

icapital.biz Berhad (674900 X)

2007 Annual Report

## About icapital.biz Berhad

### (a) Who we are

icapital.biz Berhad (your Fund) is a closed-end fund that invests in undervalued companies which are listed on the Main and Second Boards of Bursa Malaysia Securities Berhad (Bursa Securities) and the MESDAQ Market of Bursa Securities. It can also invest up to 10% of its asset value in unlisted companies.

With a RM140 million paid-up capital, your Fund has a fixed number of outstanding shares at any point in time. Like other publicly traded companies, its share price is determined entirely by market supply and demand. Similarly, shares of your Fund are bought and sold in the stock market via licensed stockbroking companies.

Even before its listing on 19 October 2005, the aim has been to increase the value of your Fund. This is achieved by adhering to a value investing philosophy. As a value investor, investments will be selected based on their market prices and underlying values.

Unless approved by the shareholders, your Fund is not allowed to borrow.

### (b) Why we exist

icapital.biz Berhad exists for one simple reason : to allow long-term shareholders or more aptly called share owners, to benefit from value investing. Investing in your Fund allows the power of compounding to work for you. If we succeed in achieving this, we would have also shown that serious long-term investing in Bursa Securities can offer superior returns.

### (c) Who runs your Fund

Set up as a company under the Companies Act 1965, icapital.biz Berhad

is represented by its Board of Directors. The Board members are non-executive and undertake a supervisory role to ensure that your Fund operates in an orderly fashion at all times.

Your Fund does not have any staff. Its operations are outsourced to independent service providers. The main service providers are the fund manager, the investment adviser, the custodian and the administrator.

The assets are managed by the fund manager, in accordance with the approved investment policies and objectives while the investment research and analysis is provided by the investment adviser. The assets are safe kept by the custodian while the accounting and administrative services are outsourced to the administrator.

Your Fund also requires the services of a corporate secretary, share registrar, external auditor and tax agent and has outsourced the internal audit function. The internal auditor reports directly to the Audit Committee.

There are major differences between a unit trust fund and a closed-end fund. For a copy of the report explaining these, please contact the investment adviser, Capital Dynamics Sdn Bhd or please visit [www.icapital.biz](http://www.icapital.biz) or [www.icapitaleducation.biz](http://www.icapitaleducation.biz).

### (d) How to contact us

The company secretary can be contacted at (603) 7725 2888, at fax no (603) 7725 7791 or at [corpserv@pfa.com.my](mailto:corpserv@pfa.com.my).

The fund manager can be contacted at (603) 2070 2106, at fax no (603) 2070 6653 or at [cdam@cdam.biz](mailto:cdam@cdam.biz).

The investment adviser can be contacted at (603) 2070 2104, at fax no (603) 2070 2103 or at [cdsb@icapital.biz](mailto:cdsb@icapital.biz).

**(a) Letter to Share Owners**

For the period ended 31 May 2007, your Fund recorded revenue of RM19.876 million, a rise of RM16.529 million or 494% when compared to the period ended 31 May 2006. Your Fund recorded a pretax profit of RM16.754 million for the period ended 31 May 2007, compared with a loss of RM0.615 million for the last financial year. The improvement is due mainly to profit on sale of securities and higher dividend income. From loss after taxation of RM1.217 million in the last financial year, your Fund recorded an after tax profit of RM14.600 million.

In appraising the performance of your Fund, its net asset value (NAV) is the key variable to focus on. The NAV of your Fund rose from RM1.13 per share on 31 May 2006 to RM1.65 per share by 31 May 2007 or an impressive gain of 46%. The KL Composite Index rose 45.1% for the said period.

Share owners may want to observe that although the appreciation in the NAV of your Fund was higher than that of the KL Composite Index, your Fund consistently had around RM60.000 million in short-term deposits or cash. What this implies is that the market value of the listed companies that your Fund invested in had appreciated by a much bigger percentage.

In the first annual report, I shared with you some interesting features of your Fund. For this second annual report, I would like to highlight the discount to NAV that your Fund has been experiencing in recent weeks.

Valuing your Fund involves the current NAV, the future NAV and the probability that the future NAV will be attained. What the NAV will be in the long-term is substantially influenced by the investment philosophy of your Fund and the skills of the fund manager.

In terms of investment philosophy, value investing has proven itself in many different periods and in many countries. The investment performance of your Fund, despite not being fully invested, is further

testimony of the advantage of value investing.

The skills of the fund manager, Capital Dynamics Asset Management Sdn Bhd, can be seen from the 24.5% annual compound return achieved since it started operations in 1998 up to April 2007. In the same period, the KL Composite Index gained 8.75% annual compound return. In addition, your fund manager has beaten the KL Composite Index every year since its inception and it has not recorded any negative year even though the KL Composite Index experienced negative returns for 4 years.

Taking all these factors into account, it would appear that the discount to your Fund's current NAV does not make sense. We hope it is only a temporary anomaly.

*"The key to a rational stock price is rational shareholders, both current and prospective ..... People who buy for non-value reasons are likely to sell for non-value reasons. Their presence in the picture will accentuate erratic price swings unrelated to underlying business developments."*

Warren Buffett made the above observation in the 1983 annual report of Berkshire Hathaway and it appears to be applicable to your Fund's experience.

Your Fund is a value investor, and hopefully its owners are as well. As I explained in last year's report, I have constantly referred all of you as share owners and not shareholders. Holding implies something transitory while owning implies a more permanent state of affairs.

In conclusion, on behalf of the Board, I once again look forward to a long and rewarding relationship.

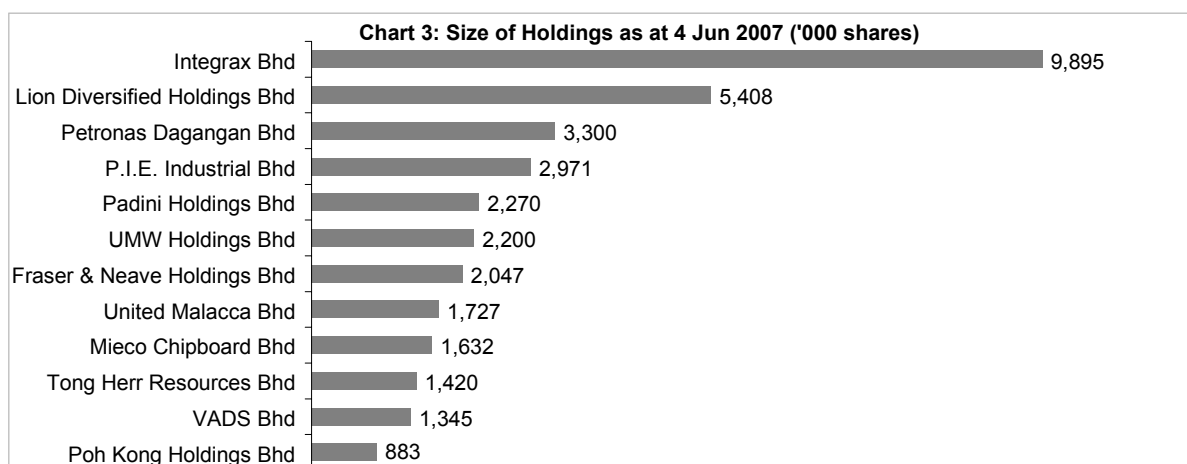
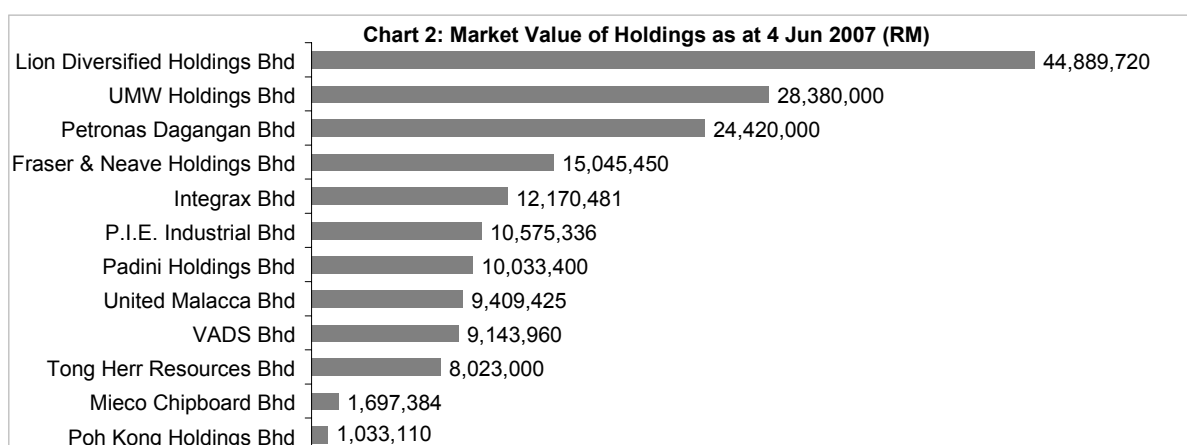
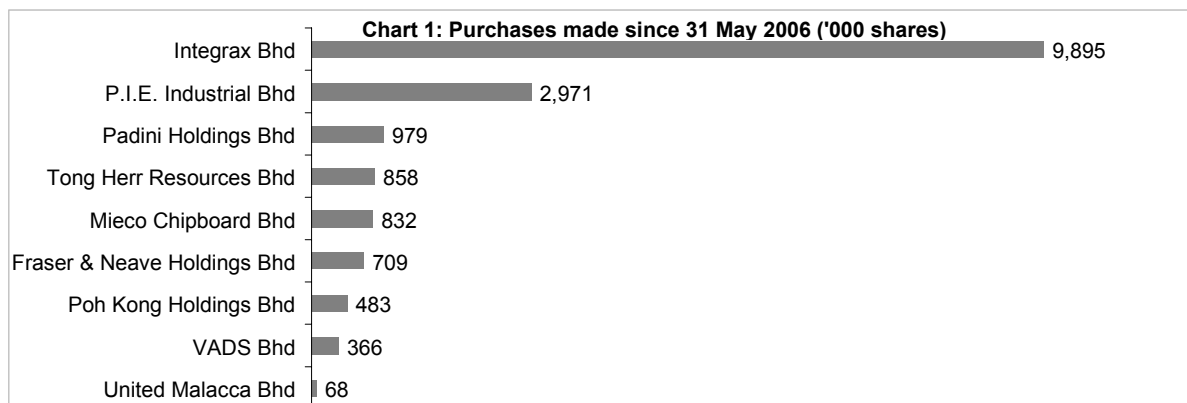
YM Tunku Tan Sri Dato' Seri Ahmad Bin Tunku Yahaya  
Chairman  
4 June 2007

## (b) What we have done with your funds

*“Investing is most intelligent when it is most business-like” – Benjamin Graham*

### (i) Investments made

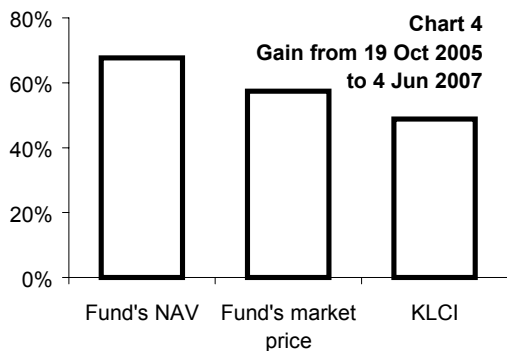
The purchases made since 31 May 2006 and the current portfolio, in terms of quantity held and their respective market value, are shown in charts 1, 2 and 3 below.



### (ii) Investments sold

For the financial year ending 31 May 2007, your Fund sold its DiGi.com Berhad (Digi.com), Asiatic Development Berhad (Asiatic) and Kumpulan Guthrie Berhad (Kumpulan Guthrie), generating a pretax profit of RM11.783 million. Digi.com was sold because your Fund was not prepared to take any risk arising from the requirement that the controlling shareholder of Digi.com had to reduce its stake from 60% to 49%. Kumpulan Guthrie was sold as your Fund did not find the proposed creation of Synergy Drive Bhd attractive. Lastly, your Fund took profit on Asiatic as it took the view that risk-reward ratio in holding on was not favourable.

As at 31 May 2007, your Fund invested a total of RM96.002 million with a market value of RM173.321 million, giving unrealised gains of RM77.319 million. More information of your Fund's portfolio can be found on page 28. Your Fund's investments in Lion Diversified Holdings Berhad, UMW Holdings Berhad and Petronas Dagangan Berhad have been the major contributors to the rise in asset value. On the other hand, the investment in Mico Chipboard Berhad has been the main negative contributor.



(iii) NAV and market price

Since its listing on 19 October 2005, the NAV per share of your Fund has appreciated from RM0.99 to RM1.65 by 31 May 2007. This represents a gain of 66.67%. Since its listing on 19 October 2005, the market price of your Fund has risen from RM1.01 to RM1.58 by 31 May 2007. This represents a gain of 56%. The statistics showing the performance of your Fund and comparison with the KL Composite Index (KLCI) is shown in chart 5.

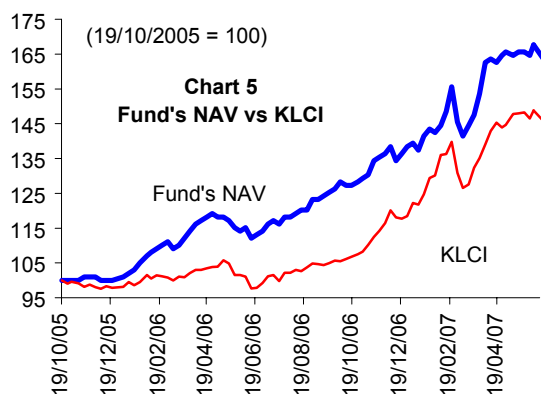
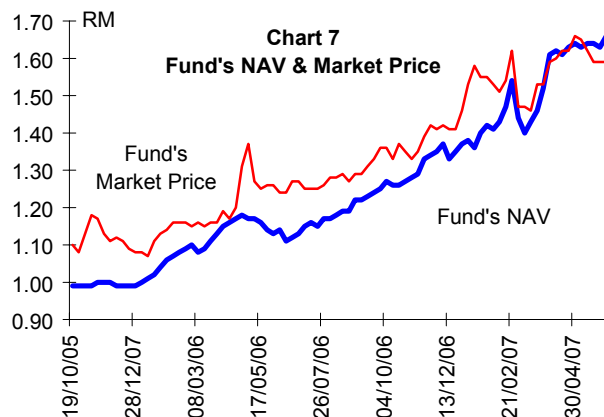
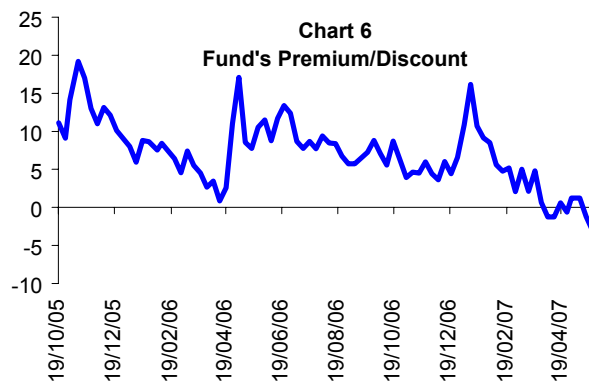


Chart 6 shows your Fund's premium/discount and chart 7 shows the NAV per share and market price.



(iv) What we think

Since our last review in the first annual report, the world economy has not lost its growth momentum. While the US economy has slowed, the economies of China, India and Europe have not, allowing the rest of the world to decouple from the US economy. Since then, many stock markets around the world have risen substantially. After a prolonged spell of unexciting performance, investors' interest in Bursa Malaysia picked up substantially from November 2006. Compared with our last review, presently, optimism has replaced fears. Although the Malaysian stock market has risen substantially, there are still attractive investment opportunities. Always on the lookout for attractive investments, your Fund has been reducing its cash or short-term deposits and increasing its equity exposure. With this and the fact that your Fund still has a substantial sum available for investing, the probability of your Fund sustaining the increase in its NAV over the long-term is good.

Tan Teng Boo  
Designated Person  
Capital Dynamics Asset Management Sdn Bhd  
4 June 2007

### (a) Siapakah kami

icapital.biz Bhd (Dana anda) merupakan sebuah dana tertutup yang melabur di dalam syarikat-syarikat yang tersenarai di Papan Utama dan Kedua dan Pasaran MESDAQ Bursa Malaysia Securities Berhad (Bursa Securities) yang terkurang nilai. Ia juga boleh melabur 10% daripada nilai asetnya di dalam syarikat-syarikat yang tidak tersenarai.

Dengan modal berbayar sebanyak RM140 juta, Dana anda mempunyai bilangan saham terbitan yang tetap pada bila-bila masa. Seperti syarikat lain yang didagangkan secara awam, harga sahamnya ditentukan sepenuhnya oleh penawaran dan permintaan pasaran. Transaksi jual beli saham Dana anda juga dilaksanakan dalam pasaran saham melalui syarikat broker saham yang berlesen.

Walaupun sebelum penyenaiaannya pada 19 Oktober 2005, matlamat utama adalah untuk menggandakan nilai Dana anda. Ini dicapai dengan mengikuti falsafah pelaburan berasaskan nilai. Sebagai seorang pelabur berasaskan nilai, pemilihan pelaburan akan dipilih berdasarkan kepada harga pasaran dan nilai dasar pelaburan tersebut.

Kecuali dengan kebenaran pemegang saham, Dana anda tidak dibenarkan untuk meminjam.

### (b) Kenapa kami wujud

icapital.biz Berhad wujud hanya untuk satu tujuan: untuk membolehkan pemegang saham jangka panjang atau lebih sesuai dipanggil pemilik saham memperoleh manfaat daripada pelaburan berasaskan nilai. Melabur dalam Dana anda membenarkan anda mendapat keuntungan melalui kuasa gandaan faedah. Sekiranya kami berjaya mencapai matlamat ini, kami juga dapat membuktikan bahawa pelaburan jangka panjang yang serius dalam Bursa Securities boleh menawarkan pulangan yang lumayan.

### (c) Siapa yang mengurus Dana anda

Ditubuhkan sebagai sebuah syarikat di bawah Akta Syarikat 1965, icapital.biz Bhd

diwakili oleh Ahli Lembaga Pengarah. Ahli Lembaga adalah bukan eksekutif dan memainkan peranan sebagai penyelia untuk memastikan bahawa Dana anda beroperasi mengikut cara yang telah ditetapkan pada setiap masa.

Dana anda tidak mempunyai pekerja. Operasinya dipertanggungjawabkan kepada pembekal perkhidmatan yang bebas. Pembekal perkhidmatan yang utama ialah pengurus dana, penasihat pelaburan, penjaga dana dan pentadbir dana.

Segala aset diuruskan oleh pengurus dana, sejajar dengan polisi dan objektif pelaburan yang dibenarkan sementara penyelidikan dan analisis pelaburan disediakan oleh penasihat pelaburan. Segala aset dipegang dan dijaga oleh penjaga dana, sementara perkhidmatan perakaunan dan pengurusan pentadbiran dipertanggungjawabkan kepada pentadbir dana.

Dana anda juga memerlukan perkhidmatan daripada setiausaha korporat, pendaftar saham, juruaudit luar dan agen cukai dan fungsi audit dalaman telah dipertanggungjawabkan kepada pihak luar. Juruaudit dalaman melapor terus kepada Jawatankuasa Audit.

Terdapat perbezaan yang ketara di antara amanah saham dan dana tertutup. Untuk salinan laporan yang menerangkan perbezaan ini, sila hubungi penasihat pelaburan, Capital Dynamics Sdn Bhd atau layari laman web [www.icapital.biz](http://www.icapital.biz) atau [www.icapitaleducation.biz](http://www.icapitaleducation.biz).

### (d) Bagaimana menghubungi kami

Setiausaha syarikat boleh dihubungi di talian (603) 7725 2888, nombor faks (603) 7725 7791 atau e-mel [corpserv@pfa.com.my](mailto:corpserv@pfa.com.my).

Pengurus dana boleh dihubungi di talian (603) 2070 2106, nombor faks (603) 2070 6653 atau e-mel [cdam@cdam.biz](mailto:cdam@cdam.biz).

Penasihat Pelaburan boleh dihubungi di talian (603) 2070 2104, nombor faks (603) 2070 2103 atau e-mel [cdsb@icapital.biz](mailto:cdsb@icapital.biz).

### (a) Surat kepada Pemilik Saham

Bagi tahun berakhir 31 Mei 2007, Dana anda telah merekodkan perolehan sebanyak RM 19.876 juta, iaitu peningkatan sebanyak RM 16.529 juta atau 494% berbanding 31 Mei 2006. Dana anda telah merekodkan keuntungan sebelum cukai sebanyak RM 16.754 juta pada tempoh berakhir 31 Mei 2007, berbanding kerugian sebanyak RM 0.615 juta pada tahun kewangan lepas. Peningkatan ini adalah berikutan keuntungan daripada jualan sekuriti dan pendapatan dividen yang lebih tinggi. Berbanding kerugian selepas cukai sebanyak RM 1.217 juta pada tahun kewangan lepas, Dana anda telah merekodkan keuntungan selepas cukai sebanyak RM 14.600 juta.

Dalam menilai prestasi Dana anda, elemen utama yang perlu diberi fokus adalah nilai aset bersih (NAB). NAB Dana anda meningkat dari RM 1.13 sesaham pada 31 Mei 2006 kepada RM 1.65 sesaham pada 31 Mei 2007 atau peningkatan yang impresif sebanyak 46%. Indeks Komposit KL meningkat 45.1% dalam tempoh tersebut.

Pemilik saham perlu mengetahui bahawa walaupun peningkatan di dalam NAB Dana anda adalah lebih tinggi daripada Indeks Komposit KL, Dana anda secara konsisten mempunyai RM 60.000 juta dalam deposit jangka pendek atau tunai. Ini menandakan bahawa nilai pasaran bagi syarikat-syarikat tersenarai yang dilabur oleh Dana anda telah meningkat dengan peratusan yang lebih besar.

Di dalam laporan tahunan pertama, saya telah berkongsi ciri-ciri menarik mengenai Dana anda. Untuk laporan tahunan kedua ini, saya ingin menumpu kepada diskaun ke atas NAB yang dialami oleh Dana anda sejak kebelakangan ini.

Penilaian Dana anda bergantung kepada NAB semasa, NAB masa depan dan kebarangkalian NAB masa depan boleh dicapai. Tahap NAB dalam jangka panjang sangat dipengaruhi oleh falsafah pelaburan Dana anda dan kemahiran pengurus dana.

Dari segi falsafah pelaburan, pelaburan berasaskan nilai telah terbukti berjaya merentasi pelbagai tempoh di kebanyakan negara.

Prestasi pelaburan Dana anda, walaupun tidak dilaburkan sepenuhnya, membuktikan lagi kelebihan pelaburan berasaskan nilai.

Kemahiran pengurus dana, Capital Dynamics Asset Management Sdn Bhd, boleh dilihat berdasarkan pulangan kompaun tahunan sebanyak 24.5% yang diperolehi sejak ia mula beroperasi pada 1998 sehingga April 2007. Dalam tempoh yang sama, pulangan kompaun tahunan Indeks Komposit KL adalah sebanyak 8.75%. Tambahan pula, pengurus dana anda telah mengatasi Indeks Komposit KL setiap tahun sejak ia ditubuhkan dan tidak pernah merekodkan sebarang pulangan tahunan negatif walaupun Indeks Komposit KL mengalami pulangan tahunan negatif untuk 4 tahun.

Mengambil kira kesemua faktor ini, adalah tidak sepatutnya Dana anda didagangkan pada diskaun. Kami berharap anomali ini adalah hanya untuk sementara sahaja.

*“Kunci kepada harga saham yang rasional adalah pemegang saham yang rasional, semasa dan prospektif ..... Orang yang membeli tanpa berdasarkan nilai cenderung menjual dengan tujuan yang sama. Kehadiran mereka menyerlahkan ketidaktentuan pusingan harga yang tiada kaitan dengan perkembangan perniagaan.”*

Warren Buffett membuat pemerhatian di atas dalam laporan tahunan Berkshire Hathaway tahun 1983 dan ia boleh dikaitkan dengan pengalaman Dana anda.

Dana anda adalah pelabur berasaskan nilai, dan diharap pemiliknya juga demikian. Dalam laporan tahun lepas, saya sering merujuk anda sebagai pemilik saham dan bukannya pemegang saham. Pegangan merujuk kepada sesuatu yang tidak kekal manakala pemilikan merujuk kepada sesuatu yang lebih kekal.

Sebagai kesimpulan, bagi pihak Lembaga Pengarah, saya sekali lagi mengalu-alukan hubungan yang berterusan dan menguntungkan.

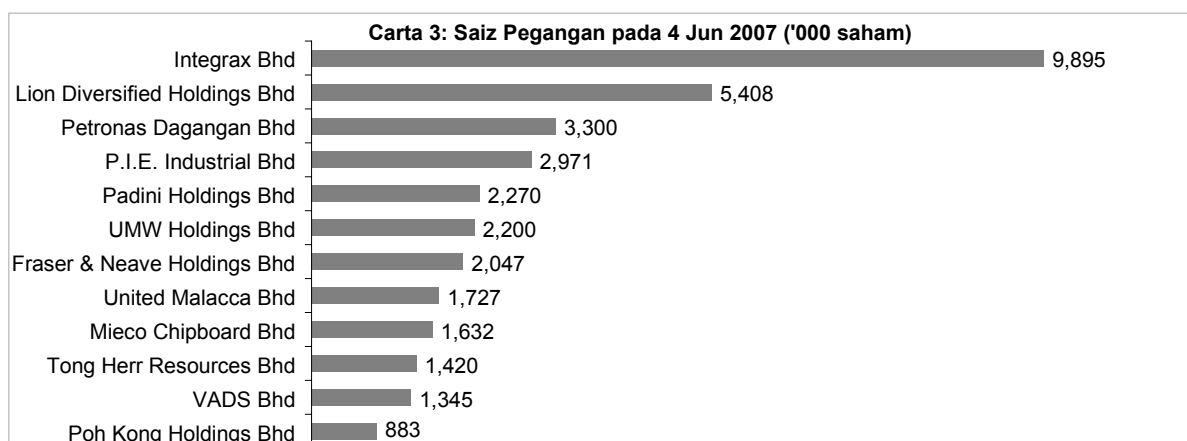
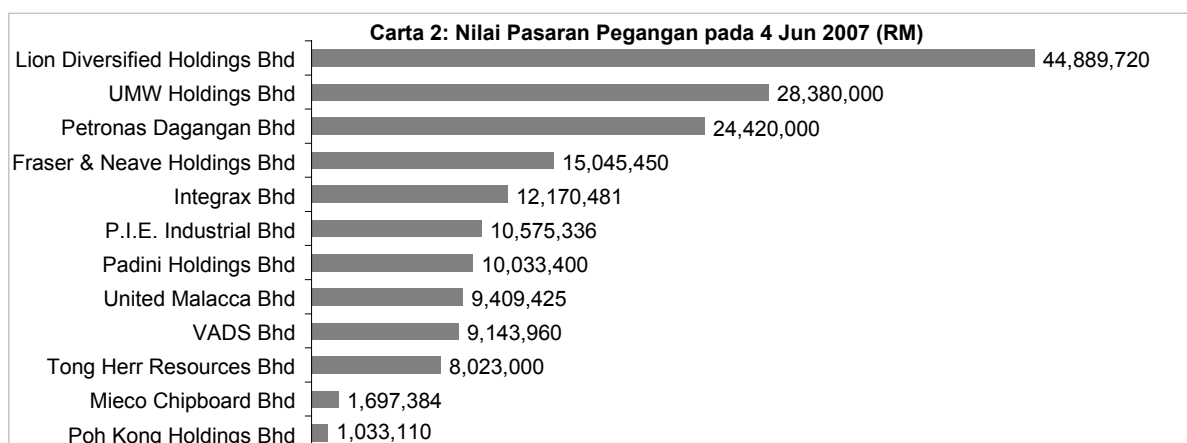
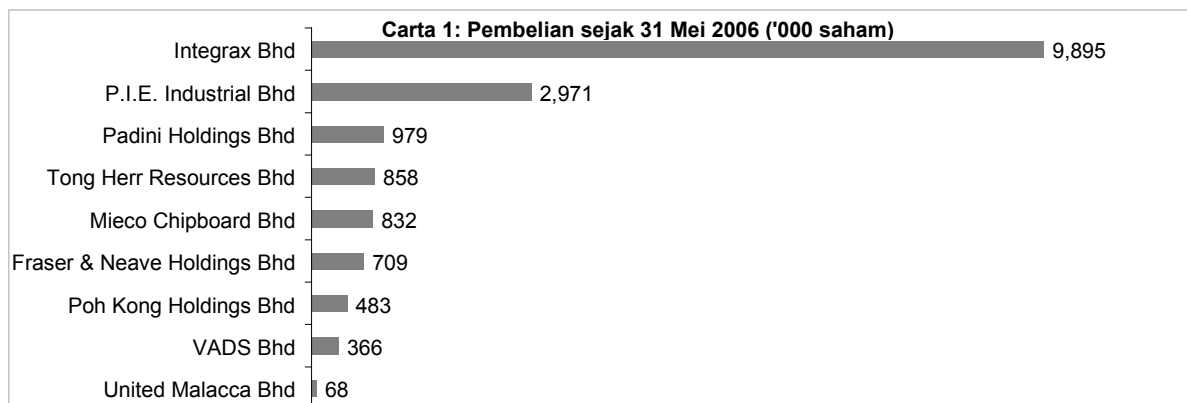
YM Tunku Tan Sri Dato' Seri Ahmad Bin Tunku Yahaya  
Pengerusi  
4 Jun 2007

## (b) Apa yang telah kami lakukan dengan dana anda

*“Pelaburan paling bijak adalah apabila ianya berupa perniagaan” – Benjamin Graham*

### (i) Pelaburan yang telah dibuat

Carta 1, 2 dan 3 menunjukkan pembelian yang dibuat sejak 31 Mei 2006 dan portfolio semasa, dalam bentuk kuantiti yang dipegang serta nilai pasaran masing-masing.

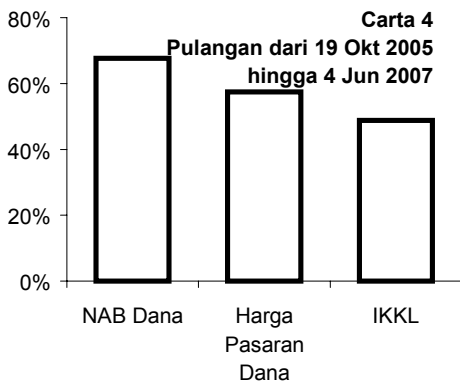


### (ii) Pelaburan yang telah dijual

Pada tahun kewangan berakhir 31 Mei 2007, Dana anda telah menghasilkan keuntungan sebelum cukai sebanyak RM 11.783 juta daripada penjualan DiGi.com Berhad (Digi.com), Asiatic Development Berhad (Asiatic) dan Kumpulan Guthrie Berhad (Kumpulan Guthrie). Digi.com dijual kerana Dana anda tidak bersedia untuk mengambil sebarang risiko yang timbul daripada keperluan pemegang saham utama Digi.com untuk megurangkan kepentingan mereka daripada 60% kepada 49%. Kumpulan Guthrie dijual kerana Dana anda tidak mendapati usul penciptaan Synergy Drive Bhd menarik. Akhir sekali, Dana anda merealisasikan keuntungan daripada Asiatic kerana ia berpendapat nisbah ganjaran-risiko Asiatic adalah tidak menggalakkan.

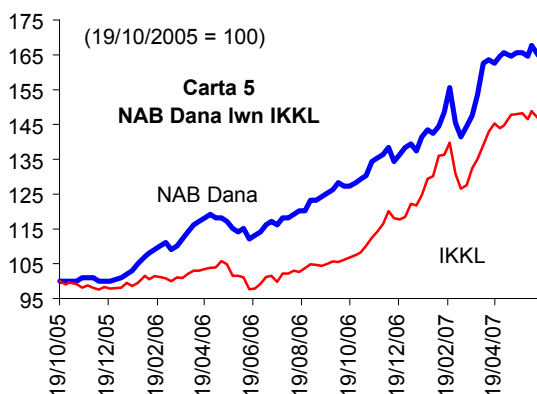


Pada 31 Mei 2007, Dana anda telah melabur sejumlah RM 96.002 juta dengan nilai pasaran RM 173.321 juta, memberikan keuntungan belum realis sebanyak RM 77.319 juta. Maklumat lanjut mengenai portfolio Dana anda boleh didapati di mukasurat 28. Pelaburan Dana anda dalam Lion Diversified Holdings Berhad, UMW Holdings Berhad dan Petronas Dagangan Berhad merupakan penyumbang utama kepada peningkatan nilai aset. Sebaliknya, pelaburan dalam Mico Chipboard Berhad adalah penyumbang negatif utama.

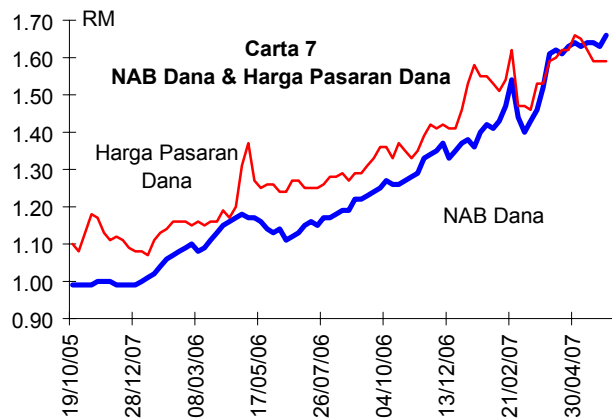
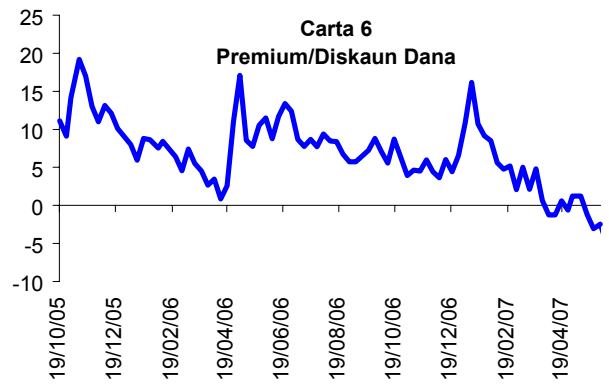


(iii) NAB dan harga pasaran

Sejak disenaraikan pada 19 Oktober 2005, NAB sesaham Dana anda telah meningkat daripada RM 0.99 kepada RM 1.65 menjelang 31 Mei 2007, iaitu peningkatan sebanyak 66.67%. Harga pasaran Dana anda pula telah meningkat daripada RM 1.01 kepada RM 1.58 menjelang 31 Mei 2007, iaitu peningkatan sebanyak 56%. Carta 5 menunjukkan statistik prestasi Dana anda berbanding Indeks Komposit KL (IKKL).



Carta 6 menunjukkan premium/diskaun Dana anda dan carta 7 menunjukkan NAB sesaham dan harga pasaran.



(iv) Pendapat kami

Sejak ulasan terakhir kami di dalam laporan tahunan pertama, ekonomi dunia masih mengekalkan momentum pertumbuhannya. Ketika ekonomi US bergerak perlahan, ekonomi di China, India dan Eropah terus berkembang, dan ini membenarkan negara-negara lain berpisah dari ekonomi US. Semenjak itu, banyak pasaran saham di dunia telah berkembang pesat. Setelah lama mencatat prestasi yang tidak memberangsangkan, minat pelabur terhadap Bursa Malaysia telah meningkat sejak November 2006. Berbanding dengan ulasan kami yang lepas, ketika ini, perasaan keyakinan mengatasi ketakutan. Walaupun pasaran saham Malaysia telah meningkat dengan banyak, masih terdapat peluang pelaburan yang menarik. Dana anda sentiasa mencari peluang pelaburan yang menarik, dan Dana anda telah mengurangkan pegangan tunai atau deposit jangka pendek dan meningkatkan pendedahan terhadap ekuiti. Memandangkan Dana anda masih lagi mempunyai dana belum dilabur yang cukup besar, kebarangkalian Dana anda mengekalkan peningkatan NABnya dalam jangka masa panjang adalah meyakinkan.

Tan Teng Boo  
Pegawai Lantikan Khas  
Capital Dynamics Asset Management Sdn Bhd  
4 Jun 2007

**(a) 我们是谁**

资本投资有限公司(您的基金)是一个投资于大马证券交易所的主要交易板、第二交易板以及大马自动报价所被低估公司的封闭式基金。它也可以将其资产价值的不超过 10% 投资于非上市公司。

您的基金拥有 RM1 亿 4 千万的缴足资本且在任何时候都拥有固定已发行股。就如其它挂牌上市的公司一般,其股价完全由市场的供应以及需求所决定。同样地,您能够通过拥有执照的股票经纪行在股市买卖您的基金股票。

您的基金的目标一直都是要让它增值,而这目标甚至是早在它於 2005 年 10 月 19 日上市前就已被设定了。这是通过坚守价值投资理念而达成。身为一位价值投资者,您的基金的投资决定是随股票的市价以及其潜在价值而定。

除非获得股东们的同意,要不然,您的基金不能借贷。

**(b) 我们存在的理由**

资本投资有限公司的存在全依赖于一个简单的理由:允许长期股东从价值投资中获益。投资于您的基金允许复回酬的威力为您效劳。若能成功地达到这目标,我们将证明了长期性且认真地投资于大马证券交易所也能提供卓越的回酬。

**(c) 谁管理您的基金**

资本投资有限公司是依据 1965 年的公司法而成立。股东是由董事局所代表。董事们皆属非执行董事,并且扮演监管的角色以确保您的基金在任何时候都是有条理地运作。

您的基金并没有任何职员。其运作皆委外给与您的基金没有挂钩的专业公司。主要的专业公司是基金管理公司、投资顾问公司、托管公司以及行政服务公司。

基金管理公司根据被批准的投资政策及目标来管理资产,而投资研究以及分析则由投资顾问公司所提供。资产则被托管公司掌管,而会计与行政服务则委外给行政服务公司。

您的基金也雇用了秘书、注册服务公司、审核公司以及税务公司的服务。内部审核也被委外。内部审核员将直接向审核委员会进行汇报。

信托基金与封闭式基金有天渊之别。欲知这方面的详情,请联络投资顾问,资威私人有限公司或请浏览 [www.icapital.biz](http://www.icapital.biz) 或 [www.icapitaleducation.biz](http://www.icapitaleducation.biz)。

**(d) 如何联络我们**

您可以通过(603) 7725 2888 或 (603) 7725 7791 (传真号码) 抑或 [corpserv@pfa.com.my](mailto:corpserv@pfa.com.my) 联络公司秘书。

您可以通过(603) 2070 2106 或 (603) 2070 6653 (传真号码) 抑或 [cdam@cdam.biz](mailto:cdam@cdam.biz) 联络基金经理。

您可以通过(603) 2070 2104 或 (603) 2070 2103 (传真号码) 抑或 [cdsb@icapital.biz](mailto:cdsb@icapital.biz) 联络投资顾问。

(a) 给股东们的信

截至 2007 年 5 月 31 日为止，您的基金的营业额从 2006 年 5 月 31 日上升了 RM1 千 652 万 9 千或 494% 至 RM1 千 987 万 6 千。与上个财政年度的 RM61 万 5 千亏损相比，截至 2007 年 5 月 31 日为止的财政年度里，您的基金报上了 RM1 千 675 万 4 千的税前盈利。盈利的增加主要是源于出售证券所得以及较高的股息收入。在本财政年度，基金从去年的 RM121 万 7 千税后亏损转报 RM1 千 460 万的税后盈利。

在评估您的基金的业绩时，其资产净值是关键参数。您的基金的资产净值从 2006 年 5 月 31 日的每股 RM1.13 上升至 2007 年 5 月 31 日的每股 RM1.65，即 46% 的显著涨幅。同时期的隆综合指数上涨了 45.1%。

值得指出的是，虽然您的基金资产净值的涨幅高于隆综合指数，但是它一直持有 RM6 千万左右的短期存款或现金。这意味着您的基金所投资的上市公司的市值涨幅比隆综合指数来得高很多。

在我们的第一份年报中，我向您介绍了您的基金的一些有趣特征。在第二份年报中，我希望讨论您的基金市价与资产净值相比在最近数周所经历的折价。

在评价您的基金时所需纳入考虑范围的因素包括现有资产净值、未来资产净值以及能达到未来资产净值的机率。资产净值的长期价值很大程度上取决于您的基金的投资理念和基金经理的技巧。

在投资理念方面，价值投资已在许多不同的时期及国家证明了其优越性。虽然您的基金还没有将全部资

金投入虽然您的基金还没有将全部资金投入股市，但是其投资业绩依然标青，这进一步证明价值投资的优点。

您基金的基金经理，即资威资产管理私人有限公司的技能体现在其自 1998 年开始营业至 2007 年 4 月份期间所取得的 24.5% 年复回酬。在同一时期，隆综合指数的年复回酬仅为 8.75%。另外，您的基金经理自创业以来，每年都取得了高于隆综合指数的回酬。它甚至在隆综合指数报上四年的负增长率时报上正数增长率。

思量了所有的因素后，您基金资产净值的折价似乎不合理。我们希望此非正常的现象只属暂时。

“反映合理股价的关键是拥有理性的股东，包括现有以及未来股东……非凭价值因素买进的投资者也将不会根据价值改变而卖出。此类投资者的存在将加剧股价不规律的波动，而这些波动与根本的商业发展无关。”

巴菲特在伯克希尔-哈撒韦公司 1983 年的年报中作出以上评述，而这似乎也适用于您的基金最近的情况。

您的基金是价值投资者，希望其拥有者也是。正如我在去年的年报中所解释的，我一直称您为基金的拥有人而不是持有人。持有是暂时性的，而拥有则意味着较长久的状况。

总得来说，我再次代表董事局，期待一份长远且互惠的关系。

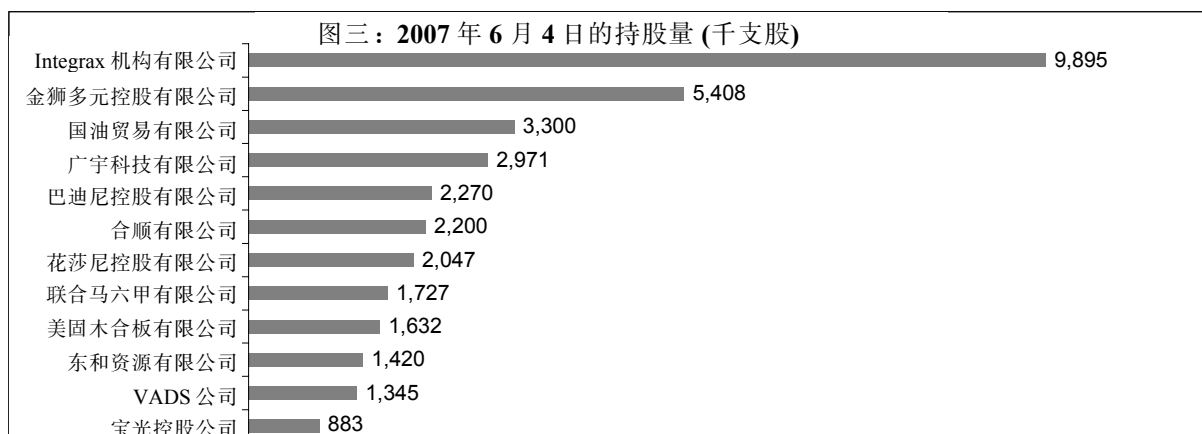
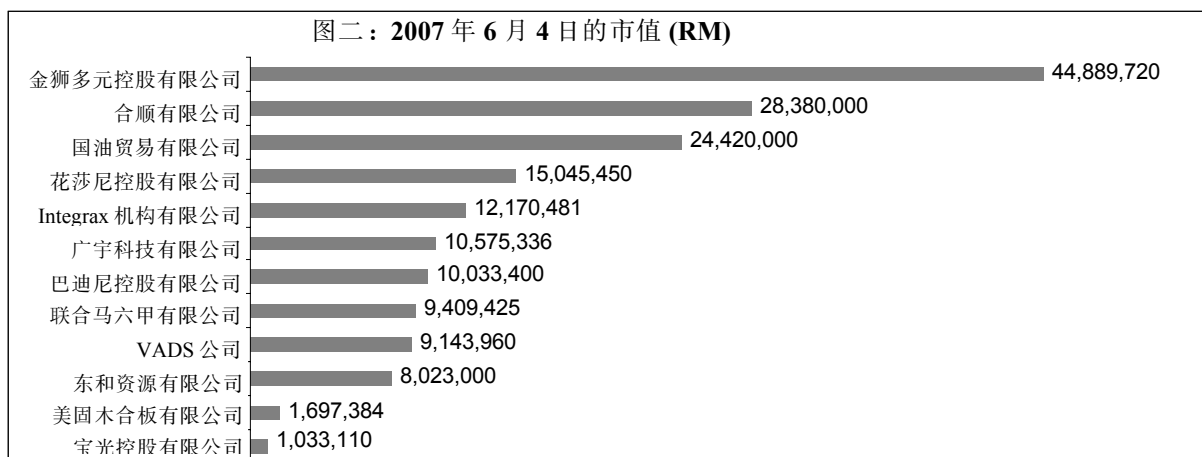
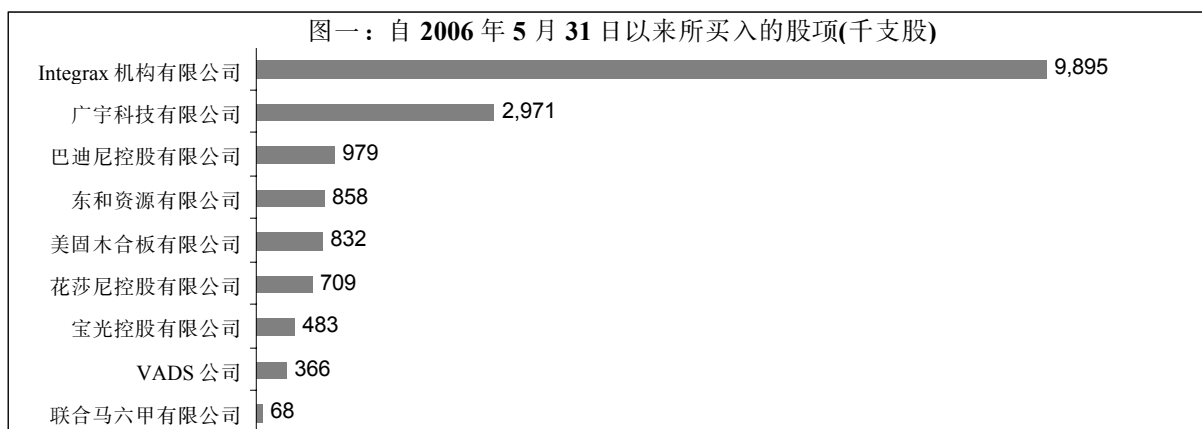
YM Tunku Tan Sri Dato' Seri  
Ahmad Bin Tunku Yahaya  
董事局主席  
2007 年 6 月 4 日

**(b) 我们如何善用您的基金**

“当您将投资看待成投资于一盘生意时，这是最聪明的” — Benjamin Graham

**(i) 投资股项**

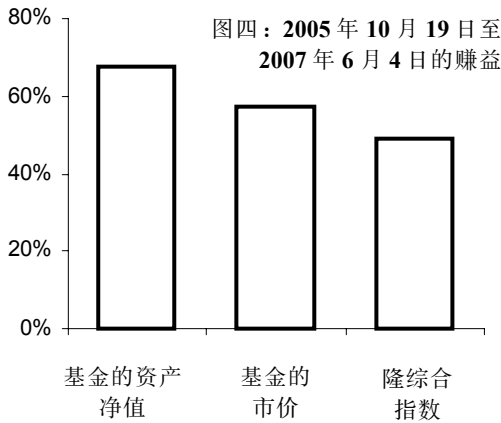
以下的图一、图二与图三显示自 2006 年 5 月 31 日以来所购买的股票和投资组合现有的股项数量以及各自的市值。



**(ii) 售出的股项投资**

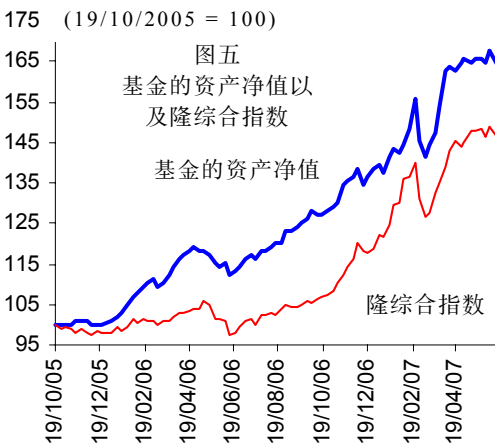
截止 2007 年 5 月 31 日为止的财政年度，您的基金售出了 DIGI 网有限公司、亚地种植有限公司和牙直利集团，并赚取了 RM1 千 178 万 3 千的税前盈利。您的基金出售 DIGI 网有限公司因为您的基金不愿承担控制股东必须将他们的股权从 60% 减少至 49% 的条规所带来的任何风险。牙直利集团被售出因为您的基金认为 Synergy Drive 有限公司的献议不诱人。最后，您的基金将亚地种植有限公司售出是因为持有该股的风险与回酬关系并不诱人。

截至 2007 年 5 月 31 日为止，您的基金共投资了 RM9 千 600 万零 2 千，而投资组合总市值为 RM1 亿 7 千 332 万 1 千，这意味着 RM7 千 731 万 9 千的未套现盈利。有关您的基金投资组合的详情，请翻阅第 28 页。您的基金资产价值增值的主要贡献者为金狮多元控股有限公司、合顺有限公司以及国油贸易有限公司。相反，美国木合板有限公司则为主要的负面贡献者。

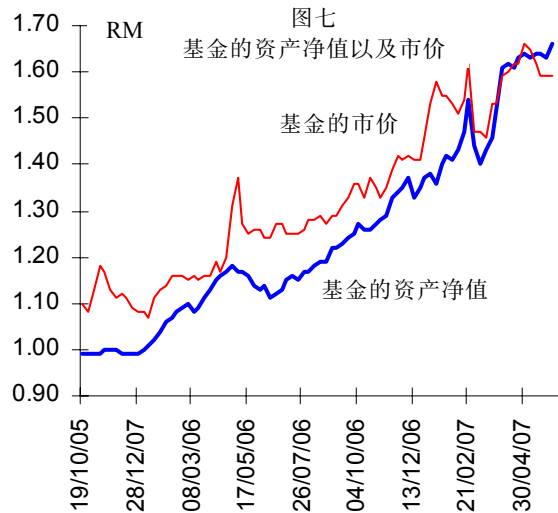


**(iii) 资产净值与市价**

自其于 2005 年 10 月 19 日上市以来至 2007 年 5 月 31 日，基金的每股资产净值已从每股 RM0.99 上涨至 RM1.65。这代表着 66.67% 的增值。自其于 2005 年 10 月 19 日上市以来至 2007 年 5 月 31 日，您的基金的市价已从 RM1.01 上涨至 RM1.58。这代表着 56% 的上涨。以下的图五展示了您的基金相较于隆综合指数的表现。



图六显示您基金的溢价/折价而图七则显示每股的资产净值以及市价。



**(iv) 我们的见解**

自我们于第一本年报中回顾业绩表现以来，全球经济并未失去其成长动力。尽管美国经济已放缓，但是中国、印度以及欧洲的动力却依然强劲，这使世界其它国家的经济得以与美国的经济走势分歧。从那时起，全球的许多股市已显著上涨。在经历了漫长、低靡的表现后，投资者对大马交易所的兴趣终于从 2006 年 11 月份开始显著提升。与去年回顾业绩的时候相比，目前，乐观的看法已取代了恐惧的感觉。尽管大马股市已显著上涨，但是诱人的投资机会依然存在。您的基金在不断找寻诱人投资的当儿，已不断减少现金或短期存款以增加股票投资。不但如此，您的基金仍拥有一笔可观的可投资金额，这将提高您的基金在长期内持续提升其资产净值的机率。

陈鼎武  
指定基金经理  
资威资产管理私人有限公司  
2007 年 6 月 4 日

## Profile of Directors

### **YM Tunku Tan Sri Dato' Seri Ahmad Bin Tunku Yahaya**

*Chairman/Non-Independent Non-Executive Director, Member of the Audit Committee, 78 years of age – Malaysian*

Tunku Ahmad Yahaya was appointed to your Board of Directors on 29 June 2005. He obtained his BA (Econ) from the University of Bristol and is a fellow of the Association of Chartered Certified Accountants, United Kingdom. He was the Group Chief Executive Officer of the Sime Darby Berhad Group from 1982 to 1993 before assuming his current position as Deputy Chairman of Sime Darby Berhad.

Tunku Ahmad Yahaya started his career with Dunlop Estates Berhad in 1959 before moving on

to join DMIB Berhad in 1962 and becoming managing director. In 1979, he joined Sime Darby Berhad. He was a Director of Bank Negara Malaysia from 1966 to 1995 and the Chairman of the Audit Committee from 1989 to 1995.

Tunku Ahmad Yahaya is the Chairman of KLCC Property Holdings Berhad and several other limited companies in Malaysia. He is also a director and shareholder of Capital Dynamics Asset Management Sdn. Bhd.

### **Dato' Raja Nong Chik Bin Raja Zainal Abidin**

*Independent Non-Executive Director, Chairman of the Audit Committee, 54 years of age – Malaysian*

Dato' Raja Nong Chik Bin Raja Zainal Abidin was appointed to your Board of Directors on 29 June 2005. He obtained his Bachelor of Economics (Honours) from the University of Wales and is a member of the Chartered Institute of Management Accountants, Malaysian Institute of Accountants and Institute of Chartered Secretaries and Administrators.

He started his career at Federal Land Consolidation and Rehabilitation Authority (FELCRA) in 1978 before becoming the Manager, Corporate Planning and Finance of Kumpulan FIMA Bhd. He subsequently joined OYL Industries Berhad (OYL) in

1982 and was the executive director of OYL from 1982 to 1990. After nine (9) years, he left to start Rasma Corporation Sdn. Bhd., a Class A mechanical and electrical contractor, where he is the managing director and major shareholder.

Presently, Dato' Raja Nong Chik Bin Raja Zainal Abidin also sits on the board of Pharmaniaga Berhad. He is also President of the Bumiputra Manufacturers Association and President of the Malay Mekanikal Kontraktors Association (PKJM) and a member of Malaysia Innovation Council chaired by the Prime Minister.

### **Michael Vitus Wong Kuan Lee**

*Non-Independent Non-Executive Director, 69 years of age – Malaysian*

Michael Vitus Wong Kuan Lee was appointed to your Board of Directors on 11 December 2004. He holds a Law Degree from the University of Singapore. He joined Messrs Shook Lin & Bok in 1964 and resigned in 1991 as its Chief Executive Partner but remains as a consultant. He previously served as a Senator in the Malaysian Parliament and director of Bank Negara Malaysia.

Michael Vitus Wong Kuan Lee was a director of Sime Darby Berhad from 1991 to 2005 and Tractors Malaysia Holdings Berhad from 2004 to 2005. He currently sits on the board of Keck Seng (M) Berhad and Malaysia Deposit Insurance Corporation. He is also a director and shareholder of Capital Dynamics Asset Management Sdn. Bhd.

### **Yeoh Ah Tu**

*Independent Non-Executive Director, Member of the Audit Committee, 56 years of age – Malaysian*

Yeoh Ah Tu was appointed to your Board of Directors on 29 June 2005. He holds a degree in Accountancy from the University of Singapore and is a fellow member of the Certified Practising Accountants of Australia.

He started his career in 1975 as a tutor in financial accounting and cost accounting in a

private institution in Singapore. In 1977, he founded the Systematic group of colleges. Under his guidance, the company was listed on the Second Board of Bursa Malaysia Securities Berhad. He remained a director of the company until 2000. Currently, he also sits on the board of several other private limited companies in Malaysia.

*Note:-*

- Save as disclosed none of the Directors have any family relationship(s) with any Director and/or substantial shareholders of your Fund nor conflict of interest involving your Fund.
- None of the Directors have been convicted for any offences within the past 10 years other than traffic offences (if any).

## Statement of Corporate Governance

### The Code

Your Board of Directors (your Board) supports the Principles of Corporate Governance as laid out in the Malaysian Code on Corporate Governance (the Code) and recognises that the adoption of the high standards of corporate governance is imperative for the performance of icapital.biz Berhad ("your Fund") and enhancement of shareholders' values.

Your Board is pleased to disclose your Fund's application of the Principles and the extent to which your Fund has complied with the Best Practices of the Code during the year ended 31 May 2007. Your Board is of the opinion that it has, in all material respects, complied with the Principles and Best Practices of the Code.

### 1. Board of Directors

#### 1.1 Composition

Your Board comprises four (4) non-executive Directors; two (2) of whom are independent. This is in compliance with the Listing Requirements of Bursa Securities, which requires two (2) or at least one-third of your Board, whichever is higher, to be independent directors.

#### 1.2 Duties and Responsibilities

The primary responsibilities of your Board include, amongst others, determining your Fund's investment policies and ensuring that the financial and operational objectives of your Fund are met.

### 2. Board Balance

Your Fund is led by an experienced Board. Members of your Board, who are professionals from varied backgrounds, bring depth and diversity in experience, expertise and perspectives to your Fund. Their profiles are presented on page 12 of this Annual Report.

Your Board is ensured of a balanced view at all board deliberations, as all directors are non-executive and therefore not involved in the day-to-day operations of your Fund. The management of your Fund's investments, the adviser for your Fund's investments and custodian of its assets have been outsourced to Capital Dynamics Asset Management Sdn Bhd (the Fund Manager), Capital Dynamics Sdn. Bhd. (the Investment Adviser) and Deutsche Bank (Malaysia) Berhad (the Custodian) respectively. Your Board has expressed its satisfaction and confidence in the services provided by various parties involved in the operations of your Fund.

Your Board has not appointed a senior independent non-executive director to whom concerns can be conveyed as all Members of your Board participate actively during Board meetings.

### 3. Board Meetings

During the year ended 31 May 2007, a total of four (4) Board meetings were held and the attendance of each Director is as shown below:-

Name	Number of meetings attended
YM Tunku Tan Sri Dato' Seri Ahmad Bin Tunku Yahaya	4 out of 4
Dato' Raja Nong Chik Bin Raja Zainal Abidin	4 out of 4
Michael Vitus Wong Kuan Lee	4 out of 4
Yeoh Ah Tu	4 out of 4

### 4. Supply of Information

The Directors of your Fund have unrestricted access to all information of your Fund's business and affairs, whether on an individual basis or as a full board, so as to enable them to discharge their responsibilities. In addition, Board papers containing the full details of the agenda are given to all Directors in advance of meetings, in order to allow for sufficient time for review and obtain explanations.

Your Directors also have access to independent professional advice in furtherance of their duties.

### 5. Appointments and Re-Election of the Directors

In accordance with your Fund's Articles of Association, at least one-third of the Directors, or if their number is not three (3), then the number nearest to one-third, shall retire from office at every Annual General Meeting provided always that all Directors shall retire from office once in every three (3) years but shall be eligible for re-election.

Directors who are appointed by your Board to fill a casual vacancy during the year shall hold office only until the next Annual General Meeting following their appointment and shall be eligible for re-election.

Section 129 of the Companies Act 1965 provides that Directors who are over the age of seventy (70) shall retire at every Annual General Meeting but may offer themselves for re-appointment.

### 6. Directors' Training

All members of your Board have attended the training programme as required by the listing requirements of Bursa Malaysia Securities Berhad. Seminars and courses attended by Directors during the financial year ended 31 May 2007 are as follows:-

- "An Understanding of Business Failure and Corporate Recovery: A Director's Perspective";
- "Zest for Life";
- "Introduction to Corporation Taxation, Withholding Taxation and Taxation Audit";
- "Conversion to Revised and New Financial Reporting Standards – Impact to Malaysian Companies"; and
- "Directors Training on Oil and Gas Industry".

### 7. Board Committees

In order to ensure the effective discharge of its fiduciary duties, your Board has delegated certain responsibilities to Board Committees, namely, the Audit Committee and the Nomination Committee. These Committees have their written terms of reference approved by your Board. Your Board, however, retains full responsibility for the direction and control of your Fund.



## 7.1 Audit Committee

The functions, composition, terms of reference and the summary of activities of the Audit Committee are laid down on pages 15 to 17 of this Annual Report.

Chairman: Yeoh Ah Tu - *(Independent Non-Executive Director)*

Members:

YM Tunku Tan Sri Dato' Seri Ahmad Bin Tunku Yahaya - *(Non-Independent Non-Executive Director)*  
Dato' Raja Nong Chik Bin Raja Zainal Abidin - *(Independent Non-Executive Director)*

The Nomination Committee is empowered by your Board to, amongst others, recommend to your Board, suitable candidates for appointment as directors. In addition, the Nomination Committee assesses the effectiveness of your Board and the Committees of your Board to ensure that your Board has an appropriate balance of skills, expertise and core competencies.

An analysis of the aggregate Directors' remuneration for the year ended 31 May 2007 is as below:-

Directors	Fees (RM)
YM Tunku Tan Sri Dato' Seri Ahmad Bin Tunku Yahaya	20,000
Dato' Raja Nong Chik Bin Raja Zainal Abidin	20,000
Michael Vitus Wong Kuan Lee	20,000
Yeoh Ah Tu	20,000
Total	80,000

## 9. Communication with Shareholders and Investors

Your Fund recognises the importance of maintaining transparency and accountability to its shareholders and investors. An important channel used to reach shareholders and investors is the Annual Report. Timely release of financial results on a quarterly basis also enables shareholders to have an overview of the performance of your Fund.

Your Fund's Annual General Meeting is also an important forum for communication and dialogue with its shareholders. Your Board encourages shareholders to attend and participate in the Annual General Meeting. Your Board and relevant advisers are on hand to answer questions raised and give clarifications required. Contacts for the fund manager and investment adviser can be found on the inside back cover.

Weekly updates on the fund's NAV per share can be found in [www.bursamalaysia.com](http://www.bursamalaysia.com) and [www.icapital.biz](http://www.icapital.biz).

## 10. Accountability and Audit

### 10.1 Financial Reporting

Your Board aims to provide and present a clear, balanced and comprehensive assessment of your Fund's financial performance and prospects at the end of the financial year, primarily through the annual financial statements, quarterly results as well as your Letter to Share Owners in the Annual Report.

Your Board is assisted by the Audit Committee to oversee the financial reporting process and the quality of its financial reporting.

### 10.2 Statement of Directors' Responsibility

Directors are required pursuant to Section 169(15) of the Companies Act 1965 to state whether the Fund's Financial Statements for the financial year are drawn up in accordance with approved accounting standards so as to give a true and fair view of the Fund's state of affairs and of the results of your Fund's business operations for the financial year.

## 7.2 Nomination Committee

The Nomination Committee was established on 19 June 2006 and comprises the following members: -

## 8. Directors' Remuneration

Your Board is of the opinion that the need for the establishment of a Remuneration Committee does not arise as there are no Executive Directors on your Board. The determination of fees of the Non-Executive Directors is a matter for your Board as a whole and the fees payable are presented to the shareholders of your Fund at every Annual General Meeting for approval.

In preparing the Financial Statements, your Directors have:-

- applied the appropriate and relevant accounting policies on a consistent basis;
- ensured that applicable accounting standards have been followed;
- made judgements and estimates that are prudent and reasonable;
- ensured that proper accounting records are kept so as to enable the presentation of the Financial Statements with reasonable accuracy; and
- prepared the Financial Statements on an ongoing basis.

The Statement by Directors pursuant to Section 169(15) of the Companies Act 1965 is set out on page 19 of this Annual Report.

### 10.3 Internal Control

Your Board acknowledges that it is responsible for maintaining a sound system of internal controls. Your Fund's Statement on Internal Control, which provides an overview of the state of internal control is set out on page 15 of this Annual Report.

### 10.4 Internal Auditors

Your Fund has appointed Advent Corporate Advisory Sdn Bhd, a professional services firm, to carry out your Fund's Internal Audit function. As the Internal Auditors report directly to the Audit Committee, they are independent of your Fund's activities and perform with professionalism and impartiality.

### 10.5 Relationship with External Auditors

The Audit Committee and your Board communicate regularly with the External Auditors and they are invited to attend Audit Committee meetings, whenever appropriate. During the said meetings, the External Auditors will be invited to present their audit findings, if any, for the discussion of the members of the Audit Committee.

The role of the Audit Committee in relation to the External Auditors is set out on page 16 of this Annual Report.



## Statement of Internal Control

### Board responsibilities

Your Board recognises the importance of maintaining sound internal control and effective risk management practices in your Fund. Your Board acknowledges its overall responsibility and reviews the adequacy and integrity of the system on internal control. Nonetheless, it recognises that such a system can only provide reasonable but not absolute assurance because of limitations inherent in any system of internal control against material misstatement or fraud and is designed to manage rather than eliminate the risk of failure to achieve business objectives.

As a closed-end fund, your Fund employs an external management structure, whereby all of your Fund's functions are undertaken by external service providers. Your Board's main internal control responsibilities are to oversee and review the function of these parties, in particular, the Fund Manager, the Investment Adviser, the Custodian Bank and the Administrator.

In achieving these objectives, your Board has outsourced its internal audit function to an independent professional services firm that provides independent and objective reports directly to the Audit Committee, which assists the Audit Committee in discharging its duties and responsibilities.

### Internal Control Elements

Your Fund's overall internal control system includes:-

#### (i) Control Environment

The Fund Manager is responsible for managing the investments of your Fund, while the Investment Adviser provides continuous advice and recommendations to your Fund as to the purchase, holding and disposal of investments. The Administrator is responsible for keeping the books and records relating to your Fund's portfolio. The custodian function is performed by an independent bank, which maintains custody of your Fund's investments and cash. The Internal Auditors adopts a risk-based approach in evaluating the effectiveness of your Fund's system of internal control.

## Audit Committee Report

The Audit Committee was established by your Board on 30 June 2005.

### Members and Attendance

The members of the Audit Committee and details of attendance of each member at committee meetings during the financial year ended 31 May 2007 are set out below:-

#### Audit Committee

Dato' Raja Nong Chik Bin Raja Zainal Abidin - Chairman \*  
YM Tunku Tan Sri Dato' Seri Ahmad Bin Tunku Yahaya - Member  
Yeoh Ah Tu – Member

\* Member of the Malaysian Institute of Accountants

### Terms of Reference

#### 1. Composition Of Audit Committee

The Audit Committee shall be appointed by the Board of Directors from amongst their members and shall consist of at least three (3) members, the majority of whom are independent directors.

Reconciliation of cash and stock holdings is performed on a weekly and monthly basis by the Administrator and verified by the Fund Manager. Quarterly and annual financial statements are prepared by the Administrator, reviewed by the Audit Committee and approved by your Board prior to submission to Bursa Securities and released to shareholders.

#### (ii) Information and communication

Your Board has the authority to assess the state of internal control as it deems necessary. In doing so, your Board has the right to enquire information and clarification from the service providers as well as seek inputs from the Audit Committee, external and internal auditors, and other experts at the Fund's expense.

#### (iii) Audit committee

Your Board has established the Audit Committee, comprising two Independent Non-Executive Directors and one Non-Independent Non-Executive Director. Details of composition, terms of reference and report of the Audit Committee are disclosed below.

#### (iv) Risk Management

Your Board recognises that to ensure the review process for identifying, evaluating and managing the significant risks affecting your Fund, the internal control procedures with clear lines of accountability and delegated authority have to be established. Your Board, throughout the current financial year, has identified and evaluated the significant risks faced by your Fund through the monitoring of your Fund's operational efficiency. As a closed-end fund, a significant portion of your Fund's risk are managed by your Fund Manager, Investment Adviser and the Custodian Bank.

### Conclusion

No significant control failure or weaknesses that would result in material losses or require disclosure in your Fund's Annual Report were identified during the year ended 31 May 2007.

Status of Directorship	Attendance
Independent Non-Executive Director	4 out of 4
Chairman / Non-Independent Non-Executive Director	4 out of 4
Independent Non-Executive Director	4 out of 4

At least one (1) member of the Audit Committee:-  
(a). must be a member of the Malaysian Institute of Accountants; or

- (b). if he is not a member of the Malaysian Institute of Accountants, he must have at least 3 years' working experience and:-  
 (i) he must have passed the examinations specified in Part I of the First Schedule of the Accountants Act 1967; or (ii) he must be a member of one of the associations of accountants specified in Part II of the First Schedule of the Accountant Act 1967; or
- (c). fulfils such other requirements as prescribed by the Bursa Securities.

No alternate Director(s) shall be appointed as member(s) of the Audit Committee.

The members of the Audit Committee shall elect a Chairman from amongst its members, who shall be an Independent Director.

## 2. Meetings

The quorum for meeting of the Audit Committee shall be two (2) members of which the majority of members present must be Independent Directors.

The Audit Committee shall meet not less than four (4) times a year and as many times as the Audit Committee deems necessary with due notice of issues to be discussed.

The Company Secretary shall be the Secretary of the Audit Committee.

The presence of external auditors and internal auditors (if any) at any meeting of the Audit Committee can be requested if required by the Audit Committee.

Other members of your Board and officers of your Fund may attend the meeting (specific to the relevant meeting) upon the invitation of the Audit Committee.

## 3. Authority

The Audit Committee shall in accordance with the procedure determined by the Board and at the cost of your Fund:-

- (a). have authority to investigate any matter within the terms of reference;
- (b). have the resources which the Audit Committee requires to perform its duties;
- (c). have full and unrestricted access to any information, which the Audit Committee requires in the course of performing its duties.
- (d). have direct communication channels with the external auditors and persons carrying out the internal audit function (if any);
- (e). be able to obtain independent professional or other advice in the performance of its duties at the cost of your Fund; and
- (f). be able to convene meetings with the external auditors, excluding the attendance of the executive members of the Audit Committee, whenever deemed necessary.

## 4. Duties And Responsibilities

The duties and responsibilities of the Audit Committee are to review the following and report the same to the Board of Directors:-

- (a). Matters relating to External Audit
  - To review the nomination of external auditors and the external audit fee;

- To discuss with the external auditors, the nature, scope and quality of external audit plans/arrangements;
- To review the evaluation of the systems of internal control with the external auditors;
- To review quarterly results and year end financial statements of your Fund, prior to approval by your Board, focusing in particular on the going concern assumption, compliance with accounting standards and regulatory requirements, any changes in accounting policies and practices, significant issues and unusual events arising from the audit and major judgement issues;
- To review the external auditors' audit report on the financial statements;
- To review any management letter sent by the external auditors to your Fund and the management's response to such letters;
- To review any letter of resignation from the external auditors;
- To consider and review whether there is reason (supported by grounds) to believe that your Fund's external auditors are not suitable for re-appointment;
- To review the assistance given by your Fund's officers to the external auditors; and
- To discuss problems and reservations arising from the interim and final audits, and any matter that the external auditors may wish to discuss.

- (b). Matters relating to Internal Audit function

- To review the effectiveness of the internal audit function (if any);
- To review the internal audit programme and results of the internal audit process or investigation undertaken and whether or not appropriate action is taken on the recommendation of the internal audit function;
- To review the follow up actions by the management on the weaknesses of internal accounting procedures and controls;
- To review all areas of significant financial risk and the arrangements in place to contain those risks to acceptable levels;
- To review the assistance and co-operation given by your Fund and its officers to the internal auditors;
- To review any appraisal or assessment of the performance of staff of the internal audit function, compliance with accounting standards and regulatory requirements, any changes in accounting policies and practices, significant issues arising from the audit and major judgement issues; and
- To review any letter of resignation from internal audit staff members and provide the resigning staff member an opportunity to submit his reasons for resigning.

- (c). Roles and Rights of the Audit Committee

- To consider and review any significant transactions, which are not within the normal course of business and any related party transactions that may arise within your Fund;
- To report to Bursa Securities on any matter reported by the Board of your Fund which has not been satisfactorily resolved resulting in a breach of the Listing Requirements of Bursa Securities; and
- To carry out any other function that may be mutually agreed upon by the Audit Committee and your Board which would be beneficial to your Fund and ensure the effective discharge of the Audit Committee's duties and responsibilities.

(d). Retirement and Resignation of Member of Audit Committee

- A member of the Audit Committee who wishes to retire or resign should provide sufficient written notice to your Fund so that a replacement may be appointed before he leaves. In the event of any vacancy in the Audit Committee, your Fund shall fill the vacancy not later than three (3) months.

### Summary of Activities of the Audit Committee

The activities of the Committee for the financial year included:-

- reviewing the quarterly results before submission to your Board for approval, focusing on the key changes to the accounting policies, compliance to regulatory requirements and the new introduction of the financial reporting standards ("FRS");
- reviewing the nomination of internal auditors and the internal audit fee;
- discussing with the internal auditors on its nature, scope and quality of internal audit and approving

the internal audit strategy, plans and arrangements thereof;

- reviewing the audit findings and recommendations by the internal auditors, representations made and corrective actions taken by management in addressing and resolving issues;
- discussing with the external auditors on its nature, scope and quality of external audit and the compliance with the revised FRS;
- approving the audit planning memorandum of the external auditors; and
- reviewing any related party transactions that may arise in your Fund.

### Internal Audit Function

Your Fund has outsourced its Internal Audit function to a professional services firm to assist the Audit Committee in discharging its duties and responsibilities more effectively. The priority of the Internal Auditors is to focus on the review of internal controls implemented by the service providers of your Fund to ensure that the assets of your Fund are adequately safeguarded.

### Directors' Report

The Directors hereby submit their report and the audited financial statements of your Fund for the financial year ended 31 May 2007.

### Principal Activity

Your Fund is a closed-end fund and is principally engaged in investing in a diversified portfolio of quoted securities. There has been no significant change in the nature of this activity during the financial year.

Your Fund is managed by a fund manager, Capital Dynamics Asset Management Sdn. Bhd. ("the Fund Manager"), a company incorporated in Malaysia. The principal activity of the Fund Manager is the provision of fund management.

### Results

Profit after taxation for the financial year

RM
14,600,131

### Dividends

No dividend was paid since the end of the previous financial period and the Directors do not recommend the payment of any dividend for the current financial year.

At the date of this report, the Directors are not aware of any circumstances that would require the writing off of bad debts, or the allowance for doubtful debts in the financial statements of your Fund.

### Reserves and Provisions

All material transfers to or from reserves or provisions during the financial year are disclosed in the financial statements.

### Current Assets

Before the financial statements of your Fund were made out, the Directors took reasonable steps to ascertain that any current assets other than debts, which were unlikely to be realised in the ordinary course of business, including their value as shown in the accounting records of your Fund, have been written down to an amount which they might be expected so to realise.

### Issues of Shares and Debentures

During the financial year:-

- (a) there were no changes in the authorised and issued and paid-up share capital of your Fund; and
- (b) there were no issues of debentures by your Fund.

At the date of this report, the Directors are not aware of any circumstances which would render the values attributed to the current assets in the financial statements misleading.

### Options Granted Over Unissued Shares

During the financial year, no options were granted by your Fund to any person to take up any unissued shares in your Fund.

### Valuation Methods

At the date of this report, the Directors are not aware of any circumstances which have arisen which render adherence to the existing methods of valuation of assets or liabilities of your Fund misleading or inappropriate.

### Bad and Doubtful Debts

Before the financial statements of your Fund were made out, the Directors took reasonable steps to ascertain that action had been taken in relation to the writing off of bad debts and the making of allowance for doubtful debts, and satisfied themselves that there are no known bad debts and that no allowance for doubtful debts is required.

### Contingent and Other Liabilities

At the date of this report, there does not exist:-

- (a) any charge on the assets of your Fund that has arisen since the end of the financial year which secures the liabilities of any other person; or

(b) any contingent liability of your Fund, which has arisen since the end of the financial year.

No contingent or other liability of your Fund has become enforceable or is likely to become enforceable within the period of twelve months after the end of the financial year which, in the opinion of the Directors, will or may substantially affect the ability of your Fund to meet its obligations when they fall due.

### Change of Circumstances

At the date of this report, the Directors are not aware of any circumstances not otherwise dealt with in this report or the financial statements of your Fund which would render any amount stated in the financial statements misleading.

### Directors

The Directors who served since the date of the last report are as follows:-

1. YM Tunku Tan Sri Dato' Seri Ahmad bin Tunku Yahaya
2. Dato' Raja Nong Chik bin Raja Zainal Abidin
3. Michael Vitus Wong Kuan Lee
4. Yeoh Ah Tu

Pursuant to Article 96 of the Articles of Association of your Fund, Dato' Raja Nong Chik Bin Raja Zainal Abidin retires by rotation at the forthcoming annual general meeting and, being eligible, offers himself for re-election.

### Items of an Unusual Nature

The results of the operations of your Fund during the financial year were not, in the opinion of the Directors, substantially affected by any item, transaction or event of a material and unusual nature.

There has not arisen in the interval between the end of the financial year and the date of this report any item, transaction or event of a material and unusual nature likely, in the opinion of the Directors, to affect substantially the results of the operations of your Fund for the financial year.

Pursuant to Section 129 of the Companies Act, 1965, YM Tunku Tan Sri Dato' Seri Ahmad Bin Tunku Yahaya, who is over the age of seventy years old, retires at the forthcoming annual general meeting and, being eligible, offers himself for re-election under the provision of Section 129(6) of the said act to hold office until the next annual general meeting of the company.

### Directors' Interest

According to the register of directors' shareholdings, the interests of Directors holding office at the end of the financial year in shares in your Fund during the financial year are as follows:-

Your Fund

#### Direct Interest

YM Tunku Tan Sri Dato' Seri Ahmad bin Tunku Yahaya

#### Deemed Interests

Dato' Raja Nong Chik bin Raja Zainal Abidin

Michael Vitus Wong Kuan Lee

Number of Ordinary Shares at RM1 each			
At 1.6.2006	Allotment	Sold	At 31.5.2007
3,000,000	-	-	3,000,000
514,100	-	-	514,100
377,400	-	38,900	338,500

The other Director holding office at the end of the financial year had no interest in shares in your Fund during the financial year.

### Directors' Benefits

Since the end of the previous financial period, no Director has received or become entitled to receive any benefit (other than a benefit included in the aggregate amount of emoluments received or due and receivable by Directors as shown in the financial statements, or the fixed salary of a full-time employee of your Fund) by reason of a contract made by your Fund or a related corporation with the director or with a firm of which the Director is a member, or with a company in which the director has a substantial

financial interest except for any benefits which may be deemed to arise from transactions entered into in the ordinary course of business with a company in which certain directors have substantial financial interests as disclosed in Note 16 to the financial statements.

Neither during nor at the end of the financial year, was your Fund a party to any arrangements whose object is to enable the Directors to acquire benefits by means of the acquisition of shares in or debentures of your Fund or any other body corporate.

### Auditors

The auditors, Messrs. Horwath, have expressed their willingness to continue in office.

Signed in Accordance with a Resolution of the Directors Dated 2 July 2007.

Dato' Raja Nong Chik Bin Raja Zainal Abidin

Yeoh Ah Tu

### **Statement by Directors**

We, Dato' Raja Nong Chik Bin Raja Zainal Abidin and Yeoh Ah Tu, being two of the directors of icapital.biz Berhad, state that, in the opinion of the directors, the financial statements set out on pages 20 to 27 are drawn up in accordance with applicable MASB approved accounting standards in Malaysia for Entities Other Than Private Entities and the provisions of the Companies Act, 1965 so as to give a true and fair view of the state of affairs of the Company at 31 May 2007 and of its results and cash flows for the financial year ended on that date.

Signed in Accordance with a Resolution of the Directors Dated 2 July 2007.

Dato' Raja Nong Chik Bin Raja Zainal Abidin

Yeoh Ah Tu

### **Statutory Declaration**

I, Tan Teng Boo, I/C No. 540211-02-5441, being the director of Capital Dynamics Asset Management Sdn. Bhd. primarily responsible for the financial management of icapital.biz Berhad, do solemnly and sincerely declare that the accompanying financial statements set out on pages 20 to 27 are, to the best of my knowledge and belief, correct, and I make this solemn declaration conscientiously believing the same to be true and by virtue of the provisions of the Statutory Declarations Act, 1960.

Subscribed and solemnly declared by  
Tan Teng Boo, I/C No. 540211-02-5441,  
at Kuala Lumpur in the Federal Territory  
on this 2 July 2007

Before me

Tan Teng Boo

P.Saroja (PPN)  
(W402)  
Commissioner For Oaths

### **Financial Statements**

Report of the Auditors to the Members of icapital.biz Berhad

We have audited the financial statements set out on pages 20 to 27. The preparation of the financial statements is the responsibility of the Company's directors.

It is our responsibility to form an independent opinion, based on our audit, on the financial statements and to report our opinion to you, as a body, in accordance with Section 174 of the Companies Act, 1965 and for no other purpose. We do not assume responsibility to any other person for the content of this report.

We conducted our audit in accordance with approved standards on auditing in Malaysia. These standards require that we plan and perform the audit to obtain reasonable assurance that the financial statements are free of material misstatement. Our audit included examining, on a test basis, evidence relevant to the amounts and disclosures in the financial statements. Our audit also included an assessment of the accounting principles used and significant estimates made by the directors as well as evaluating the overall adequacy of the presentation of information in the financial statements. We believe our audit provides a reasonable basis for our opinion.

In our opinion,

- (a) the financial statements are properly drawn up in accordance with the provisions of the Companies Act, 1965 and applicable MASB approved accounting standards in Malaysia for Entities Other Than Private Entities so as to give a true and fair view of:-
  - (i). the state of affairs of the Company at 31 May 2007 and its results and cash flows for the financial year ended on that date; and
  - (ii). the matters required by Section 169 of the Companies Act, 1965 to be dealt with in the financial statements of the Company; and
- (b) the accounting and other records and the registers required by the Companies Act, 1965 to be kept by the Company have been properly kept in accordance with the provisions of the said Act.

Horwath  
Firm No: AF 1018  
Chartered Accountants  
Kuala Lumpur  
2 July 2007

Lee Kok Wai  
Approval No: 2760/06/08 (J)  
Partner

## Balance Sheet at 31 May 2007 (RM)

	Notes	2007	2006
<b>Non-current asset</b>			
Investments	6	96,001,558	78,128,785
<b>Current assets</b>			
Other receivables, deposit & prepayments	7	1,792,936	902,350
Tax recoverable		156,851	-
Short-term deposits	8	55,100,000	60,227,620
Cash and bank balances		318,861	356,239
		57,368,648	61,486,209
<b>Current liabilities</b>			
Other payables and accruals		125,877	625,512
Provision for taxation		-	345,284
		125,877	970,796
<b>Net current assets</b>		57,242,771	60,515,413
		153,244,329	138,644,198
<b>Financed by:-</b>			
Share capital	9	140,000,000	140,000,000
Retained profit/(Accumulated losses)	10	13,244,329	(1,355,802)
<b>Shareholders' equity</b>		153,244,329	138,644,198
Net assets per ordinary share (RM)	11	1.09	0.99
Net assets value per ordinary share (RM)	12	1.65	1.13

## Statement of Changes in Equity for the Financial Year Ended 31 May 2007 (RM)

	Share Capital	(Accumulated losses)/ Retained profit	Total
Balance as at 1 June 2005	2	(138,733)	(138,731)
Issuance of shares	139,999,998	-	139,999,998
Loss after taxation for the financial year	-	(1,217,069)	(1,217,069)
Balance at 31 May 2006/1 June 2006	140,000,000	(1,355,802)	138,644,198
Profit after taxation for the financial year	-	14,600,131	14,600,131
Balance as at 31 May 2007	140,000,000	13,244,329	153,244,329

## Income Statement for the Financial Year Ended 31 May 2007 (RM)

	Notes	2007	2006
Interest Income		2,022,396	2,328,418
Dividend Income		6,070,816	1,019,040
Gain on disposal of quoted securities		11,782,706	-
<b>Revenue</b>		<b>19,875,918</b>	<b>3,347,458</b>
Less: Operating expenses			
Accounting and administration fees		98,500	70,750
Annual general meeting expenses		9,219	-
Audit fee		10,000	10,000
Custodian expenses		65,449	29,821
Directors' fee		80,000	80,000
Fund management fee		1,363,494	638,479
Investment advisory fee		1,363,494	638,479
Listing expenses written off:			
- advertising expenses		-	249,900
- legal fee		-	115,000
- listing application fee		-	340,250
- printing expenses		-	244,200
- professional fees			
- placement commission		-	150,000
- underwriting commission		-	260,000
- listing of the proposed closed-end fund		-	100,000
- placement management fee		-	615,000
- others		-	146,000
- reporting accountants' fee		-	15,000
Pre-operating expenses written off		-	191,361
Professional fee		106,890	34,359
Service tax		7,186	5,428
Others		17,886	28,086
<b>Profit/(Loss) before taxation</b>		<b>16,753,800</b>	<b>(614,655)</b>
Income tax expense	13	(2,153,669)	(602,414)
<b>Profit/(Loss) after taxation attributable to equity holders of your Fund</b>		<b>14,600,131</b>	<b>(1,217,069)</b>
Basic earnings/(loss) per ordinary share (RM)	14	0.10	(0.01)

## Cash Flow Statement for the Financial Year Ended 31 May 2007 (RM)

	Notes	2007	2006
Profit/(Loss) before taxation		16,753,800	(614,655)
Adjustments for: Listing expenses		-	2,235,350
Gain on disposal of quoted investments		(11,782,706)	-
Operating profit/(loss) before working capital changes		4,971,094	1,620,695
Changes in working capital:			
Increase in other receivables		(890,586)	(901,070)
(Decrease)/Increase in other payables		(499,635)	485,499
Capital repayment from quoted investments		-	1,275,000
Proceeds from disposal of quoted investments		36,041,708	-
Purchase of quoted investments		(42,131,775)	(79,403,785)
Cash used in operations		(2,509,194)	(76,923,661)
Income tax paid		(1,299,389)	(257,130)
Income tax deducted at source		(1,356,415)	-
<b>Net cash for operating activities</b>		<b>(5,164,998)</b>	<b>(77,180,791)</b>
Proceeds from issuance of shares		-	139,999,998
Listing expenses paid		-	(2,235,350)
<b>Net cash from financing activities</b>		<b>-</b>	<b>137,764,648</b>
<b>Net (decrease)/increase in cash and cash equivalents</b>		<b>(5,164,998)</b>	<b>60,583,857</b>
Cash and cash equivalents at beginning of the financial year		60,583,859	2
<b>Cash and cash equivalents at end of the financial year</b>	15	<b>55,418,861</b>	<b>60,583,859</b>

## Notes to the Financial Statements for the Year Ended 31 May 2007

### 1. General Information

Your Fund is a public company limited by shares and is incorporated under the Malaysian Companies Act, 1965. The domicile of your Fund is Malaysia. The registered office, which is also the principal place of business, is at Level 14, Uptown 1, No.1 Jalan SS21/58, Damansara Uptown, 47400 Petaling Jaya, Selangor Darul Ehsan.

The financial statements were authorised for issue by the Board of Directors in accordance with a resolution of the directors dated 2 July 2007.

### 2. Principal Activity

Your Fund is a closed-end fund and is principally engaged in investing in a diversified portfolio of quoted securities. There has been no significant change in the nature of this activity during the financial year.

Your Fund is managed by a fund manager, Capital Dynamics Asset Management Sdn. Bhd. ("the Fund Manager"), a company incorporated in Malaysia. The principal activity of your fund manager is the provision of fund management services.

### 3. Financial Risk Management Policies

Your Fund's financial risk management policy seeks to ensure that adequate financial resources are available for the development of your Fund's business whilst managing its single issuer, foreign currency, interest rate, market, credit, liquidity and cash flow risks. The policies in respect of the major areas of treasury activity are as follows:-

#### (a) Single Issuer Risk

The investment of your Fund in any quoted securities shall not exceed 10% of its net assets value or 10% of the issued capital of the issuer, whichever is lower. Under such restriction, the exposure risk to the securities of any issuer is minimised.

#### (b) Market Risk

##### (i) Foreign Currency Risk

Your Fund does not have material foreign currency transactions, assets or liabilities and hence is not exposed to any significant or material currency risks.

##### (ii) Interest Rate Risk

Your Fund does not have any interest-bearing borrowings. Surplus funds are placed with licensed financial institutions at the most favourable interest rates.

##### (iii) Price Risk

Your Fund has investments in quoted equity shares under fund management, which are subject to price risk as the market values of these investments are affected by changes in market prices. Your fund manager manages its exposure to price risk by maintaining a portfolio of equities with different risk profiles.

#### (c) Credit Risk

Your Fund's exposure to credit risks, or the risk of counterparties defaulting, arises from the ability to make timely payments of interest, principals and proceeds from realisation of investments.

#### (d) Liquidity and Cash Flow Risk

Your Fund's exposure to liquidity and cash flow risks arises mainly from business activities. It practises prudent liquidity risk management by maintaining sufficient cash balances.

### 4. Basis of Preparation

The financial statements of your Fund are prepared under the historical cost convention and modified to include other bases of valuation as disclosed in other sections under significant accounting policies, and in compliance with the applicable MASB approved accounting standards in Malaysia for Entities Other Than Private Entities and the provisions of the Companies Act, 1965.

In the current financial year, your Fund has adopted all the new and revised Financial Reporting Standards ("FRS") issued by the Malaysian Accounting Standards Board which are relevant to its operations and effective for financial periods beginning on or after 1 January 2006. The adoption of these new and revised FRS does not have any material financial effects on the financial statements of your Fund. The following FRS have been issued and are effective for financial periods beginning on or after 1



October 2006 and will be effective for your Fund's financial statements for the financial year ending 31 May 2008:-

FRS 117 Leases

FRS 124 Related Party Disclosures

FRS 6 – Exploration for and Evaluation of Mineral Resources has been issued and is effective for financial periods beginning on or after 1 January 2007. This standard is not relevant to your Fund's operations.

FRS 139 – Financial Instruments: Recognition and Measurement has been issued and the effective date has yet to be determined by the MASB. This new standard establishes principles for recognising and measuring financial assets, financial liabilities and some contracts to buy and sell non-financial items. Your Fund will apply this standard when it becomes effective.

## **5. Significant Accounting Policies**

### **(a) Critical Accounting Estimates And Judgements**

Estimates and judgements are continually evaluated by the directors and management and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The estimates and judgements that affect the application of your Fund's accounting policies and disclosures, and have a significant risk of causing a material adjustment to the carrying amounts of assets, liabilities, income and expenses are discussed below:-

#### **Income taxes**

There are certain transactions and computations for which the ultimate tax determination may be different from the initial estimate. Your Fund recognises tax liabilities based on its understanding of the prevailing tax laws and estimates of whether such taxes will be due in the ordinary course of business. Where the final outcome of these matters is different from the amounts that were initially recognised, such difference will impact the income tax and deferred tax provision in the period in which such determination is made.

### **(b) Financial Instruments**

Financial instruments are recognised in the balance sheet when your Fund has become a party to the contractual provisions of the instruments.

Financial instruments are classified as liabilities or equity in accordance with the substance of the contractual arrangement. Interest, dividends, gains and losses relating to a financial instrument classified as a liability, are reported as an expense or income. Distributions to holders of financial instruments classified as equity are charged directly to equity.

Financial instruments are offset when your Fund has a legally enforceable right to offset and intends to settle either on a net basis or to realise the asset and settle the liability simultaneously.

Financial instruments recognised in the balance sheet are disclosed in the individual policy statement associated with each item.

### **(c) Functional and Foreign Currency**

The functional currency of your Fund is measured using the currency of the primary economic environment in which the your Fund operates. The financial statements of your Fund are presented in Ringgit Malaysia ("RM") which is the functional and presentation currency.

### **(d) Investments**

Investments are stated at the lower of cost and market value on an aggregate portfolio basis. Cost is determined on the weighted average of purchase price of quoted securities basis while market value is determined based on market values at the balance sheet date. Increases or decreases in the carrying amount of quoted investments are recognised in the income statement. On the disposal of quoted investments, the difference between the net disposal proceeds and the carrying amount is recognised in the income statement.

### **(e) Receivables**

Receivables are carried at anticipated realisable value. Bad debts are written off in the period in which they are identified. An estimate is made for doubtful debts based on a review of all outstanding amounts at the balance sheet date.

## (f) Payables

Payables are stated at cost which is the fair value of the consideration to be paid in the future for goods and services received.

## (g) Income Taxes

Income taxes for the year comprise current and deferred tax. Current tax is the expected amount of income taxes payable in respect of the taxable profit for the year and is measured using the tax rates that have been enacted or substantially enacted at the balance sheet date.

Deferred tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements.

Deferred tax liabilities are recognised for all taxable temporary differences other than those that arise from goodwill or the excess of the acquirer's interest in the net fair value of the acquiree's identifiable assets, liabilities and contingent liabilities over the business combination costs or from the initial recognition of an asset or liability in a transaction which is not a business combination and at the time of the transaction, affects neither accounting profit nor taxable profit.

Deferred tax assets are recognised for all deductible temporary differences, unused tax losses and unused tax credits to the extent that it is probable that future taxable profits will be available against which the deductible temporary differences, unused tax losses and unused tax credits can be utilised.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period when the asset is realised or the liability is settled, based on the tax rates that have been enacted or substantially enacted at the balance sheet date.

Deferred tax is recognised in the income statement, except when it arises from a transaction which is recognised directly in equity, in which case the deferred tax is also charged or credited directly to equity, or when it arises from a business combination that is an acquisition, in which case the deferred tax is included in the resulting goodwill or the excess of the acquirer's interest in the net fair value of the acquiree's identifiable assets, liabilities and contingent liabilities over the business combination costs. The carrying amounts of deferred tax assets are reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient future taxable profits will be available to allow all or part of the deferred tax assets to be utilised.

## (h) Equity Instruments

Ordinary shares are classified as equity. Dividends on ordinary shares are recognised as liabilities when approved for appropriation.

## (i) Cash and Cash Equivalents

Cash and cash equivalents comprise cash in hand, bank balances, demand deposits and short term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

## (j) Revenue Recognition

### i Investments

The realised gain or loss on sale of investments is measured as the difference between the net disposal proceeds and the carrying amount of the investments, calculated on the weighted average cost basis.

### ii Interest Income

Interest income is recognised on an accrual basis, based on the effective yield on the investment.

### iii Dividend Income

Dividend income from investment is recognised when the right to receive dividend payment is established.

## 6. Investments

In RM

At cost: Quoted shares in Malaysia, at 1.6.2006/1.6.2005  
Additions for the financial year  
Disposals during the financial year  
Capital repayment from quoted investments  
Quoted shares in Malaysia, at 31.5.2007/2006  
Market value of quoted investments in Malaysia

	2007	2006
	78,128,785	-
	42,131,775	79,403,785
	(24,259,002)	-
	-	(1,275,000)
	96,001,558	78,128,785
	173,320,796	97,651,020

## 7. Other Receivables, Deposits and Prepayments

Included in prepayments is an amount of RM286,470 (2006 - RM205,661) owing by a related party. The details are disclosed in Note 16 to the financial statements.

## 8. Short-term Deposits

In RM	2007	2006
Deposits with licensed financial institutions	55,100,000	60,227,620

The weighted average effective interest rate of short-term deposits at the balance sheet date was 3.46% (2006 – 3.28%) per annum and the average maturity period was 31 days (2006 – 51 days).

## 9. Share Capital

Ordinary shares of RM1 each: -	2007	2006	2007	2006
	Number of shares		RM	RM
<u>Authorised</u>				
At 1.6.2006/1.6.2005	1,000,000,000	100,000	1,000,000,000	100,000
Increase during the financial year	-	999,900,000	-	999,900,000
At 31.5.2007/31.5.2006	1,000,000,000	1,000,000,000	1,000,000,000	1,000,000,000
<u>Issued and fully paid-up</u>				
At 1.6.2006/1.6.2005	140,000,000	2	140,000,000	2
Issuance of shares during the financial year	-	139,999,998	-	139,999,998
At 31.5.2007/31.5.2006	140,000,000	140,000,000	140,000,000	140,000,000

## 10. Retained Profits

Subject to agreement with the tax authorities, your Fund has sufficient tax credits under Section 108 of the Income Tax Act, 1967 and tax-exempt income to distribute retained profits of approximately RM4,831,000 by way of dividends without your Fund incurring additional tax liabilities. The balance of the retained profits, if distributed as dividends, will incur additional tax payments.

## 11. Net Assets per Ordinary Share

The net assets per ordinary share of your Fund is calculated based on the net assets at the balance sheet date of RM153,244,329 (2006 – RM138,644,198) divided by the number of ordinary shares in issue at the balance sheet date of 140,000,000 (2006 – 140,000,000).

## 12. Net Assets Value per Ordinary Share

Net assets value represents the net asset of your Fund after taking into consideration the surplus of the market value over the carrying value of the quoted investments as at the balance sheet date, calculated as follows:-

In RM	2007	2006
Net assets	153,244,329	138,644,198
Surplus of market value over carrying value of quoted investments	77,319,238	19,522,235
Net assets value	230,563,567	158,166,433
Number of ordinary share of RM1 each, issued and fully paid-up	140,000,000	140,000,000
Net assets value per ordinary share (RM)	1.65	1.13

## 13. Income Tax Expense

In RM	2007	2006
Current tax:-		
For the financial year	1,896,722	602,414
Underprovision in the previous financial year	256,947	-
	2,153,669	602,414

A reconciliation of income tax expense applicable to the profit/(loss) before taxation at the statutory tax rate to income tax expense at the effective tax rate of your Fund is as follows:-

In RM	2007	2006
Profit/(loss) before taxation	16,753,800	(614,655)
Tax at the statutory tax rate of 27%/28%	4,523,526	(172,103)
Tax effects of: Non-taxable income	(3,181,331)	-
Tax-exempt dividends	(314,180)	(28,202)
Non-deductible expenses	868,707	802,719
Underprovision of current tax in the previous financial year	256,947	-
Tax for the financial year/period	2,153,669	602,414

During the current financial year, the statutory tax rate was reduced from 28% to 27%.

#### 14. Earnings/(Loss) per Share

The basic earnings/(loss) per ordinary share is arrived at by dividing the earnings/(loss) for the financial year of RM14,600,131 (2006 - (RM1,217,069)) over the number of ordinary share of your Fund in issue during the financial year of 140,000,000 (2006 - weighted average number of ordinary shares of 86,301,371).

#### 15. Cash and Cash Equivalents

For the purpose of the cash flow statement, cash and cash equivalents comprise the following:-

In RM	2007	2006
Short-term deposits	55,100,000	60,227,620
Cash and bank balances	318,861	356,239
	55,418,861	60,583,859

#### 16. Significant Related Party Transaction

Nature of transaction (in RM)	Note	2007	2006
Fund management fee paid to a related party:			
- Capital Dynamics Asset Management Sdn. Bhd.	(a)	1,363,494	638,479
Balance as at balance sheet date:			
- Capital Dynamics Asset Management Sdn. Bhd.	(a)	286,470	205,661

YM Tunku Tan Sri Dato' Seri Ahmad Bin Tunku Yahaya and Michael Vitus Wong Kuan Lee are Directors and substantial shareholders of Capital Dynamics Asset Management Sdn. Bhd., the Fund Manager of your Fund.

The Directors are of the opinion that the above transaction has been entered into in the normal course of business and has been established under terms that were mutually agreed between the parties.

#### 17. Segmental Information

No segmental information is presented as your Fund is a closed-end fund and operates primarily in Malaysia.

#### 18. Directors' Remuneration

The amount of emolument receivable by the Directors of your Fund during the financial year/period was as follows:-

In RM	2007	2006
Non-executive Directors' fees	80,000	80,000

Details of the Directors' emoluments receivable for the financial year in bands of RM50,000 are as follows:-

	2007	2006
Non-executive Directors' fees: Below RM50,000	4	4

#### 19. Fair Values of Financial Instruments

Fair value is defined as the amount at which the financial instrument could be exchanged in a current transaction between knowledgeable willing parties in an arm's length transaction, other than in a forced sale or liquidation.

The following methods and assumptions are used to estimate the fair value of each class of financial instruments :

(a) Quoted Investments

The fair values of the quoted investments of your Fund at the balance sheet date is as follows:-

In RM	<u>Carrying amount</u>	<u>Fair value</u>
Quoted investments	96,001,558	173,320,796*

\* based on the closing market price of the quoted securities at the balance sheet date.

(b) Cash and Bank Balance and Other Short-term Receivables/Payables

The carrying amounts approximated their fair values due to the relatively short-term maturity of these instruments.

**20. Comparative Figures**

The following comparative figures have been reclassified to conform with the presentation of the current financial year:-

In RM	As restated	As previously reported
Balance Sheet (extract): -		
Other receivables, deposits and prepayments	902,350	696,689
Amount owing by a related party	-	205,661
Cash Flow Statement (extract): -		
Increase in other receivables	(901,070)	(695,409)
Increase in amount owing by a related party	-	(205,661)

## Investment Portfolio

As of 4 June 2007, details of the investment portfolio of your Fund are as follows:

Companies	Shares	Cost (RM)	Value (RM)	Unrealised Profit/(Loss) (RM)
1 <b>Fraser &amp; Neave Holdings Berhad</b> Manufacturing drinks, glass, etc	2,047,000	12,412,974	15,045,450	2,632,476
2 <b>Integrax Berhad</b> Port operations, etc	9,894,700	8,888,352	12,170,481	3,282,129
3 <b>Lion Diversified Holdings Berhad</b> Retailing, investment, etc	5,408,400	12,525,622	44,889,720	32,364,098
4 <b>Mieco Chipboard Berhad</b> Makes chipboard	1,632,100	2,103,832	1,697,384	-406,448
5 <b>Padini Holdings Berhad</b> Apparel and shoes retailing, etc	2,270,000	6,423,435	10,033,400	3,609,965
6 <b>Petronas Dagangan Berhad</b> Marketing of petroleum products	3,300,000	13,529,217	24,420,000	10,890,783
7 <b>Poh Kong Holdings Berhad</b> Trading of gold ornaments, etc	883,000	1,194,697	1,033,110	-161,587
8 <b>P.I.E. Industrial Berhad</b> Manufacture electronics, etc	2,970,600	8,467,639	10,575,336	2,107,697
9 <b>Tong Herr Resources Berhad</b> Manufacturing fasteners	1,420,000	4,494,435	8,023,000	3,528,565
10 <b>United Malacca Berhad</b> Plantation, investment, etc	1,726,500	7,094,004	9,409,425	2,315,421
11 <b>UMW Holdings Berhad</b> Distribution of automobiles, etc	2,200,000	13,191,140	28,380,000	15,188,860
12 <b>VADS Berhad</b> Manages network services, etc	1,344,700	5,676,211	9,143,960	3,467,749
<b>Total</b>		<b>96,001,558</b>	<b>174,821,266</b>	<b>78,819,708</b>

As of 4 June 2007, no provision for diminution in value was made in respect of the above investments since the date they were acquired. In addition, the following investments were disposed during the financial year ended 31 May 2007:-

Companies	Shares	Cost (RM)	Value (RM)	Realised Profit/(Loss) (RM)
1 <b>Asiatic Development Berhad</b> Plantations, etc	1,000,000	2,315,745	3,482,020	1,166,275
2 <b>Digi.Com Berhad</b> Mobile communication operator	1,700,000	11,447,192	20,205,780	8,758,588
3 <b>Kumpulan Guthrie Berhad</b> Plantations	2,944,000	10,496,066	12,353,909	1,857,843
<b>Total</b>		<b>24,259,003</b>	<b>36,041,709</b>	<b>11,782,706</b>

### Security Transaction Information

Total number of transactions in securities entered into for the year ended 31 May 2007 amounted to 194 trades with total brokerage paid of RM173,358.32.

### Gross Revenue of the Closed-End Fund

The information on your Fund's gross revenue is presented on page 21 in the audited income statement for the year ended 31 May 2007 as attached in this Annual Report.

## Additional Information

### 1. Share Buy-backs

Your Fund does not have any share buy-back programme in place.

### 2. Options, Warrants or Convertible Securities

Your Fund has not issued any options, warrants or convertible securities in respect of the year.

### 3. Non-Audit Fees

The non-audit fees and other services paid to the external auditors in respect of the year were RM2,500.00 for the drafting of financial statements.

### 4. Sanctions and/or Penalties

There were no sanctions or penalties imposed on your Fund or its Directors by regulatory bodies.

### 5. Revaluation of Landed Properties

Your Fund does not own any landed properties.

### 6. Profit Estimation, Forecast or Projection

Your Fund has not made any profit estimation, forecast or projection in respect of the year.

### 7. Profit Guarantee

Your Fund has not given any profit guarantee for the year.

### 8. Material Contracts

Save as disclosed below, your Fund had not entered into any material contracts which involved Directors or major shareholders, either still subsisting at the end of the year, or which were entered into since the end of the previous year:-

Date	6 September 2005
Party	Capital Dynamics Asset Management Sdn. Bhd. (CDAM)
Nature	Fund Management Agreement
Consideration	RM1,363,493.97 (from 1 June 2006 – 31 May 2007)
Mode of settlement of consideration	Cash
Relationship	The Directors of your Fund namely YM Tunku Tan Sri Dato' Seri Ahmad Bin Tunku Yahaya and Michael Vitus Wong Kuan Lee are the directors and major shareholders in CDAM. They do not hold any executive position in CDAM and are not involved in the daily operations and management of CDAM.

### 9. Utilisation of Proceeds

A public issue of 139,999,998 new ordinary shares of RM1.00 each at an issued price of RM1.00 per ordinary share payable in full upon application was allotted on 12 October 2005. The Public Issue has raised a total gross proceeds of RM139,999,998 for your Fund pursuant to the listing of your Fund on the Main Board of Bursa Securities. As at the date of this report, the said proceeds were utilised in the following manner:

In RM	Gross Proceeds	Amount Utilised	Balance
Investment in securities and other permitted assets	137,200,000	137,200,000	-
Listing expenses	2,800,000	2,800,000	-
	140,000,000	140,000,000	-

The unutilised amount of RM564,650 raised for listing expenses as disclosed in the 2006 annual report has been fully utilised in the investment in Securities and/or Other Permitted Assets during the financial year ended 31 May 2007.

### 10. Recurrent Related Party Transactions (RRPT) of a Revenue or Trading Nature

Your Fund is seeking Shareholders' Mandate in respect of the RRPT of a revenue or trading nature to be entered into by your Fund as stated in Section 2.3 of the Circular to Shareholders dated 13 July 2007 at the forthcoming Annual General Meeting to be held on 11 August 2007.

The aggregate value of transactions conducted pursuant to the shareholders' mandate during the financial year ended 31 May 2007 is disclosed on page 26 of the financial statements.

### 11. Fund Manager's Interest in your Fund

As at 31 May 2007, the designated person has a direct interest in 10,000 shares and an indirect interest in 515,700 shares.

### 12. Employees Share Option Scheme (ESOS)

Your Fund has not implemented any ESOS in respect of the year.

<b>Analysis of Shareholdings as at 4 June 2007</b>
--

Authorised Share Capital	:	1,000,000,000 ordinary shares of RM1.00 each
Issued and Paid-up Capital	:	140,000,000 ordinary shares of RM1.00 each
Voting Rights per share	:	One

### Distribution of Shareholdings

	Holdings	No. of Holders	%
Total Holdings			
Less than 100	100	2	0.074
100 to 1,000	499,400	561	20.762
1,001 to 10,000	5,912,100	1,192	44.116
10,001 to 100,000	22,206,433	617	22.835
100,001 to 6,999,999	111,381,967	330	12.213
7,000,000 and above	0	0	0.000
<b>Total</b>	<b>140,000,000</b>	<b>2,702</b>	<b>100.00</b>

### Directors' Interest in the Company

	Direct		Indirect	
	No.	%	No.	%
YM Tunku Tan Sri Dato' Seri Ahmad Bin Tunku Yahaya	3,000,000	2.143	-	-
Dato' Raja Nong Chik Bin Raja Zainal Abidin	-	-	514,100	0.367
Michael Vitus Wong Kuan Lee	-	-	338,500	0.242
Yeoh Ah Tu	-	-	-	-

### Substantial Shareholders

Your Fund does not have any substantial shareholders.

### Thirty Largest Shareholders

No	Name	No. of Shares	%
1.	Citigroup Nominees (Asing) Sdn. Bhd. exempt an for Mellon Bank (Mellon)	3,000,000	2.142
2.	YM Tunku Tan Sri Dato' Seri Ahmad Bin Tunku Yahaya	3,000,000	2.142
3.	Lam Fook Shin	2,500,000	1.785
4.	Chong Chee Hiung	2,030,000	1.450
5.	AnnHow Holdings Sdn. Bhd.	2,000,000	1.428
6.	Imej Warisan Sdn. Bhd.	1,500,000	1.071
7.	Top One Property Sdn. Bhd.	1,262,800	0.902
8.	Leow Kok Meow & Sons Sendirian Berhad	1,250,000	0.892
9.	Chia Swee Huat	1,200,000	0.857
10.	Maybank Nominees (Tempatan) Sdn. Bhd. Pledged Securities Account for Ch'ng Gim Chew	1,128,300	0.805
11.	Ocuvas Sdn. Bhd.	1,095,000	0.782
12.	Wong Yoon Tet	1,080,000	0.771
13.	Tan Teo Ang	1,017,000	0.726
14.	Beh Heng Seong	1,000,000	0.714
15.	Goh Keng Boo	1,000,000	0.714
16.	HDM Nominess (Tempatan) Sdn. Bhd. Pledged Securities Account for Goh Seng Guan	1,000,000	0.714
17.	Soon Khiat Voon	1,000,000	0.714
18.	Chua Hang Kuang	974,600	0.696
19.	Chieng Lee Hook	757,000	0.540
20.	Tan Yeow Guan	750,000	0.535
21.	Ong Seng Yow	726,300	0.518
22.	Mayban Nominees (Tempatan) Sdn Bhd Pledged Securities Account for Kevin Lee @ Lee Tien Se	720,000	0.514
23.	Crescendo Overseas Corporation Sdn. Bhd.	700,000	0.500
24.	Patricia Sharmilla David	657,900	0.469
25.	Soo Sing Fatt	590,000	0.421
26.	Vohrah-Merican Sdn. Bhd.	585,300	0.418
27.	RHB Capital Nominess (Tempatan) Sdn. Bhd. Chong Chee Fan	581,100	0.415
28.	Chin Phoy Hoy	550,000	0.392
29.	Chang Kwong Lit	546,000	0.390
30.	Goh Eng Ngai	544,200	0.388



## Notice of Annual General Meeting

**NOTICE IS HEREBY GIVEN THAT** the Third Annual General Meeting of **icapital.biz Berhad** will be held at Grand Ballroom, LG Level, Eastin Hotel, 13 Jalan 16/11, Pusat Dagang Seksyen 16, 46350 Petaling Jaya, Selangor Darul Ehsan, Malaysia on Saturday, 11 August 2007 at 10.00 a.m. for the following purposes:-

### AGENDA

#### As Ordinary Business

1. To receive the Audited Financial Statements for the financial year ended 31 May 2007 and the Reports of the Directors and Auditors thereon. Resolution 1
2. To approve the payment of Directors' Fees of RM80,000 for the financial year ended 31 May 2007. Resolution 2
3. To re-elect Dato' Raja Nong Chik Bin Raja Zainal Abidin who retires by rotation pursuant to Article 96(1) of the Company's Articles of Association. Resolution 3
4. To re-appoint Messrs Horwath as Auditors of the Company and authorise the Directors to fix their remuneration. Resolution 4

#### As Special Business

5. To consider and if thought fit, pass the following resolution pursuant to Section 129(6) of the Companies Act, 1965:-

"THAT YM Tunku Tan Sri Dato' Seri Ahmad Bin Tunku Yahaya who is over the age of seventy years and retiring in accordance with Section 129(2) of the Companies Act, 1965 be and is hereby re-appointed as a Director of the Company and to hold office until the next Annual General Meeting of the Company." Resolution 5

To consider and if thought fit, to pass the following resolution, with or without any modification, as Ordinary Resolution of the Company:-

6. Proposed Renewal of Shareholders' Mandate for Recurrent Related Party Transactions of a Revenue or Trading Nature

"THAT approval be and is hereby given to the Company to seek renewal of shareholders' mandate for recurrent related party transactions of a revenue or trading nature to enter into and give effect to specified recurrent related party transactions of a revenue or trading nature and with specified class of the related party as stated in Section 2.3 of the Circular to Shareholders dated 13 July 2007, which are necessary for its day-to-day operations subject to the following:- Resolution 6

- (i) the transactions are in the ordinary course of business and are entered into on terms which are not more favourable to the related parties involved than generally available to the public and are not detrimental to the minority shareholders of the Company (hereinafter referred to as the "Shareholders' Mandate"); and
- (ii) disclosure is made in the annual report of the aggregate value of transactions conducted pursuant to the shareholders' mandate during the financial year.

THAT the Proposed Shareholders' Mandate is subject to annual renewal. In this respect, any authority conferred by the Proposed Shareholders' Mandate shall only continue to be in force until:-

- (a) the conclusion of the next Annual General Meeting of the Company following the Third Annual General Meeting at which the Proposed Shareholders' Mandate has been passed, at which time it will lapse, unless by a resolution passed at an Annual General Meeting whereby authority is renewed;
  - (b) the expiration of the period within the next Annual General Meeting of the Company after the date it is required to be held pursuant to Section 143(1) of the Companies Act 1965 (but shall not extend to such extension as may be allowed pursuant to Section 143(2) of the Companies Act 1965); or
  - (c) revoked or varied by a resolution passed by the shareholders in general meeting;
- whichever is the earlier

## By Order of The Board

**Kuan Hui Fang** (MIA 16876)  
**Tham Wai Ying** (MAICSA 7016123)

Company Secretaries  
Petaling Jaya  
13 July 2007

### Notes:

1. *A member entitled to attend and vote at the Annual General Meeting is entitled to appoint a proxy or attorney or in the case of a corporation, to appoint a duly authorised representative to attend and vote in his place. A proxy may but need not be a member of the Company and the provisions of Section 149(1)(b) of the Companies Act 1965 shall not apply.*
2. *Where a member appoints more than one (1) proxy (subject always to a maximum of two (2) proxies), the appointment shall be invalid unless he specifies the proportions of his holdings to be represented by each proxy.*
3. *Where a member of the Company is an authorised nominee as defined under the Securities Industry (Central Depositories) Act 1991, it may appoint up to two (2) proxies in respect of each Securities Account it holds with ordinary shares of the Company standing to the credit of the said Securities Account.*
4. *The instrument appointing a proxy, and the power of attorney or other authority (if any) under which it is signed or a notarially certified or office copy of such power or authority, shall be deposited at the Registered Office of the Company at Level 14, Uptown 1, No. 1 Jalan SS21/58, Damansara Uptown, 47400 Petaling Jaya, Selangor Darul Ehsan not less than forty-eight (48) hours before the Meeting or any adjournment thereof.*

### Explanatory Notes on Special Business

5. *Resolution 5:-  
The re-appointment of YM Tunku Tan Sri Dato' Seri Ahmad Bin Tunku Yahaya, a person over the age of 70 years as Director of the Company to hold office until the conclusion of the next Annual General Meeting of the Company shall take effect if the proposed Resolution 5 is passed by a majority of not less than three-fourths ( $\frac{3}{4}$ ) of such members as being entitled to vote in person or, where proxies are allowed, by proxy, at a general meeting of which not less than 21 days' notice specifying the intention to propose the resolution has been duly given.*
6. *Resolution 6:-  
The proposed Resolution 6, if passed, will enable the Company to enter into recurrent related party transactions of a revenue or trading nature, particulars of which are set out in Section 2.3 of the Circular to Shareholders of the Company dated 13 July 2007. This authority, unless revoked or varied by the Company in a General Meeting, will expire at the next Annual General Meeting of the Company.*
7. *Presentation of Investment Portfolio of the Company  
In order to keep the shareholders abreast of the investments of the Company for the year ended 31 May 2007, the Board is pleased to invite the shareholders of the Company to attend the Presentation on the Company's Investment Portfolio by Tan Teng Boo, the Designated Person of the Fund Manager, i.e. Capital Dynamics Asset Management Sdn. Bhd., immediately after the conclusion of the Third Annual General Meeting.*

### **Statement Accompanying the Notice of Annual General Meeting**

Pursuant to Paragraph 8.28(2) of the Listing Requirements of Bursa Malaysia Securities Berhad

#### **1. Names of Directors Who Are Standing for Re-Election/Re-Appointment**

- a. Director retiring pursuant to Article 96(1) of the Company's Articles of Association
  - Dato' Raja Nong Chik Bin Raja Zainal Abidin
- b. Director who is over the age of seventy (70) and seeking re-appointment
  - YM Tunku Tan Sri Dato' Seri Ahmad Bin Tunku Yahaya

The details of the Directors who are standing for re-election / re-appointment are set out in the Directors' Profile on page 12 of this Annual Report. Their securities holdings in the Company are set out in the Analysis of Shareholdings on page 30 of this Annual Report.

Notes

**Notes**

**Proxy Form**

**icapital.biz Berhad (674900-X)**  
(Incorporated in Malaysia)  
**PROXY FORM**

No. of shares held

I/We \_\_\_\_\_ Tel: \_\_\_\_\_  
of \_\_\_\_\_  
[Full name in block, NRIC No./Company No. and telephone number]

being a member/members of **icapital.biz Berhad**, hereby appoint:-

Full Name (in Block)	NRIC / Passport No.	Proportion of Shareholdings	
		No. of Shares	%
Address			

and / or (delete as appropriate)

Full Name (in Block)	NRIC / Passport No.	Proportion of Shareholdings	
		No. of Shares	%
Address			

or failing him, the Chairman of the Meeting as my/our proxy to vote for me/us and on my/our behalf at the Third Annual General Meeting of the Company to be held at Grand Ballroom, LG Level, Eastin Hotel, 13 Jalan 16/11, Pusat Dagang Seksyen 16, 46350 Petaling Jaya, Selangor Darul Ehsan, Malaysia on Saturday, 11 August 2007 at 10.00 a.m. or any adjournment thereof, and to vote as indicated below:-

No.	Resolution	For	Against
1	Audited Financial Statements		
2	Payment of Directors' Fees		
3	Re-election of Dato' Raja Nong Chik Bin Raja Zainal Abidin as Director		
4	Re-appointment of Messrs Horwath as Auditors		
5	Re-appointment of YM Tunku Tan Sri Dato' Seri Ahmad Bin Tunku Yahaya as Director		
6	Proposed Renewal of Shareholders' Mandate for Recurrent Related Party Transactions of a Revenue or Trading Nature		

Please indicate with an "X" in the space provided whether you wish your votes to be cast for or against the resolutions. In the absence of specific direction, your proxy will vote or abstain as he thinks fit.

Signed this \_\_\_\_\_ day of \_\_\_\_\_, 2007

\_\_\_\_\_  
Signature of Shareholder/Common Seal

**Notes:**

1. A member entitled to attend and vote at the Annual General Meeting is entitled to appoint a proxy or attorney or in the case of a corporation, to appoint a duly authorised representative to attend and vote in his place. A proxy may but need not be a member of the Company and the provisions of Section 149(1)(b) of the Companies Act 1965 shall not apply.
2. Where a member appoints more than one (1) proxy (subject always to a maximum of two (2) proxies), the appointment shall be invalid unless he specifies the proportions of his holdings to be represented by each proxy.
3. Where a member of the Company is an authorised nominee as defined under the Securities Industry (Central Depositories) Act 1991, it may appoint up to two (2) proxies in respect of each Securities Account it holds with ordinary shares of the Company standing to the credit of the said Securities Account.
4. The instrument appointing a proxy, and the power of attorney or other authority (if any) under which it is signed or a notarially certified or office copy of such power or authority, shall be deposited at the Registered Office of the Company at Level 14, Uptown 1, No. 1 Jalan SS21/58, Damansara Uptown, 47400 Petaling Jaya, Selangor Darul Ehsan not less than forty-eight (48) hours before the Meeting or any adjournment thereof.

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AFFIX  
STAMP

The Company Secretary  
icapital.biz Berhad  
Level 14, Uptown 1  
No. 1 Jalan SS21/58  
Damansara Uptown  
47400 Petaling Jaya  
Selangor Darul Ehsan

Then fold here

## **Corporate Information**

### **Board of Directors**

YM Tunku Tan Sri Dato' Seri Ahmad Bin Tunku Yahaya  
(Chairman/Non-Independent Non-Executive Director)

Dato' Raja Nong Chik Bin Raja Zainal Abidin  
(Independent Non-Executive Director)

Michael Vitus Wong Kuan Lee  
(Non-Independent Non-Executive Director)

Yeoh Ah Tu  
(Independent Non-Executive Director)

### **Audit Committee**

Chairman: Dato' Raja Nong Chik Bin Raja Zainal Abidin

Members:

YM Tunku Tan Sri Dato' Seri Ahmad Bin Tunku Yahaya  
Yeoh Ah Tu

### **Nomination Committee**

Chairman: Yeoh Ah Tu

Members:

YM Tunku Tan Sri Dato' Seri Ahmad Bin Tunku Yahaya  
Dato' Raja Nong Chik Bin Raja Zainal Abidin

### **Stock Exchange Listing**

Main Board of Bursa Securities. Date of listing: 19 October 2005.

Stock Name: ICAP

Stock Code: 5108

Your Fund does not have any American Depository Receipt nor Global Depository Receipt programme in place.

#### **Fund Manager**

Capital Dynamics Asset Management Sdn. Bhd.  
16.01B, 16th Floor, Plaza First Nationwide  
161, Jalan Tun H.S. Lee, 50000 Kuala Lumpur.  
Designated Person : Tan Teng Boo  
Tel No. : (603) 2070 2106-8  
Fax No.: (603) 2070 6653  
Email : [cdam@cdam.biz](mailto:cdam@cdam.biz)

#### **Investment Adviser**

Capital Dynamics Sdn. Bhd.  
16.01A, 16th Floor, Plaza First Nationwide  
161, Jalan Tun H.S. Lee,  
50000 Kuala Lumpur.  
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#### **Administrator**

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#### **Secretaries**

Kuan Hui Fang (MIA 16876)  
Tham Wai Ying (MAICSA 7016123)

#### **Auditors**

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