

**ICAPITAL.BIZ BERHAD 200401036389 (674900-X)
CONDENSED STATEMENT OF FINANCIAL POSITION
AS AT 31 MAY 2022**

	UNAUDITED AS AT 31/05/2022 RM'000	AUDITED AS AT 31/05/2021 RM'000
ASSETS		
Non-current assets		
Investments (Note 1)	283,064	213,441
Current assets		
Other receivables, deposit and prepayments	1,515	2,475
Current tax assets	748	635
Short-term deposits	150,174	187,544
Bank balance	12,144	22,164
	164,581	212,818
TOTAL ASSETS	447,645	426,259
EQUITY AND LIABILITIES		
Equity		
Share capital	140,000	140,000
Fair value reserves	43,872	(5,187)
Retained profits	262,307	291,013
Total equity attributable to owners of the Company	446,179	425,826
Current liabilities		
Other payables and accruals	1,466	433
TOTAL LIABILITIES	1,466	433
TOTAL EQUITY AND LIABILITIES	447,645	426,259
Net asset value per share (RM) (Note 2)	3.19	3.04

Notes:-

- Investments shown here as at 31 May 2022 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 RM446,179,002 (31.05.2021 : RM425,826,419) divided by the number of shares in issue at the end of the reporting period of 140,000,000 (31.05.2021 : 140,000,000).

(The Condensed Statement of Financial Position should be read in conjunction with the Annual Financial Report for the financial year ended 31 May 2021)

ICAPITAL.BIZ BERHAD 200401036389 (674900-X)
 CONDENSED STATEMENT OF PROFIT OR LOSS
 FOR THE QUARTER AND YEAR TO DATE ENDED 31 MAY 2022

	INDIVIDUAL QUARTER*		CUMULATIVE QUARTER**	
	CURRENT YEAR QUARTER 31/05/2022 RM'000	PRECEDING YEAR CORRESPONDING QUARTER 31/05/2021 RM'000	CURRENT YEAR TO DATE 31/05/2022 RM'000	PRECEDING YEAR CORRESPONDING PERIOD 31/05/2021 RM'000
Revenue (Note B2)	2,200	1,358	7,099	6,530
Operating expenses (Note B2)				
- Professional fees and other operating expenses	(2,049)	(1,918)	(8,504)	(7,143)
Profit/(Loss) before taxation	151	(560)	(1,405)	(613)
Taxation (Note B6)	(240)	(132)	(633)	(583)
Loss after taxation	(89)	(692)	(2,038)	(1,196)
Earnings per share (sen)				
- Basic (Note B11)	(0.06)	(0.49)	(1.46)	(0.85)
- Diluted (Note B11)	(0.06)	(0.49)	(1.46)	(0.85)

* 4th Quarter

** For the 12 months of the financial year

(The Condensed Statement of Profit or Loss should be read in conjunction with the Annual Financial Report for the financial year ended 31 May 2021)

ICAPITAL.BIZ BERHAD 200401036389 (674900-X)
 CONDENSED STATEMENT OF COMPREHENSIVE INCOME
 FOR THE YEAR ENDED 31 MAY 2022

	INDIVIDUAL QUARTER*		CUMULATIVE QUARTER**	
	CURRENT YEAR QUARTER 31/05/2022 RM'000	PRECEDING YEAR CORRESPONDING QUARTER 31/05/2021 RM'000	CURRENT YEAR TO DATE 31/05/2022 RM'000	PRECEDING YEAR CORRESPONDING PERIOD 31/05/2021 RM'000
Loss for the period/year	(89)	(692)	(2,038)	(1,196)
Other comprehensive (expense)/income:				
Items that may be recycled to Retained Profits:				
Net fair value changes in investments	(32,542)	(14,847)	50,391	32,714
Total comprehensive (loss)/income for the period/year	(32,631)	(15,539)	48,353	31,518

* 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 financial year ended 31 May 2021)

**ICAPITAL.BIZ BERHAD 200401036389 (674900-X)
CONDENSED STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 MAY 2022**

	<i>Non-distributable</i>		<i>Distributable</i>	
	Share Capital RM'000	FVOCI Reserve RM'000	Retained Profits RM'000	Total Equity RM'000
At 31.05.2020/ 01.06.2020	140,000	(33,705)	288,013	394,308
Loss after taxation	-	-	(1,196)	(1,196)
Other comprehensive income:				
-Fair value changes of equity instruments	-	32,714	-	32,714
Total comprehensive income for the financial year	-	32,714	(1,196)	31,518
Transfer to retained profits arising from disposal of investments	-	(4,196)	4,196	-
At 31.05.2021	140,000	(5,187)	291,013	425,826
At 31.05.2021/ 01.06.2021	140,000	(5,187)	291,013	425,826
Loss after taxation	-	-	(2,038)	(2,038)
Other comprehensive income:				
-Fair value changes of equity instruments	-	50,391	-	50,391
Total comprehensive income for the financial year	-	50,391	(2,038)	48,353
Transfer to retained profits arising from disposal of investments	-	(1,332)	1,332	-
Distributions to the owners of the Company:				
- Dividend paid	-	-	(28,000)	(28,000)
At 31.05.2022	140,000	43,872	262,307	446,179

(The Condensed Statement of Changes in Equity should be read in conjunction with the Annual Financial Report for the financial year ended 31 May 2021)

**ICAPITAL.BIZ BERHAD 200401036389 (674900-X)
CONDENSED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 MAY 2022**

	12 MONTHS ENDED 31/05/2022 RM'000	12 MONTHS ENDED 31/05/2021 RM'000
CASH FLOWS FOR OPERATING ACTIVITIES		
Loss before taxation	(1,405)	(613)
Decrease/(Increase) in other receivables, deposit and prepayments	960	(1,099)
Increase/(Decrease) in other payables and accruals	1,033	(465)
Proceeds from disposal of quoted investments	3,005	17,858
Purchase of quoted investments	(22,237)	(60,831)
CASH FOR OPERATIONS	<u>(18,644)</u>	<u>(45,150)</u>
Income tax paid	(882)	(1,215)
Income tax refunded	136	150
NET CASH FOR OPERATING ACTIVITIES	<u>(19,390)</u>	<u>(46,215)</u>
NET CASH FOR FINANCING ACTIVITY		
Dividend paid	(28,000)	-
NET DECREASE IN CASH AND CASH EQUIVALENTS	(47,390)	(46,215)
CASH AND CASH EQUIVALENTS AS AT 1 JUNE	209,708	255,923
CASH AND CASH EQUIVALENTS AT END OF THE YEAR	<u>162,318</u>	<u>209,708</u>

(The Condensed Statement of Cash Flows should be read in conjunction with the Annual Financial Report for the financial year ended 31 May 2021)

PART A - EXPLANATORY NOTES

A1 Basis of preparation

The condensed interim financial statements, other than for financial instruments have been prepared under the historical cost convention.

This Condensed Report has also been prepared in accordance with the requirements of MFRS 134 *Interim Financial Reporting*, International Accounting Standard (IAS) 34 *Interim Financial Reporting* and paragraph 9.22 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad.

This Condensed Report should be read in conjunction with the audited financial statements of the Company for the financial year ended 31 May 2021. 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 financial year ended 31 May 2021.

A2 Significant accounting policies

2.1 Changes in Accounting Policies

During the current quarter, 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 9, MFRS 139, MFRS 7, MFRS 4 and MFRS 16: Interest Rate Benchmark Reform – Phase 2
 Amendment to MFRS 16: Covid-19-Related Rent Concessions beyond 30 June 2021

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 quarter:-

MFRSs and/or IC Interpretations (Including The Consequential Amendments)	Effective Date
Amendments to MFRS 3: Reference to the Conceptual Framework	1 January 2022
Amendments to MFRS 116: Property, Plant and Equipment – Proceeds before Intended Use	1 January 2022
Amendments to MFRS 137: Onerous Contracts – Cost of Fulfilling a Contract	1 January 2022
Annual Improvements to MFRS Standards 2018 – 2020	1 January 2022
MFRS 17: Insurance Contracts	1 January 2023
Amendments to MFRS 17: Insurance Contracts	1 January 2023
Amendment to MFRS 17: Initial Application of MFRS 17 and MFRS 9 – Comparative Information	1 January 2023
Amendments to MFRS 101: Classification of Liabilities as Current or Non-current	1 January 2023
Amendments to MFRS 101: Disclosure of Accounting Policies	1 January 2023
Amendments to MFRS 108: Definition of Accounting Estimates	1 January 2023
Amendments to MFRS 112: Deferred Tax related to Assets and Liabilities arising from a Single Transaction	1 January 2023
Amendments to MFRS 10 and MFRS 128: Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	Deferred

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.

A2 Significant accounting policies (con't)

2.2 Critical Accounting Estimates and Judgements

Key Sources of Estimation Uncertainty

Management believes that there are no key assumptions made concerning the future, and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year other than as disclosed below:-

(a) Impairment of Non-Trade Receivables

The loss allowances for non-trade financial assets are based on assumptions about risk of default and expected loss rates. It also requires the Company to assess whether there is a significant increase in credit risk of the non-trade financial asset at the reporting date. The Company uses judgement in making these assumptions and selecting appropriate inputs to the impairment calculation, based on the past payment trends, existing market conditions and forward-looking information.

(b) Income Taxes

There are certain transactions and computations for which the ultimate tax determination may be different from the initial estimate. The Company 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 expense and deferred tax balances in the period in which such determination is made.

Critical Judgements Made in Applying Accounting Policies

Management believes that there are no instances of application of critical judgement in applying the Company's accounting policies which will have a significant effect on the amounts recognised in the financial statements.

2.3 Functional and Presentation Currency

The functional currency of the Company is the currency of the primary economic environment in which the Company operates.

The financial statements of the Company are presented in Ringgit Malaysia ("RM") which is the functional and presentation currency.

2.4 Financial Instruments

Financial assets and financial liabilities are recognised in the statement of financial position when the Company has become a party to the contractual provisions of the instruments.

Financial instruments are classified as financial assets, financial liabilities or equity instruments in accordance with the substance of the contractual arrangement and their definitions in MFRS 132. 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 the Company 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.

A financial instrument is recognised initially at its fair value (other than trade receivables without significant financing component which are measured at transaction price as defined in MFRS 15 at inception). Transaction costs that are directly attributable to the acquisition or issue of the financial instrument (other than a financial instrument at fair value through profit or loss) are added to/deducted from the fair value on initial recognition, as appropriate. Transaction costs on the financial instrument at fair value through profit or loss are recognised immediately in profit or loss.

A2 Significant accounting policies (con't)

2.4 Financial Instruments (con't)

Financial instruments recognised in the statement of financial position are disclosed in the individual policy statement associated with each item.

(a) Financial Assets

All recognised financial assets are measured subsequently in their entirety at either amortised cost or fair value (through profit or loss, or other comprehensive income), depending on the classification of the financial assets.

Debt Instruments

(i) Amortised Cost

The financial asset is held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest. Interest income is recognised by applying the effective interest rate to the gross carrying amount of the financial asset. When the asset has subsequently become credit-impaired, the interest income is recognised by applying the effective interest rate to the amortised cost of the financial asset.

The effective interest method is a method of calculating the amortised cost of a financial asset and of allocating interest income over the relevant period. The effective interest rate is the rate that discounts estimated future cash receipts (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts), excluding expected credit losses, through the expected life of the financial asset or a shorter period (where appropriate).

(ii) Fair Value through Other Comprehensive Income

The financial asset is held for both collecting contractual cash flows and selling the financial asset, where the asset's cash flows represent solely payments of principal and interest. Movements in the carrying amount are taken through other comprehensive income and accumulated in the fair value reserve, except for the recognition of impairment, interest income and foreign exchange difference which are recognised directly in profit or loss. Interest income is calculated using the effective interest rate method.

(iii) Fair Value through Profit or Loss

All other financial assets that do not meet the criteria for amortised cost or fair value through other comprehensive income are measured at fair value through profit or loss. The fair value changes do not include interest or dividend income.

The Company reclassifies debt instruments when and only when its business model for managing those assets change.

Equity Instruments

All equity investments are subsequently measured at fair value with gains and losses recognised in profit or loss except where the Company has elected to present the subsequent changes in fair value in other comprehensive income and accumulated in the fair value reserve at initial recognition.

The designation at fair value through other comprehensive income is not permitted if the equity investment is either held for trading or is designated to eliminate or significantly reduce a measurement or recognition inconsistency that would otherwise arise.

Dividend income from this category of financial assets is recognised in profit or loss when the Company's right to receive payment is established unless the dividends clearly represent a recovery of part of the cost of the equity investments.

A2 Significant accounting policies (con't)

2.4 Financial Instruments (con't)

(b) Financial Liabilities

(i) Financial Liabilities at Fair Value through Profit or Loss

Fair value through profit or loss category comprises financial liabilities that are either held for trading or are designated to eliminate or significantly reduce a measurement or recognition inconsistency that would otherwise arise. The changes in fair value of these financial liabilities are recognised in profit or loss.

(ii) Other Financial Liabilities

Other financial liabilities are subsequently measured at amortised cost using the effective interest method.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts), through the expected life of the financial liability or a shorter period (where appropriate).

(c) Equity Instruments

Equity instruments classified as equity are measured initially at cost and are not remeasured subsequently.

Ordinary Shares

Ordinary shares are classified as equity and recorded at the proceeds received, net of directly attributable transaction costs.

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

(d) Derecognition

A financial asset or part of it is derecognised when, and only when, the contractual rights to the cash flows from the financial asset expire or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity. On derecognition of a financial asset measured at amortised cost, the difference between the carrying amount of the asset and the sum of the consideration received and receivable is recognised in profit or loss. In addition, on derecognition of a debt instrument classified as fair value through other comprehensive income, the cumulative gain or loss previously accumulated in the fair value reserve is reclassified from equity to profit or loss. In contrast, there is no subsequent reclassification of the fair value reserve to profit or loss following the derecognition of an equity investment.

A financial liability or a part of it is derecognised when, and only when, the obligation specified in the contract is discharged or cancelled or expires. On derecognition of a financial liability, the difference between the carrying amount of the financial liability extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss.

2.5 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 with original maturity periods of three months or less.

A2 Significant accounting policies (con't)

2.6 Impairment

(a) Impairment of Financial Assets

The Company recognises a loss allowance for expected credit losses on investments in debt instruments that are measured at amortised cost or at fair value through other comprehensive income.

The expected credit loss is estimated as the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the Company expects to receive, discounted at the original effective interest rate.

The amount of expected credit losses is updated at each reporting date to reflect changes in credit risk since initial recognition of the respective financial instrument. The Company always recognises lifetime expected credit losses for the trade receivables using the simplified approach. The expected credit losses on these financial assets are estimated using a provision matrix based on the Company's historical credit loss experience and are adjusted for looking-forward information (including time value of money where appropriate).

For all other financial instruments, the Company recognises lifetime expected credit losses when there has been a significant increase in credit risk since initial recognition. However, if the credit risk on the financial instrument has not increased significantly since initial recognition, the Company measures the loss allowance for that financial instrument at an amount equal to 12-month expected credit losses.

The Company recognises an impairment gain or loss in profit or loss for all financial instruments with a corresponding adjustment to their carrying amount through a loss allowance account, except for investments in debt instruments that are measured at fair value through other comprehensive income, for which the loss allowance is recognised in other comprehensive income and accumulated in the fair value reserve, and does not reduce the carrying amount of the financial asset in the statement of financial position.

(b) Impairment of Non-Financial Assets

The carrying values of assets, other than those to which MFRS 136 - Impairment of Assets does not apply, are reviewed at the end of each reporting period for impairment when there is an indication that the assets might be impaired. Impairment is measured by comparing the carrying values of the assets with their recoverable amounts. When the carrying amount of an asset exceeds its recoverable amount, the asset is written down to its recoverable amount and an impairment loss shall be recognised. The recoverable amount of an asset is the higher of the asset's fair value less costs to sell and its value-in-use, which is measured by reference to discounted future cash flows using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. Where it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

An impairment loss is recognised in profit or loss.

When there is a change in the estimates used to determine the recoverable amount, a subsequent increase in the recoverable amount of an asset is treated as a reversal of the previous impairment loss and is recognised to the extent of the carrying amount of the asset that would have been determined (net of amortisation and depreciation) had no impairment loss been recognised. The reversal is recognised in profit or loss immediately.

2.7 Income Taxes

(a) Current Tax

Current tax assets and liabilities are expected amount of income tax recoverable or payable to the taxation authorities.

Current taxes are measured using tax rates and tax laws that have been enacted or substantively enacted at the end of the reporting period and are recognised in profit or loss except to the extent that the tax relates to items recognised outside profit or loss (either in other comprehensive income or directly in equity).

A2 Significant accounting policies (con't)

2.7 Income Taxes (con't)

(b) Deferred Tax

Deferred tax is recognised using the liability method for temporary differences other than those that arise 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 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 substantively enacted at the end of the reporting period.

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. The carrying amounts of deferred tax assets are reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that the related tax benefits will be realised.

Current and deferred tax items are recognised in correlation to the underlying transactions either in profit or loss, other comprehensive income or directly in equity.

Current tax assets and liabilities or deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when the deferred taxes relate to the same taxable entity (or on different tax entities but they intend to settle current tax assets and liabilities on a net basis) and the same taxation authority.

2.8 Operating Segments

An operating segment is a component of the Company that engages in business activities from which it may earn revenues and incur expenses, including revenues and expenses that relate to transactions with any of the Company's other components. An operating segment's operating results are reviewed regularly by the chief operating decision maker to make decisions about resources to be allocated to the segment and assess its performance, and for which discrete financial information is available.

2.9 Net Asset Value Per Ordinary Share

Net asset value per ordinary share is calculated by dividing the net assets by the number of ordinary shares issued at the end of the reporting period.

2.10 Fair Value Measurements

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using a valuation technique. The measurement assumes that the transaction takes place either in the principal market or in the absence of a principal market, in the most advantageous market. For non-financial asset, the fair value measurement takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

For financial reporting purposes, the fair value measurements are analysed into level 1 to level 3 as follows:-

Level 1: Inputs are quoted prices (unadjusted) in active markets for identical assets or liability that the entity can access at the measurement date;

Level 2: Inputs are inputs, other than quoted prices included within level 1, that are observable for the asset or liability, either directly or indirectly; and

Level 3: Inputs are unobservable inputs for the asset or liability.

The transfer of fair value between levels is determined as of the date of the event or change in circumstances that caused the transfer.

A2 Significant accounting policies (con't)

2.11 Revenue and Other Operating Income

(a) Dividend Income

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

(b) Interest Income

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

A3 Auditors' opinion on preceding annual financial statements

The Company's Financial Statements for the financial year ended 31 May 2021 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 quarter-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

A Special COVID-19 Relief Dividend of RM0.20 per share on 140,000,000 ordinary shares in respect of the financial year ended 31 May 2022 amounting to RM28,000,000 was paid on 31 December 2021.

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 quarter-to-date.

A13 Contingent liabilities or contingent assets

There were no contingent liabilities or contingent assets pending as at 31 May 2022.

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.

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

	Current Quarter Ended		Cumulative Quarter Ended	
	31/05/2022	31/05/2021	31/05/2022	31/05/2021
	RM'000	RM'000	RM'000	RM'000
Fund management fees - CDAM	873	806	3,562	3,033
Investment advisory fees - CDSB	873	806	3,562	3,033

A15 Significant events during the financial year

- (a) The outbreak of Coronavirus Disease 2019 (COVID-19) in early 2020 has affected the business and economic environments of the Company. The governments and various private corporations have taken different measures to prevent the spread of the virus such as travel bans, quarantines, closures of non-essential services, social distancing and home quarantine requirements which impacted consumers' spending pattern and the Company's operations directly or indirectly. Notwithstanding the COVID-19 pandemic, the Company NAV for the current reporting period has increased by 4.78% compared with preceding year corresponding quarter.

- (b) Further to the updates made in the 3rd quarter report for the period ended 28 February 2022, the hearing for the Erinford or further Injunction was adjourned to 30 May 2022.

Subsequently, the High Court fixed a further case management for the Erinford Injunction on 18 July 2022 and 3 August 2022, pending the fixing of the hearing date of the Company's appeal against the High Court's decision dated 28 March 2022.

At the case management for the Appeal on 14 July 2022, the Court of Appeal fixed a further case management for the Appeal on 6 October 2022 and the hearing of the Company's appeal against the High Court's decision has been fixed on 26 October 2022.

The Company will make further announcement on the developments of the above matter as and when is necessary.

PART B - AS REQUIRED BY THE LISTING REQUIREMENTS

B1 Statement of Investment Portfolio (Para 9.40)

	Description of Investment	Industry	Shares (unit)	Fair Value (RM)	Fair Value as a Percentage of Net Assets (%)
Long-Term Investments					
Malaysia -100%					
1	Apex Healthcare Berhad	Health Care	2,282,600	6,802,148	1.52
2	APM Automotive Holdings Berhad	Industrial Products & Services	4,541,300	9,082,600	2.04
3	Bioalpha Holdings Berhad	Consumer Products & Services	49,057,600	7,113,352	1.59
4	Bioalpha Holdings Berhad - ICPS	Consumer Products & Services	7,665,250	574,894	0.13
5	Boustead Holdings Berhad	Industrial Products & Services	12,147,786	9,110,840	2.04
6	Capital A Berhad (Formerly known as Airasia Group Berhad)	Consumer Products & Services	29,282,200	19,033,430	4.27
7	Capital A Berhad - RCUIDS	Consumer Products & Services	9,760,733	6,783,709	1.52
8	Capital A Berhad - Warrants	Consumer Products & Services	4,880,366	927,270	0.21
9	EUPE Corporation Berhad	Property	100,000	80,000	0.02
10	HPMT Holdings Berhad	Industrial Products & Services	1,802,700	874,309	0.20
11	Kelington Group Berhad	Industrial Products & Services	28,383,200	33,492,176	7.51
12	Kelington Group Berhad - Warrants	Industrial Products & Services	9,461,066	4,352,090	0.98
13	Kronologi Asia Berhad	Technology	31,112,400	14,933,952	3.35
14	Luxchem Corporation Berhad	Industrial Products & Services	5,006,800	3,204,352	0.72
15	MKH Berhad	Property	2,951,430	3,836,859	0.86
16	Oceancash Pacific Berhad	Consumer Products & Services	3,145,200	1,037,916	0.23
17	OCK Group Berhad	Telecommunications Service Providers	3,409,900	1,346,910	0.30
18	Padini Holdings Berhad	Consumer Products & Services	17,006,700	57,142,512	12.81
19	Parkson Holdings Berhad	Consumer Products & Services	22,942,298	3,441,345	0.77
20	Salutica Berhad	Consumer Products & Services	1,700,200	569,567	0.13
21	Sam Engineering & Equipment (M) Berhad	Industrial Products & Services	18,154,400	75,340,760	16.89
22	Suria Capital Holdings Berhad	Transportation & Logistics	11,894,380	13,916,425	3.12
23	Tong Herr Resources Berhad	Industrial Products & Services	1,888,100	5,758,705	1.29
24	United Plantations Berhad	Plantation	165,000	2,415,600	0.54
25	Wellcall Holdings Berhad	Industrial Products & Services	1,513,600	1,892,000	0.42
	Total Investments		280,255,209	283,063,721	63.46

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B2 Review of performance (Para 9.40)

For the year ended 31 May 2022, the Company recorded a loss before tax of RM1.41 million, compared with loss before tax of RM0.61 million in the preceding year ended 31 May 2021.

As shown in the following table, the increase of loss before tax for the year ended 31 May 2022 was mainly due to lower interest income received and higher professional fees and other operating expenses. The lower interest income was a result of lower cash position of the company and lower interest rate offered by the licensed banks.

	INDIVIDUAL QUARTER*		CUMULATIVE QUARTER**	
	CURRENT YEAR QUARTER 31/05/2022 RM'000	PRECEDING YEAR CORRESPONDING QUARTER 31/05/2021 RM'000	CURRENT YEAR TO DATE 31/05/2022 RM'000	PRECEDING YEAR CORRESPONDING PERIOD 31/05/2021 RM'000
Revenue Consist of:-				
Interest income	802	821	3,102	3,986
Dividend income	1,398	537	3,997	2,544
	2,200	1,358	7,099	6,530
Operating Expenses Consist of:-				
Professional fees and other operating expenses	(2,049)	(1,918)	(8,504)	(7,143)
Profit/(Loss) before taxation	151	(560)	(1,405)	(613)
Taxation	(240)	(132)	(633)	(583)
Loss after taxation	(89)	(692)	(2,038)	(1,196)
Other comprehensive (expense)/ income:				
Net fair value changes in investments	(32,542)	(14,847)	50,391	32,714
Total comprehensive (expense)/ income for the year	(32,631)	(15,539)	48,353	31,518

As the Company is a closed-end fund, a better indication of its performance would be the movement of its Net Assets Value ("NAV"). The Company's NAV increased to RM446.18 million as at 31 May 2022 compared with RM425.83 million as at 31 May 2021 mainly due to increase in net fair value changes in investments. This resulted in an increase of NAV per share as at 31 May 2022 to RM3.19, compared with NAV per share of RM3.04 as at 31 May 2021, an increase of 4.93%.

	31/05/2022 RM	31/05/2021 RM
Total Net Asset Value	446,179,002	425,826,419
Net Asset Value per share	3.19	3.04
Share Price	2.08	1.90

B3 Comparison with immediate preceding quarter's results

In the fourth quarter ended 31 May 2022, the Company recorded a profit before tax of RM0.15 million, compared to RM1.01 million of loss before tax in the immediate preceding quarter.

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).

B4 Commentary by Fund Manager – Prospects Para (9.40)

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

Climate Change

More than 2 ½ years since it first surfaced, the COVID-19 pandemic continues. The Ukrainian Crisis enters its 5th month and shows no signs of ending any time soon. The almost globally synchronised soaring inflation (with the notable exception of China) has caught central banks in the US, UK, EU, Australia, Canada, India and many more with their pants down and as a consequence, policy rates are now being hastily jacked up. The Bank of Canada recently surprised with a 100 basis points hike; the US Federal Reserve may follow suit in its July meeting. With yield curves inverting, many countries are staring at the next great recession, led by the US.

The recent years have also seen an increasing frequency of extreme weather condition, especially in the industrialised countries, brought about by climate change. The 2022 Eastern Australia floods were one of the country's worst recorded flood disasters with a series of floods in Queensland and New South Wales. Brisbane suffered major flooding, along with other cities. Days of torrential rain brought a fourth flood emergency in 16 months to New South Wales and Sydney, Australia's largest and most important commercial city.

As I write this commentary, deadly heat waves in western and southern Europe have triggered intense wildfires, disrupted transportation and displaced thousands of people as the continent grapples with the impact of climate change. The record-breaking heat is forecast to grow more severe and has prompted concerns over energy supply and logistics as well as infrastructure problems such as melting roads, widespread power outages and warped train tracks.

At least five countries in Europe have declared states of emergency or red warnings as wildfires, burn across France, Greece, Portugal, Spain, Croatia, etc. Thousands of people have died. Italy's rivers are in critical condition amid the worst drought to hit some areas of the country in 70 years. The Po River, Italy's largest river dries up. Water levels are so low that archeological treasures, until now submerged, are being revealed. The Po River Valley is the most important agricultural area in the country, as it produces around 40% of Italy's food including wheat, rice, and tomatoes. Besides being home to a large number of industries, the Po River provides hydroelectric power for the region.

In the UK, where few homes have air conditioning, the UK Met Office, for the first time ever, issued a red warning for heat, its most extreme alert. And Wales recorded her highest-ever temperature. The Royal Air Force has halted flights in and out of its largest air base in the UK because the "runway has melted" in the hot weather. Train service was limited amid concerns that the rails would buckle in the heat. Flights were also delayed and disrupted into and out of Luton Airport in London after a defect was identified on the runway surface due to extreme temperatures, according to the airport.

Thanks to frequent droughts and prolonged water overuse, Lake Mead has reached some of the lowest levels in its 80-year existence. As of 12 July 2022, the lake's water level was just below 317.6 meters above sea level. That is significantly lower than its levels last year on the same date at just over 325.5 meters. The lake's historic high was 373.5 meters, reached in the mid-1980s, but the recent years have

brought Lake Mead down to lowest levels since the lake was created in the 1930s. Lake Mead is a reservoir formed by the Hoover Dam on the Colorado River in the southwestern United States. Lake Mead, the largest reservoir in the US in terms of water capacity, is losing water at an alarming rate. Other than Arizona and Nevada, Lake Mead provides water to California, easily the most important state to the US economy.

Climate change has made, amongst the many adverse impact that has been generated, heat waves and droughts more common, intense and widespread. Lower night time temperatures that typically provide critical relief from the hot days are disappearing as the Earth warms. Dry and hot conditions also exacerbate wildfires, which have grown more destructive in recent years.

As I wrote in volume 33, number 10 issue of the *i Capital*, history matters because the cumulative amount of carbon dioxide (CO₂) emitted since the start of the industrial revolution is closely tied to the 1.2° C of warming that has already occurred. There is a direct, linear relationship between the total amount of CO₂ released by human activity and the level of warming at the Earth's surface. What is more, there is a time lag between the initial release of CO₂ emissions and the amount of warming it will ultimately cause. This means that CO₂ emitted hundreds of years ago continues to contribute to the warming of the planet and thus we can conclude that the current warming is determined by the cumulative total of CO₂ emissions over time. Source: <https://www.icapital.biz/newsletter/sections/Kuala-Lumpur/22#QV9fTFVDS1fX1NUUkVBS18/LzE2LzEwLzlwMjE=>).

In total, humans, mainly the Europeans, the British, and the Americans have pumped around 2,500 bln tonnes of CO₂ (GtCO₂) into the atmosphere since 1850, leaving less than 500 GtCO₂ of remaining carbon budget to stay below 1.5°C of warming. Carbon budget is the total amount of CO₂ that can be emitted to stay below any given limit on global temperatures. Carbon budgets are a simplified way to measure the additional emissions that can enter the atmosphere if the world wishes to limit global warming to levels such as 1.5°C. Carbon budget has emerged as a central concept in climate science and policy.

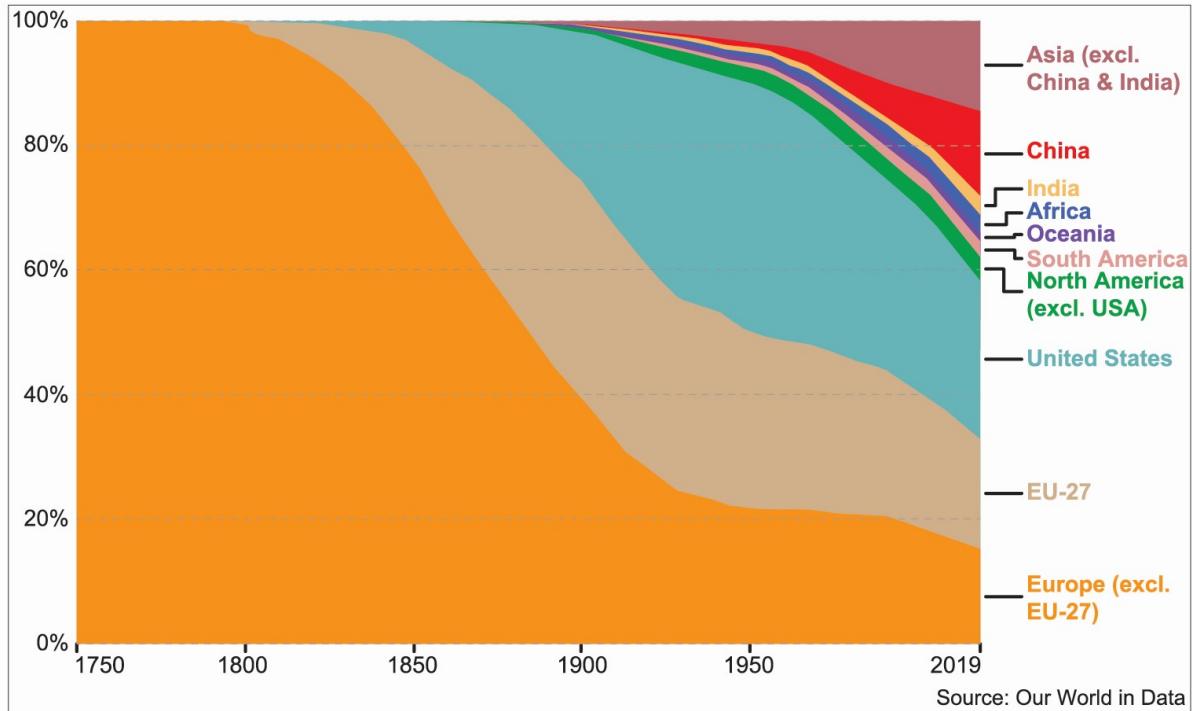
There is only around 460 GtCO₂ – or 11.5 years of 2020-level emissions – of the global carbon budget remaining beyond 1 Jan 2021 before crossing the commitment threshold of 1.5°C warming. This means that, by the end of 2021, the world has collectively burned through 86% of the carbon budget for a 50-50 probability of staying below 1.5°C, or 89% of the budget for a two-thirds likelihood.

Taken together, cumulative emissions between 1850 and 2021 add up to some 86% of the carbon budget for a 50% chance of staying below 1.5°C, or 89% of the budget for a two-thirds chance. From the start of 2022, the remaining 1.5°C budget (50% probability) would be used up within 10 years, if annual emissions remain at current levels– the budget for a two-thirds likelihood of staying below 1.5°C would last just 7 years.

It is clear that the most important factor contributing to climate change is cumulative CO₂ emissions. Up until recently, more than half of cumulative CO₂ emissions were emitted by Europe. The vast majority of European emissions back then were emitted by the United Kingdom; until 1882 more than half of the world's cumulative emissions came from the UK alone.

Over the century which followed, industrialisation in the USA rapidly increased its contribution.

It is only over the past few decades that growth in South America, Asia and Africa have increased these regions' share of cumulative CO₂ emissions contribution (Figure 1).



(Figure 1)

As the West fails to find a peaceful solution to the Ukrainian Crisis and struggles to deal with soaring inflation, the West will find that the accelerated pace in climate change will wait for no one and that it may already be too late to prevent further adverse changes to the planet. As I have said before in another place, the world is waiting for the first recession to be caused by climate change. No man-made policy, be it fiscal or monetary, will be able to deal with such a recession. As political gridlock in Washington imperils the US Paris climate targets, it is time to seek wisdom from Daoism.

The Dujiangyan Irrigation System in Sichuan, China is an ecological engineering feat.

Constructed as far back as 256 BCE, the Dujiangyan is one of the earliest irrigation systems of China, diverting waters from the Minjiang River to the West Sichuan Plain. In fact, it is still in use today, providing irrigation and water supply for over 5,300 km² of land in the region, a coverage greater than 7 times the total area of Singapore.

Located near Qingcheng Mountain, a place of strong roots for China's Daoism, the Dujiangyan is an exemplary application of the Daoist's Wu Wei principles, which presents due reverence to the natural order of the world by striving to practice a behaviour as spontaneous and inevitable as certain natural processes.



With an insightful, deep-rooted understanding of natural topographic and hydrological features, the Dujiangyan flows along with natural currents, rather than against them; harnessing the river using a new method of channelling and dividing the water without any need for the construction of a dam. The levee was built from long sausage-shaped baskets of woven bamboo filled with stones held in place by wooden tripods, whereas channel cutting was achieved via a combination of fire and water to heat and cool the rocks until they cracked and could be removed. Thus, the Dujiangyan was created in perfect harmony with the principles of nature, solving problems of water diversion for irrigation, sediment drainage, flood control, and flow control without any damage to the surrounding environment.

Despite such turbulent times, icapital.biz Berhad has once again performed exceptionally well. As at 30 June 2022, your Fund's NAV achieved solid 1-year, 3-year, and 5-year performance. The same goes for its share price, which generated superior performance as well. Both your Fund's NAV and share price have consistently outperformed Bursa Malaysia by substantial margins (Table 1).

	1-Year Return	3-Year Return	5-Year Return
ICAP's NAV	3.40%	-1.42%	-4.10%
ICAP's share price	16.95%	-6.14%	-15.89%
MSCI Malaysia	-7.46%	-20.86%	-25.22%
ICAP's NAV outperformance	10.86 pp	19.44 pp	21.12 pp
ICAP's share price outperformance	24.41 pp	14.72 pp	9.33 pp
Note – pp : percentage points.			

(Table 1)

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 Bamboo value investing philosophy of Capital Dynamics. icapital.biz Berhad is not allowed to sell short, invest in derivatives or undertake any borrowings.

Putting two and two together

As the figures in table 1 above show, the performance of icapital.biz Berhad has been outstanding, not just in terms of its NAV but also its share price over many years. Whether it is low inflation or high inflation, whether it is rising or falling interest rate, icapital.biz Berhad has consistently delivered superior returns to its shareowners and is still boasting of a substantial cash-laden war chest.

Let me recapitulate a fundamentally important point. A well-managed closed-end fund like icapital.biz Berhad is an excellent investment product for individual investors, especially during tumultuous times like now. However, after so many decades, there is sadly still only one closed-end fund listed on Bursa Malaysia. The world-class London, Sydney and New York stock exchanges abound with hundreds of closed-end funds. Their investors have so many choices in terms of investment products.

Let me repeat what I think is a very important point to my fellow Malaysian shareowners - do not let any investor who refuses to think and act like a share owner destroy such a precious gem. It is indeed strange that the more a large foreign shareholder accumulates the shares of your Fund, the wider the discount becomes and persisted. When your Fund was trading at a premium for many years, there was no such large foreign shareholder present. One does not need the IQ of Einstein to put two and two together. This is just my simple-minded observation.

B5 Financial forecast / profit guarantee

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

B6 Taxation

	Current Quarter Ended		Cumulative Quarter Ended	
	31/05/2022	31/05/2021	31/05/2022	31/05/2021
	RM'000	RM'000	RM'000	RM'000
Current tax:				
- for the period	154	132	547	718
- under/(over) provision in the previous financial year	86	-	86	(135)
Tax expense	240	132	633	583

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B6 Taxation (con't)

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

	Current Quarter Ended		Cumulative Quarter Ended	
	31/05/2022	31/05/2021	31/05/2022	31/05/2021
	RM'000	RM'000	RM'000	RM'000
Profit/(Loss) before taxation	151	(560)	(1,405)	(613)
Tax at the statutory rate of 24%	36	(134)	(337)	(147)
Tax effects of:-				
Tax-exempt dividends	(68)	(34)	(212)	(166)
Single tier dividends	(268)	(95)	(748)	(445)
Non-deductible expenses	454	395	1,844	1,476
Under/(Over) provision of current tax in the previous financial year	86	-	86	(135)
Tax expense	240	132	633	583

B7 Status of corporate proposals

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

B8 Borrowings and debt securities

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

B9 Changes in material litigation

Except as noted in Note A15(b), there was no material litigation pending as at 31 May 2022.

B10 Dividend

On 18 November 2021, the directors declared a Special COVID-19 Relief Dividend of RM0.20 per share amounting to RM28,000,000 which has been accounted for in the financial statements for the financial year ended 31 May 2022. The dividend was paid on 31 December 2021 to the shareholders whose names appeared in the Record of Depositors on the entitlement date of 20 December 2021.

B11 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
	31/05/2022	31/05/2022
	RM'000	RM'000
Loss after taxation	(89)	(2,038)
Number ordinary share capital in issue at RM1.00 each	140,000	140,000
Basic earnings per share (sen)	(0.06)	(1.46)

B11 Earnings per share (con't)

b) Diluted Earnings Per Share

The diluted earnings per ordinary share is equal to the basic earnings per ordinary share as there were no potential dilutive ordinary shares outstanding at the end of the reporting period.

B12 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.

B13 Investments

As at 31 May 2022, 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.

B14 Soft Commission

The manager or their delegates have not received any soft commission during the year under review from its brokers/dealers by virtue of transaction conducted for the closed-end fund.

BY ORDER OF THE BOARD

Tai Yit Chan (MAICSA No.7009143) (SSM PC No.: 202008001023)

SECRETARY