

ICAPITAL.BIZ BERHAD (674900-X)
CONDENSED STATEMENT OF FINANCIAL POSITION
AS AT 31 MAY 2018

	UNAUDITED AS AT 31/05/2018 RM'000	AUDITED AS AT 31/05/2017 RM'000
ASSETS		
Non-current assets		
Investments (Note 1)	213,328	177,605
Current assets		
Other receivables, deposit and prepayments	2,638	1,875
Tax Recoverable	-	302
Short term deposits	263,848	282,769
Bank balance	19,320	1,183
	<u>285,806</u>	<u>286,129</u>
TOTAL ASSETS	<u>499,134</u>	<u>463,734</u>
EQUITY AND LIABILITIES		
Equity		
Share capital	140,000	140,000
Fair value adjustment reserve	114,021	87,513
Retained profits	244,674	235,772
Total equity attributable to holders of the Company	<u>498,695</u>	<u>463,285</u>
Current liabilities		
Other payables and accruals	418	449
Provision for taxation	21	-
TOTAL LIABILITIES	<u>439</u>	<u>449</u>
TOTAL EQUITY AND LIABILITIES	<u>499,134</u>	<u>463,734</u>
Net asset value per share (RM) (Note 2)	3.56	3.31

Notes:-

- Investments shown here as at 31 May 2018 are taken at market value.
- The net asset value per share of the Company is calculated based on the net assets at the end of the reporting period of RM498,695,086 (31.05.2017 : RM463,285,018) divided by the number of shares in issue at the end of the reporting period of 140,000,000 (31.05.2017 : 140,000,000).

ICAPITAL.BIZ BERHAD (674900-X)
CONDENSED STATEMENT OF COMPREHENSIVE INCOME
FOR THE PERIOD ENDED 31 MAY 2018

	INDIVIDUAL QUARTER*		CUMULATIVE QUARTER**	
	CURRENT YEAR QUARTER 31/05/2018 RM'000	PRECEDING YEAR CORRESPONDING QUARTER 31/05/2017 RM'000	CURRENT YEAR TO DATE 31/05/2018 RM'000	PRECEDING YEAR CORRESPONDING PERIOD 31/05/2017 RM'000
Revenue (Note B1)	12,594	3,565	24,876	13,440
Operating expenses (Note B1)				
- professional fees and other operating expenses	(2,220)	(2,027)	(8,942)	(8,515)
- Impairment loss on quoted investments	(1,187)	-	(4,796)	(1,821)
	(3,407)	(2,027)	(13,738)	(10,336)
Profit from operations	9,187	1,538	11,138	3,104
Finance cost	-	-	-	-
Profit before taxation	9,187	1,538	11,138	3,104
Taxation (Note B5)	(578)	(491)	(2,236)	(1,493)
Profit after taxation	8,609	1,047	8,902	1,611
Other comprehensive income:				
Net fair value changes in available-for-sale investments	2,550	18,870	26,508	37,478
Total comprehensive income for the period	11,159	19,917	35,410	39,089
Earnings per share (sen)				
- Basic (Note B10)	6.15	0.75	6.36	1.15
- Diluted (Note B10)	N/A	N/A	N/A	N/A

* 4th Quarter

** For the 12 months of the financial year

(The Condensed Statement of Comprehensive Income should be read in conjunction with the Annual Financial Report for the year ended 31 May 2017)

ICAPITAL.BIZ BERHAD (674900-X)
CONDENSED STATEMENT OF CHANGES IN EQUITY
FOR THE PERIOD ENDED 31 MAY 2018

	<i>Non-distributable</i>	<i>Distributable</i>		
	Share Capital RM'000	Fair Value Reserve RM'000	Retained Profit RM'000	Total Equity RM'000
At 01.06.2017	140,000	87,513	235,772	463,285
Total comprehensive income for the period	-	26,508	8,902	35,410
At 31.05.2018	140,000	114,021	244,674	498,695
At 01.06.2016	140,000	50,035	234,161	424,196
Total comprehensive income for the period	-	37,478	1,611	39,089
At 31.05.2017	140,000	87,513	235,772	463,285

(The Condensed Statement of Changes in Equity should be read in conjunction with the Annual Financial Report for the year ended 31 May 2017)

ICAPITAL.BIZ BERHAD (674900-X)
CONDENSED STATEMENT OF CASH FLOW
FOR THE PERIOD ENDED 31 MAY 2018

	12 MONTHS ENDED 31/05/2018 RM'000	12 MONTHS ENDED 31/05/2017 RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before taxation	11,138	3,104
Adjustments for:-		
Net (gain)/loss on disposal of quoted investments	(9,021)	65
Impairment loss on quoted investments	4,796	1,821
Operating profit before working capital changes	6,913	4,990
(Increase)/decrease in other receivables, deposit and prepayments	(763)	167
Decrease in other payables and accruals	(31)	(6,263)
Proceeds from disposal of quoted investments	14,402	1,744
Purchase of quoted investments	(19,392)	(17,736)
CASH FOR OPERATIONS	1,129	(17,098)
Taxes paid	(2,049)	(2,431)
Taxes refund	136	-
NET CASH FOR OPERATING ACTIVITIES	(784)	(19,529)
NET DECREASE IN CASH AND CASH EQUIVALENTS	(784)	(19,529)
CASH AND CASH EQUIVALENTS AS AT 1 JUNE	283,952	303,481
CASH AND CASH EQUIVALENTS AS AT 31 MAY	283,168	283,952
CASH AND CASH EQUIVALENTS COMPRISE:-		
Bank balance	19,320	1,183
Short term deposits with licensed financial institutions	263,848	282,769
	283,168	283,952
	-	-

ICAPITAL.BIZ BERHAD (674900-X)
FINANCIAL REPORT FOR THE PERIOD ENDED 31 MAY 2018
NOTES TO THE INTERIM FINANCIAL REPORT

PART A - EXPLANATORY NOTES

A1 Basis of preparation

The interim financial statements are unaudited and have been prepared in accordance with Malaysian Financial Reporting Standard (“MFRS”) 134 *Interim Financial Reporting* and paragraph 9.22 of the Main Market Listing Requirements (“MMLR”) of Bursa Malaysia Securities Berhad. The interim financial statements also comply with International Accounting Standard (“IAS”) 34 *Interim Financial Reporting* issued by the International Accounting Standards Board.

The interim financial statements should be read in conjunction with the audited financial statements of the Company for the financial year ended 31 May 2017. These explanatory notes provide an explanation of events and transactions that are significant to an understanding of the changes in the financial position and performance of the Company since the year ended 31 May 2017.

A2 Changes in accounting policies

During the current financial year, the Company has adopted the following new accounting standards and/or interpretations (including the consequential amendments, if any):-

MFRSs and/or IC Interpretations (Including The Consequential Amendments)

Amendments to MFRS 107: Disclosure Initiative	1 January 2017
Amendments to MFRS 112: Recognition of Deferred Tax Assets for Unrealised Losses	1 January 2017
Annual Improvements to MFRS Standards 2014 – 2016 Cycles: -Amendments to MFRS 12: Clarification of the Scope of Standard	1 January 2017

The adoption of the above accounting standards and/or interpretations (including the consequential amendments, if any) did not have any material impact on the Company’s financial statements.

The Company has not applied in advance the following accounting standards and/or interpretations (including the consequential amendments, if any) that have been issued by the Malaysian Accounting Standards Board (“MASB”) but are not yet effective for the current financial year:-

MFRSs and/or IC Interpretations (Including The Consequential Amendments)

	Effective Date
MFRS 9 Financial Instruments (IFRS 9 issued by IASB in July 2014)	1 January 2018
MFRS 15 Revenue from Contracts with Customers	1 January 2018
MFRS 16 Leases	1 January 2019
IC Interpretation 22 Foreign Currency Transactions and Advance Consideration	1 January 2018
Amendments to MFRS 2: Classification and Measurement of Share - based Payment Transactions	1 January 2018
Amendments to MFRS 4: Applying MFRS 9 Financial Instruments with MFRS 4 Insurance Contracts	1 January 2018
Amendments to MFRS 10 and MFRS 128: Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	Deferred until further notice
Amendments to MFRS 15: Effective Date of MFRS 15	1 January 2018
Amendments to MFRS 15: Clarifications to MFRS 15 ‘Revenue from Contracts with Customers’	1 January 2018
Amendments to MFRS 140 – Transfers of Investment Property	1 January 2018
Annual Improvements to MFRS Standards 2014 – 2016 Cycles: -Amendments to MFRS 1: Deletion of Short-term Exemptions for the First-time Adopters -Amendments to MFRS 128: Measuring an Associate or Joint Venture at Fair Value	1 January 2018

The adoption of the above accounting standards and/or interpretations (including the consequential amendments, if any) is expected to have no material impact on the financial statements of the Company upon their initial application.

A3 Auditors' opinion on preceding annual financial statements

The Company's Financial Statements for the financial year ended 31 May 2017 were not qualified by the auditors.

A4 Seasonality or cyclicity of operations

As the Company is a closed-end fund, it is dependent on the performance of the companies in which it has invested.

A5 Individually significant items

There are no significant items affecting the assets, liabilities, equity, net income or cash flows during the current quarter.

A6 Changes in estimates

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

A7 Issuances, cancellations, repurchases, resale and repayments of debt and equity securities

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

A8 Dividend paid

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

A9 Segmental reporting

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

The Company's investments are managed as a portfolio of equity investments. The fund manager of the Company is responsible for allocating resources for investment in accordance with the overall investment strategies as set out in the prospectus. The fund manager assesses the performance of the investments portfolio and provides updates to the Board of Directors on the financial performance of the Company's investments.

A10 Valuations of property, plant and equipment

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

A11 Subsequent event

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

A12 Changes in the composition of the Company

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

A13 Contingent liabilities or contingent assets

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

A14 Significant related party transactions

The Company has a related party transaction ("RPT") with Capital Dynamics Asset Management Sdn Bhd ("CDAM"), the Fund Manager of the Company.

In accordance with the requirements in the MMLR, which took effect on 27 January 2015, the provision of investment advisory services by Capital Dynamics Sdn Bhd ("CDSB") to the Fund is regarded as a RPT. CDSB is regarded as a related party because it is a person connected with Capital Dynamics Global Private Limited who is a major shareholder of CDAM.

ICAPITAL.BIZ BERHAD (674900-X)
FINANCIAL REPORT FOR THE PERIOD ENDED 31 MAY 2018
NOTES TO THE INTERIM FINANCIAL REPORT

A14 Significant related party transactions (con't)

The amounts transacted with CDAM and CDSB during the current quarter and cumulative year to-date are as follows:-

	Current Quarter Ended		Cumulative Quarter Ended	
	31/05/2018	31/05/2017	31/05/2018	31/05/2017
	RM'000	RM'000	RM'000	RM'000
Fund management fees – CDAM	914	830	3,593	3,264
Investment advisory fees - CDSB	914	830	3,593	3,264

PART B - AS REQUIRED BY THE LISTING REQUIREMENTS

B1 Review of performance

For the year ended 31 May 2018, the Company recorded a profit before tax of RM11.14 million, compared with a profit before tax of RM3.10 million in the preceding year, mainly due to higher interest income, dividend income received and gain on disposal of investments.

The Company achieved an unrealised gain of RM26.51 million from the Fund's investments for the year ended 31 May 2018 compared with an unrealised gain of RM37.48 million recorded in the preceding year. This significant gain has further boosted the Company's Net Asset Value (NAV) to RM498.69 million as at 31 May 2018 from RM463.29 million as at 31 May 2017. As a result, the Company's NAV per share has increased to RM3.56 per share as at 31 May 2018 compared with NAV per share of RM3.31 as at 31 May 2017, an increase of 7.55%.

As a long term share owner of icapital.biz, its NAV is the key variable to focus in appraising the Fund's performance.

	INDIVIDUAL QUARTER*		CUMULATIVE QUARTER**	
	CURRENT YEAR QUARTER 31/05/2018 RM'000	PRECEDING YEAR CORRESPONDING QUARTER 31/05/2017 RM'000	CURRENT YEAR TODATE 31/05/2018 RM'000	PRECEDING YEAR CORRESPONDING PERIOD 31/05/2017 RM'000
Revenue Consist of:-				
Interest income	2,353	2,525	9,395	7,941
Dividend income	1,578	1,040	6,460	5,564
Net gain/(loss) on disposal of quoted investments	8,663	-	9,021	(65)
	12,594	3,565	24,876	13,440
Operating Expenses Consist of:-				
Impairment loss on quoted investments	(1,187)	-	(4,796)	(1,821)
Professional fees - Fund Management fee	(914)	(830)	(3,593)	(3,264)
Professional fees - Investment advisory fee	(914)	(830)	(3,593)	(3,264)
Other operating expenses	(392)	(367)	(1,756)	(1,987)
	(3,407)	(2,027)	(13,738)	(10,336)
Profit before taxation	9,187	1,538	11,138	3,104
Taxation	(578)	(491)	(2,236)	(1,493)
Profit after taxation	8,609	1,047	8,902	1,611
Other comprehensive income:				
Net fair value changes in available-for-sale investments	2,550	18,870	26,508	37,478
Total comprehensive income for the period	11,159	19,917	35,410	39,089

B2 Comparison with immediate preceding quarter's results

In the fourth quarter ended 31 May 2018, the Company recorded a profit before tax of RM9.18 million, compared with a loss before tax of RM0.73 million in the immediate preceding quarter. The profit before tax in the current quarter was mainly due to net gain on disposal of quoted investments.

The following items are not applicable to the Company:-

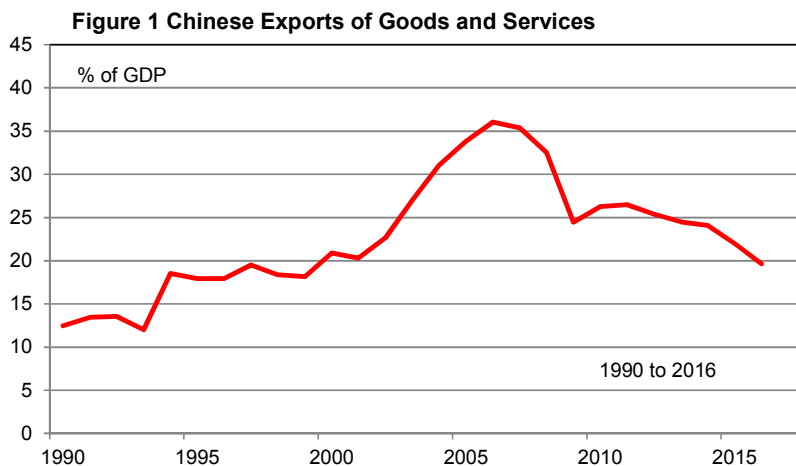
- (a) Interest expense;
- (b) Depreciation and amortization;
- (c) Provision for and write off of receivables;
- (d) Provision for and write off of inventories;
- (e) Gain or loss on disposal of unquoted investments or properties;
- (f) Foreign exchange gain or loss;
- (g) Gain or loss on derivatives; and
- (h) Exceptional items (with details).

B3 Commentary by Fund Manager – Prospects

For top-down/market-timing investors – please read this section.

The global trade war created by America’s Trump is no longer a TV reality show. It is now being fought in the real world. Trump aims to weaken China’s economy. How weak or strong is China’s economy?

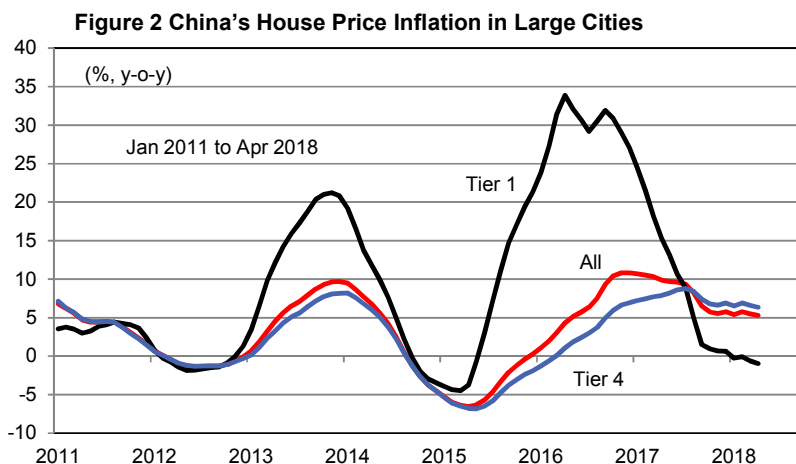
Although China is the world’s largest trading nation and largest exporter, China nowadays is a lot less reliant on exports to drive her economic growth. China’s exports of goods and services as a percentage of GDP have, without notice, dropped back to a level that was prevailing just before China’s entry to the World Trade Organisation in 2001 (figure 1). Her WTO entry is a critical point of departure for China’s economy. The said percentage has dropped because China’s domestic demand has grown by leaps and bounds since 2001.



Source : OECD ECONOMIC OUTLOOK, VOLUME 2018 ISSUE 1

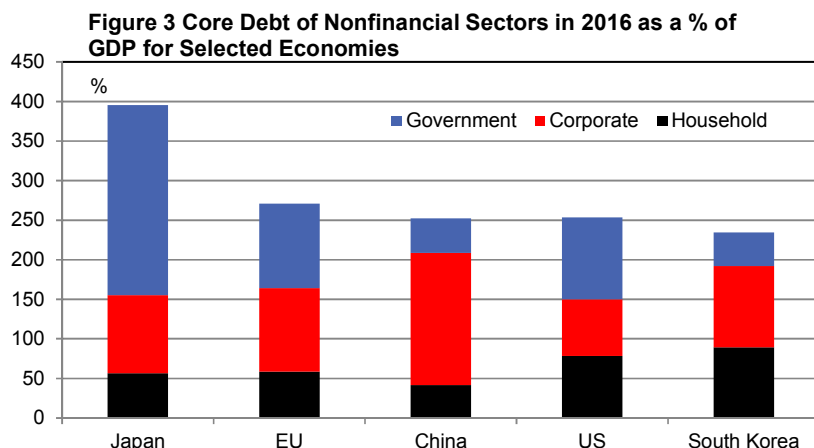
An important domestic driver is the massive China’s housing sector. Thanks to comprehensive and farsighted policies adopted by China’s government, her housing sector has continued to grow and develop without disrupting the overall economy. One key variable that is closely monitored is the house price inflation (figure 2). Thanks to pre-emptive measures, house price inflation in Tier 1 cities have again been brought under control while house prices in the 70 cities are increasing within a healthy single digit pace.

B3 Commentary by Fund Manager – Prospects (con’t)



Source : OECD ECONOMIC OUTLOOK, VOLUME 2018 ISSUE 1

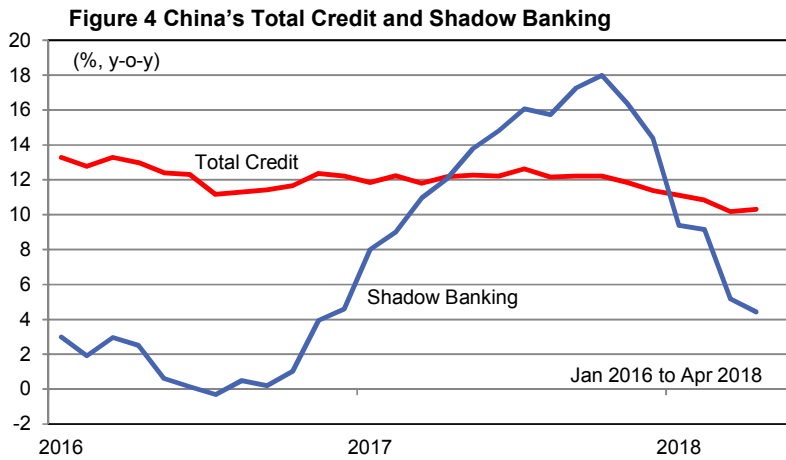
China’s debt issue has been blown out of proportions by the West. One, China’s core debt level is the same as the United States but lower than the EU and way below that of Japan’s (figure 3). We do not hear the West talking about the debt-laden Japan, EU or America facing a financial crash. The rise in China’s debt has been mainly driven by her corporate sector and substantially driven by State-owned enterprises.



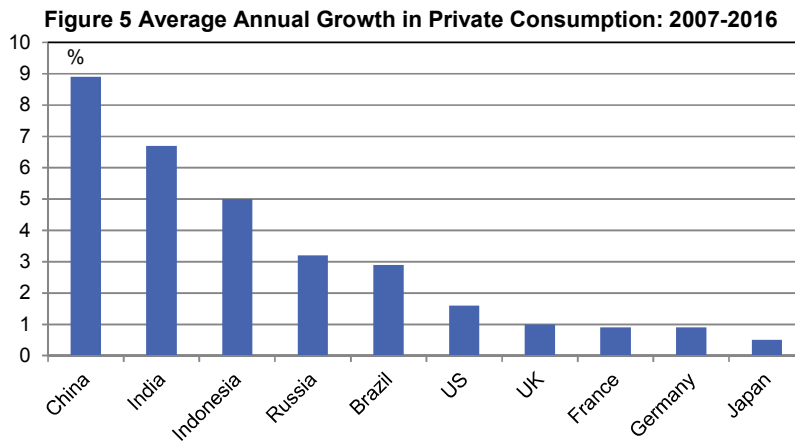
Source : “China’s Economic Rise: History, Trends, Challenges, and Implications for the United States” by Wayne M. Morrison, February 5, 2018. Congressional Research Service Report prepared for members and committees of Congress.

Shadow banking in China, which used to hog the media headlines, is being brought under control – a gradual, steady approach (figure 4). No one goes without a job unlike the American-style of boom and bust where many people gets unemployed.

B3 Commentary by Fund Manager – Prospects (con’t)



Most importantly, China's private consumption has been exploding (figure 5). China's private consumption has been growing at a rate that is 17.8 times faster than Japan and 5.6 times faster than the United States.

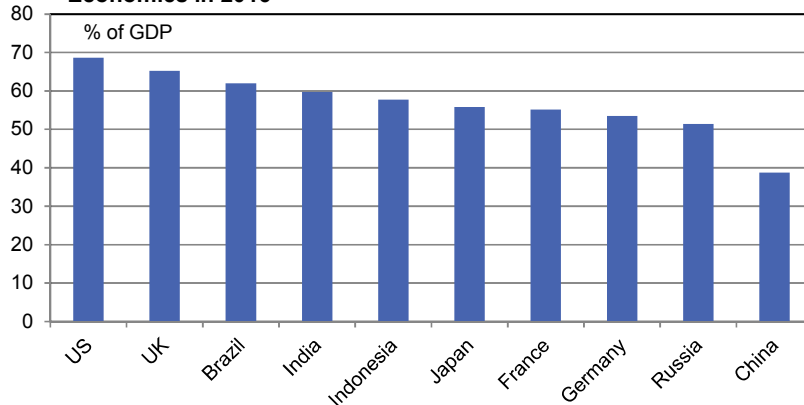


Source : "China's Economic Rise: History, Trends, Challenges, and Implications for the United States" by Wayne M. Morrison, February 5, 2018. Congressional Research Service Report prepared for members and committees of Congress.

What is even more important, not just for China but the global economy and small open economies like Malaysia, is that private consumption in China still has a lot room to expand (figure 6). While America has over-consumed (and hence under-saved), China's private consumption boom is in the early stages.

B3 Commentary by Fund Manager – Prospects (con’t)

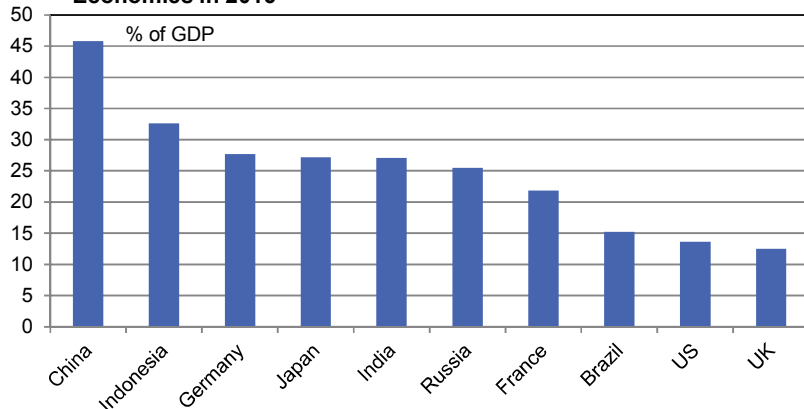
Figure 6 Comparison of Private Consumption of Major Global Economies in 2016



Source : “China’s Economic Rise: History, Trends, Challenges, and Implications for the United States” by Wayne M. Morrison, February 5, 2018. Congressional Research Service Report prepared for members and committees of Congress.

In addition, the hundreds of millions of consumers in China have the financial ability and capacity to consume a lot more. China’s savings rate is 3.37 times more than that of the United States (figure 7) with her household debt substantially lower than that of the United States.

Figure 7 Comparison of Gross Savings Rates for Major Global Economies in 2016

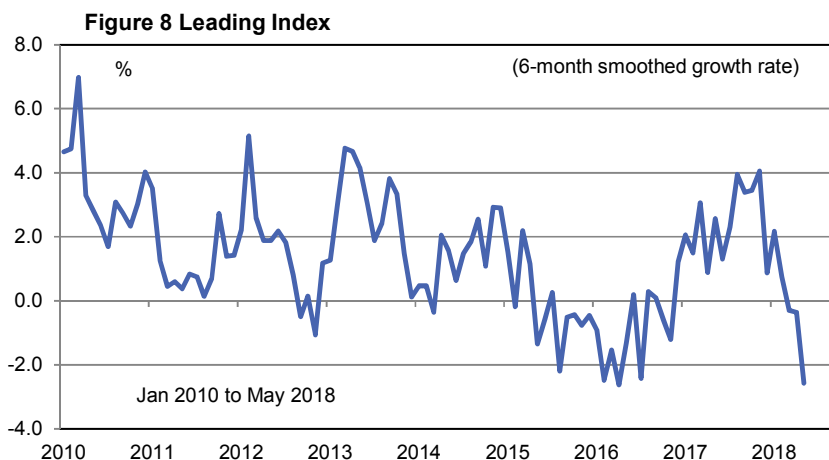


Source : “China’s Economic Rise: History, Trends, Challenges, and Implications for the United States” by Wayne M. Morrison, February 5, 2018. Congressional Research Service Report prepared for members and committees of Congress.

A crash in the Shanghai stock market has no major adverse impact on China’s growth, unlike a crash on the New York Stock Exchange. America’s economy is fragile. A crash on the NYSE or NASDAQ would send the American economy spiraling downwards. Overall, it is clear that China’s economy is much stronger than that of the United States; Trump should know this.

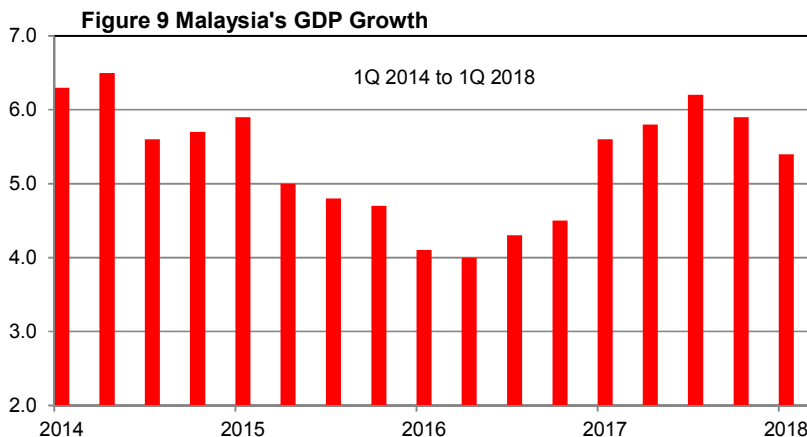
Hopefully, Trump’s anti-China policies do not cause China’s economy to enter a recession. Why ? While China’s economy remains robust and healthy, there are worrying signs for Malaysia. Her forward-looking Leading Index has plunged (figure 8). It has plunged at a rate that is even steeper than in 2015 and 2016 when crude oil price crashed. This index is forecasting that Malaysia’s GDP growth is going to slow down sharply for the rest of 2018 and 2019.

B3 Commentary by Fund Manager – Prospects (con’t)



Source : Department of Statistics Malaysia

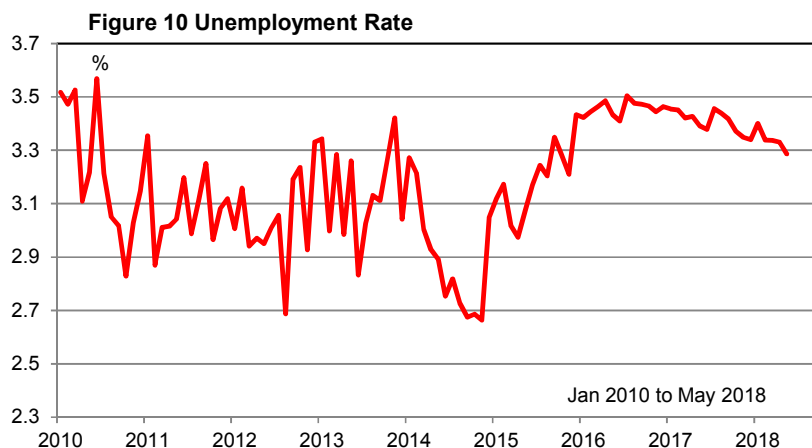
When crude oil prices crashed in 2015 and 2016, Malaysia’s GDP growth slowed sharply from above 6% to a tad below 4% (figure 9). This time round, we are not sure what will be the trigger/s. Will it be a worsening global trade war or more monetary tightening from America’s Federal Reserve? Or will it spring from Malaysia’s still fluid political situation? Could it be all of the above?



Source: Department of Statistics Malaysia

When Malaysia’s GDP growth slowed in 2015 and 2016, her unemployment rate quickly rose (figure 10). From below 2.7% in mid-2014, Malaysia’s unemployment rate surged to 3.5% by early 2016. When the Malaysian economy slows down again over the next 12 to 18 months, as her Leading Index is telling us now, one can expect the unemployment rate to rise again. Except this time, it will be rising from a higher base.

B3 Commentary by Fund Manager – Prospects (con’t)



Source : Department of Statistics Malaysia

The impending Malaysian economic slowdown is occurring at a potentially wrong time. There are 2 things in life that are certain. One, we all die. Two, we do not know when it will happen. Malaysia’s 7th prime minister is 93 and ageing. When will the inevitable strike ? Tomorrow, next year, 2 years from now ? When? Actually the really critical question is this : when the inevitable happens, would Malaysia be prepared for it ? Malaysia is going to be in a very difficult predicament if it happens before the next prime minister is ready to take over, whoever it may be. The political vacuum created then would be so large that it could seriously disrupt the country. Thanks to the destruction and rot that began many decades ago, Malaysia does not have strong and entrenched institutional checks and balances to hold the nation together when there is a large political vacuum. We have an opposition that is well-versed with the government machinery, procedures and its bureaucracy. In contrast, Malaysia’s new government is led by a 93-year old, a home minister with cancer and the rest of the Cabinet that is filled with rookies and a coalition that is at best tenuous. This is worse than a one-man show – this is the height of irresponsibility.

For long term value investors – please read this section.

icapital.biz Berhad is a Malaysia-focused fund, with an objective of long-term capital appreciation based on the eclectic value investing philosophy of Capital Dynamics. It is not allowed to sell short, invest in derivatives or undertake any borrowings.

Your worth transcends generations. We believe it is more than just a number on paper — it is a measurement of your uncompromising dedication to achieve success at every level throughout life. Your investment of that success with Capital Dynamics is something we take seriously.

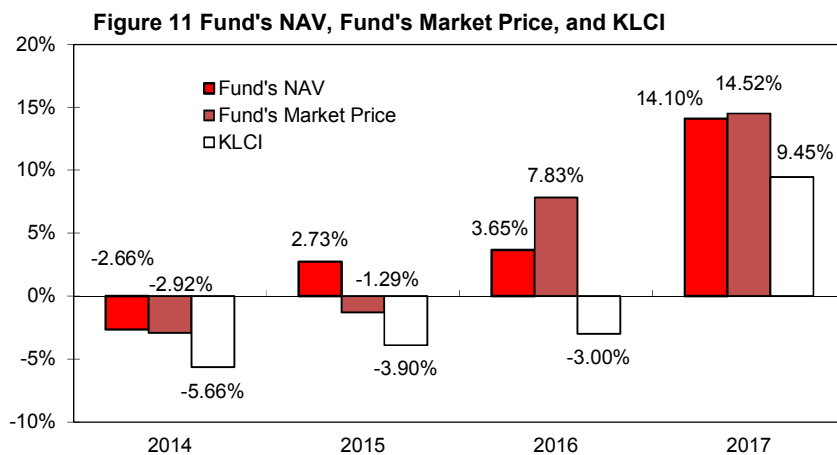
We are rewarded by helping you secure and grow the worth of the generations before you and those that will come after. We believe this focus serves your best interests. In fact, we founded Capital Dynamics on this very principle in 1989. We utilise 30 years of combined investment experience to secure your worth.

It worked then. It works now. You invest. We return.

The total assets of icapital.biz Berhad have now exceeded half a billion Ringgit, up from RM140 million in October 2005. As at 31st May 2018, icapital.biz Berhad has around RM283 million cash or around RM2.02 per share. Moreover, calendar year 2017 was the 4th year in row that NAV and share price of icapital.biz Berhad beat the KLCI (figure 11).

ICAPITAL.BIZ BERHAD (674900-X)
FINANCIAL REPORT FOR THE PERIOD ENDED 31 MAY 2018
NOTES TO THE INTERIM FINANCIAL REPORT

B3 Commentary by Fund Manager – Prospects (con't)



Then, from 20th July 2015 to 20th July 2018, the NAV of your Fund jumped 28.93%, its share price rose 23.32% but the KLCI only managed a slight gain of 1.77%. Holding cash is always linked to value investing and looking “unimaginative” or “foolish” will sometimes be the most sensible option. Remember icapital.biz Berhad has RM283 million worth of call option with no expiration date or strike price. Finding attractive stocks to invest with sufficient margin of safety remains our focus and shareowners can be rest assured that I am working very hard on this.

B4 Financial forecast / profit guarantee

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

B5 Taxation

	Current Quarter Ended		Cumulative Quarter Ended	
	31/05/2018	31/05/2017	31/05/2018	31/05/2017
	RM'000	RM'000	RM'000	RM'000
Current tax				
-For the financial year	415	498	2,073	1,500
-under/(over) provision in previous financial years	163	(7)	163	(7)
	<u>578</u>	<u>491</u>	<u>2,236</u>	<u>1,493</u>

A reconciliation of income tax expense applicable to profit before taxation at the statutory income tax rate to income tax expense at the effective income tax rate of the Company is as follows:-

ICAPITAL.BIZ BERHAD (674900-X)
FINANCIAL REPORT FOR THE PERIOD ENDED 31 MAY 2018
NOTES TO THE INTERIM FINANCIAL REPORT

B5 Taxation (con't)

	Current Quarter Ended		Cumulative Quarter Ended	
	31/05/2018 RM'000	31/05/2017 RM'000	31/05/2018 RM'000	31/05/2017 RM'000
Profit before taxation	9,187	1,538	11,138	3,104
Tax at the statutory rate of 24%	2,204	369	2,673	745
Tax effects of:-				
Non-taxable income	(2,079)	(104)	(2,165)	(1,180)
Tax-exempt dividends	(378)	-	(1,550)	(155)
Non-deductible expenses	668	233	3,115	2,090
Under/(over) provision in previous years	163	(7)	163	(7)
Tax expense	578	491	2,236	1,493

B6 Status of corporate proposals

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

B7 Borrowings and debt securities

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

B8 Changes in material litigation

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

B9 Dividend

The Directors did not declare any dividend for the current quarter ended 31 May 2018.

B10 Earnings per share

a) Basic earnings per share

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

	Current Quarter Ended	Cumulative Quarter Ended
	31/05/2018 RM'000	31/05/2018 RM'000
Profit after taxation	8,609	8,902
No. ordinary share capital in issue at RM1.00 each	140,000	140,000
Basic earnings per share (sen)	6.15	6.36

b) Diluted earnings per share

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

ICAPITAL.BIZ BERHAD (674900-X)
FINANCIAL REPORT FOR THE PERIOD ENDED 31 MAY 2018
NOTES TO THE INTERIM FINANCIAL REPORT

B11 Net asset value

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

B12 Investments

As at 31 May 2018, the Company did not have any investments in:-

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

B13 Realised and unrealised profits

The breakdown of the retained profits of the Company as at the end of the reporting period into realised and unrealised profits are presented in accordance with directive issued by Bursa Malaysia Securities Berhad dated 20 December 2010 and prepared in accordance with Guidance on Special Matter No.1, Determination of Realised and Unrealised Profits or Losses in the Context of Disclosure Pursuant to Bursa Malaysia Securities Berhad Main Market Listing Requirements, as issued by the Malaysian Institute of Accountants, as follows:-

	As at 31/05/2018 RM'000	As at 31/05/2017 RM'000
Retained profits of the Company comprise of:-		
Realised Profits	244,674	235,772
Unrealised Profits	-	-
Total retained profits as per statement of financial position	<u>244,674</u>	<u>235,772</u>

BY ORDER OF THE BOARD

Tai Yit Chan (MAICSA No.7009143)
Tan Ai Ning (MAICSA No.7015852)

SECRETARIES