 February 2006 announced by icapital.biz Bhd.

(The Condensed Statement of Changes in Equity should be read in conjunction with the Annual Financial Report for the year ended 31 May 2005)

ICAPITAL.BIZ BERHAD (674900 X)
INTERIM FINANCIAL REPORT FOR THE PERIOD ENDED 28 FEBRUARY 2006

CONDENSED CASH FLOW STATEMENT

	9 MONTHS ENDED 28/02/2006 RM'000
CASH FLOWS FROM OPERATING ACTIVITIES	
Loss before working capital changes	(913)
Changes in working capital	
Other payables and accruals	3,910
Other receivable & deposits	(705)
Net cash generated from operating activities	<u>2,292</u>
CASH FLOWS FOR INVESTING ACTIVITIES	
Purchase of investments	(63,707)
Net cash used in investing activities	<u>(63,707)</u>
CASH FLOWS FROM FINANCING ACTIVITIES	
Proceeds from issuance of shares	140,000
Net cash generated from financing activities	<u>140,000</u>
NET INCREASE IN CASH AND CASH EQUIVALENTS CASH AND CASH EQUIVALENTS AT 1 JUNE	78,585 *
CASH AND CASH EQUIVALENTS AT 28 FEBRUARY	<u><u>78,585</u></u>
CASH AND CASH EQUIVALENTS COMPRISE:	
Cash on hand and at banks	42
Deposits with licensed financial institutions	78,543
	<u><u>78,585</u></u>

* Represent RM2

Notes:

There are no comparative results presented as these are the first set of quarterly results for the third quarter ended 28 February 2006 announced by icapital.biz Bhd.

(The Condensed Cash Flow Statement should be read in conjunction with the Annual Financial Report for the year ended 31 May 2005)

**ICAPITAL.BIZ BERHAD (674900 X)
INTERIM FINANCIAL REPORT FOR THE PERIOD ENDED 28 FEBRUARY 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 2005. 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 2005.

A2 Auditors' opinion on preceding annual financial statements

The Company's Financial Statements for the financial year ended 31 May 2005 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 28 FEBRUARY 2006**

NOTES TO THE INTERIM FINANCIAL REPORT

PART B - AS REQUIRED BY THE LISTING REQUIREMENTS

B1 Review of performance

For the nine months ended 28 February 2006, the Company recorded a loss before tax and extraordinary items of RM0.913 million. No comparison is made with the corresponding period in the previous financial year as this is the first set of the quarterly report for the third quarter ended 28 February 2006 released by the Company.

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 28 February 2006 was RM1.10. No comparison is made with the corresponding period in the previous financial year as this is the first set of quarterly report for the third quarter ended 28 February 2006 released by company.

In the third quarter ended 28 February 2006, the Company's NAV increased by 10% from 30 November 2005.

B2 Comparison with immediate preceding quarter's results

In the third quarter ended 28 February 2006, the Company recorded a profit before tax of RM475,000, compared with a loss before tax of RM1.176 million in the preceding quarter. The difference between the two quarter's performance is due to lower listing and pre-operating expenses. For the current quarter, the listing expenses were RM17,000 and pre-operating expenses were RM1,000, compared with RM2.088 million and RM107,000 respectively for the preceding quarter.

The NAV per share increased by 10% in the 3rd quarter ended 28 February 2006 to RM1.10, compared with the preceding quarter of RM1.00.

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.

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

There was no tax provision for the current quarter and the financial year-to-date since the company is operating at a loss.

There was no deferred tax and adjustments for over/under provision in respect of prior years.

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.

ICAPITAL.BIZ BERHAD (674900 X)
INTERIM FINANCIAL REPORT FOR THE PERIOD ENDED 28 FEBRUARY 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 28 February 2006.

B13 Earnings/(Loss) per share

a) **Basic earnings/ (loss) per share**

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

	Current Quarter Ended 28.02.2006	Cumulative To-Date Ended 28.02.2006
Profit/(Loss) after tax (RM'000)	475	(913)
Total weighted average share capital in issue during the current quarter/ Current year to-date (no. of shares of RM1.00 each)	46,154	68,205
Basic earnings/(loss) per share (sen)	1.03	(1.34)

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 28 February 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

WONG WEI FONG (MAISCA 7006751)
THAM WAI YING (MAISCA 7016123)
SECRETARIES

Petaling Jaya, Selangor Darul Ehsan
Date: 29/03/2006