

ICONIC WORLDWIDE BERHAD

(formerly known as SANBUMI HOLDINGS BERHAD)
(8386-P)

CONDENSED INTERIM FINANCIAL REPORT

FOR THE

**2nd FINANCIAL QUARTER
&
FINANCIAL PERIOD ENDED**

30 SEPTEMBER 2019

STRICTLY PRIVATE & CONFIDENTIAL
[FOR MANAGEMENT PURPOSES ONLY]

ICONIC WORLDWIDE BERHAD (8386-P)

(formerly known as SANBUMI HOLDINGS BERHAD)

Condensed Interim Financial Report for the 2nd financial quarter ended 30 September 2019**CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME**

	INDIVIDUAL QUARTER		CUMULATIVE PERIOD	
	Current Quarter Ended 30/09/19 (Unaudited) RM'000	Comparative Quarter Ended 30/09/18 (Unaudited) RM'000	Current Period Ended 30/09/19 (Unaudited) RM'000	Comparative Period Ended 30/09/18 (Unaudited) RM'000
Revenue	2,575	5,071	5,050	13,114
Cost of Sales	(2,224)	(4,429)	(4,141)	(11,861)
Gross Profit	351	642	909	1,253
Other Income	8,217	150	10,164	240
Operating Expenses	(7,904)	(1,726)	(8,954)	(3,322)
Finance Costs	(77)	(83)	(156)	(165)
Profit/(Loss) Before Tax	587	(1,017)	1,963	(1,994)
Tax Expense	-	-	(65)	-
Profit/(Loss) After Tax	587	(1,017)	1,898	(1,994)
Other Comprehensive Income/(Expenses)	-	-	-	-
Total Comprehensive Income/(Expenses)	587	(1,017)	1,898	(1,994)
Profit/(Loss) After Tax attributable to:				
Owners of the Company	587	(1,017)	1,898	(1,994)
Non-controlling Interest	-	-	-	-
	587	(1,017)	1,898	(1,994)
Total Comprehensive Income/(Expenses) attributable to:				
Owners of the Company	587	(1,017)	1,898	(1,994)
Non-controlling Interest	-	-	-	-
	587	(1,017)	1,898	(1,994)
Earnings/(Loss) Per Share attributable to owners of the Company (sen):				
i) Basic	0.22	(0.45)	0.74	(0.88)
ii) Diluted	-	-	-	-

The Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the Annual Financial Report for financial year ended 31 March 2019.

ICONIC WORLDWIDE BERHAD (8386-P)
(formerly known as SANBUMI HOLDINGS BERHAD)

Condensed Interim Financial Report for the 2nd financial quarter ended 30 September 2019

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	AS AT 30/09/19 (Unaudited)	AS AT 31/03/19 (Audited)
	RM'000	RM'000
ASSETS		
Non-Current Assets		
Property, Plant and Equipment	50,160	49,103
Investment Properties	7,150	7,150
Prepaid lease Payments	-	-
	<u>57,310</u>	<u>56,253</u>
Current Assets		
Inventories	283	144
Development Cost	21,632	19,375
Trade & Other Receivables	4,326	2,329
Deposits, cash and bank balances	21,995	4,881
	<u>48,236</u>	<u>26,729</u>
TOTAL ASSETS	<u><u>105,546</u></u>	<u><u>82,982</u></u>
EQUITY AND LIABILITIES		
Share Capital	65,102	45,679
Retained Profits	2,264	366
Revaluation and Other Reserves	25,766	25,766
Equity Attributable to Equity Holders of the Company	<u>93,132</u>	<u>71,811</u>
Non-controlling Interests	(115)	(115)
Total Equity	<u>93,017</u>	<u>71,696</u>
Non-current Liabilities		
Borrowings	3,264	3,317
Deferred taxation	4,352	4,352
	<u>7,616</u>	<u>7,669</u>
Current Liabilities		
Trade & Other Payables	4,624	3,352
Provision for tax	11	7
Borrowings	278	258
	<u>4,913</u>	<u>3,617</u>
Total Liabilities	<u>12,529</u>	<u>11,286</u>
TOTAL EQUITY AND LIABILITIES	<u><u>105,546</u></u>	<u><u>82,982</u></u>
Net Asset Per Share (RM)	<u>0.29</u>	<u>0.29</u>

The Condensed Consolidated Statement of Financial Position should be read in conjunction with the Annual Financial Report for the financial year ended 31 March 2019.

ICONIC WORLDWIDE BERHAD (8386-P)
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Condensed Interim Financial Report for the 2nd financial quarter ended 30 September 2019

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	Share capital		Non-distributable		Distributable		Total	Non-controlling Interests	Total Equity
	RM'000	Ordinary shares	Capital Redemption Reserve	Revaluation and other reserves	Retained profits	RM'000			
Cumulative Current Period (Unaudited)									
At 1.4.2019	45,679		-	25,766	366	71,811	(115)	71,696	
Shares issued during the period	19,423		-	-	-	19,423	-	19,423	
Recognised income and expense for the period:									
Profit after taxation	-		-	-	1,898	1,898	0	1,898	
At 30.09.2019	65,102		0	25,766	2,264	93,132	(115)	93,017	
	Share capital	Non-distributable		Distributable		Total	Non-controlling Interests	Total Equity	
	RM'000	Capital Redemption Reserve	Revaluation and other reserves	Retained profits	RM'000	RM'000	RM'000	RM'000	
Cumulative Preceding Period (Unaudited)									
At 1.4.2018	22,637	15,105	29,334	16,487	83,563	(113)	83,450		
Recognised income and expense for the period:									
Loss after taxation	-	-	-	(1,994)	(1,994)	(1,994)	0	(1,994)	
At 30.09.2018	22,637	15,105	29,334	14,493	81,569	(113)	81,456		

The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Annual Financial Report for the financial year ended 31 March 2019.

ICONIC WORLDWIDE BERHAD (8386-P)
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Condensed Interim Financial Report for the 2nd financial quarter ended 30 September 2019

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

	Cumulative Period	
	Period Ended 30/09/19	Period Ended 30/09/18
	Unaudited RM'000	Unaudited RM'000
CASH FLOWS FROM/(FOR) OPERATING ACTIVITIES:		
Loss before taxation	1,963	(1,994)
Adjustments for:		
Non-cash items	(779)	900
Non-operating items	132	43
Operating (loss)/profit before changes in working capital	1,316	(1,051)
(Increase)/Decrease in current assets	(2,136)	(773)
Increase/(Decrease) in current liabilities	(528)	(783)
Cash flows (for)/from operations	(1,348)	(2,607)
Income tax refunded/(paid)	(66)	9
Interest received	22	122
Net cash flows (for)/from operating activities	(1,392)	(2,476)
CASH FLOWS FROM/(FOR) INVESTING ACTIVITIES:		
Property, plant and equipment	1,531	-
Development cost	(2,257)	(585)
Sale of Investments in subsidiaries	(4)	-
Net cash flows for investing activities	(730)	(585)
CASH FLOWS FROM/(FOR) FINANCING ACTIVITIES:		
Interest paid	(154)	(165)
Proceeds from issue of new shares	19,423	-
Net borrowings	(33)	(117)
Net cash flows from financing activities	19,236	(282)
Net increase/(decrease) in cash & cash equivalent	17,114	(3,343)
Cash & cash equivalent at beginning of the financial period	4,881	8,401
Cash & cash equivalent at end of the financial period	21,995	5,058
Cash & cash equivalent consists of:	RM'000	RM'000
Deposits, cash and bank balances	21,995	5,058
Bank overdrafts	-	-
	21,995	5,058

The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the Annual Financial Report for the financial year ended 31 March 2019.

CONDENSED INTERIM FINANCIAL REPORT FOR THE 2nd FINANCIAL QUARTER AND FINANCIAL PERIOD ENDED 30 SEPTEMBER 2019

NOTES TO THE UNAUDITED CONDENSED INTERIM FINANCIAL REPORT

1. Basis of Preparation

The condensed interim financial report is unaudited and has been prepared in accordance with the Malaysian Financial Reporting Standard (“MFRS”) 134: “Interim Financial Reporting” issued by the Malaysian Accounting Standards Board (“MASB”) and Paragraph 9.22 and Appendix 9B of Chapter 9 Part K of the Main Market Listing Requirements (“MMLR”) of Bursa Malaysia Securities Berhad (“Bursa Securities”). The condensed interim financial report is to be read in conjunction with the audited financial report of the Group for the financial year ended 31 March 2019.

The accounting policies, methods of computation and the basis of consolidation used in the preparation of this interim financial report are consistent with those applied in the most recent audited annual financial statements for the year ended 31 March 2019.

2. Auditors’ Report on Preceding Annual Financial Statements

The most recent annual audited financial statements for the financial year ended 31 March 2019 was not subject to any audit qualification.

3. Seasonal and Cyclical Factors

All active business segments of the Group are generally exposed to effects of the economic and seasonal cycles.

4. Items or Incidence of an Unusual Nature

The Directors are not aware of any items or incidence of an unusual nature not otherwise dealt with in this report which may or has substantially affected the value of assets, liabilities, equity, net income or cash flows of the Group for the current financial quarter under review and the financial period to date.

5. Effects of Changes in Estimates

There were no material changes in estimates of amounts reported in the current financial quarter or changes in estimates of amounts reported in prior financial years that may have a material effect in the current financial quarter under review and the financial period to date.

NOTES TO THE UNAUDITED CONDENSED INTERIM FINANCIAL REPORT (Cont'd)

6. Changes in Debt and Equity Securities

Following are the changes in the equity shares for the current financial quarter under review and the financial year to date:

	No of shares	RM
As at 1 April 2019	249,011,232	45,679,343
Issue of new ordinary shares pursuant to the approved Special Issue	74,703,000	19,422,780
As at 30 September 2019	323,714,232	65,102,123

There were no other issuance or repayments of debt or equity securities for the current financial quarter under review and the financial year to date.

7. Dividends

There were no dividends declared or paid for the current financial quarter under review and the financial period to date.

8. Segmental Reporting

The Group is generally organised into two distinct business segments:

- Tourism services - Hospitality services, inbound and outbound tours and ticketing services and related retail businesses
- Others - Comprises of investment holding, trading, and other services, neither of which is of a sufficient size to be reported separately.

◆ Primary reporting format –business segments

<i>Financial period ended 30.9.19</i>	Tourism Services RM'000	Others RM'000	Group RM'000
Revenue			
Total revenue	4,776	274	5,050
Intersegment revenues	-	-	-
Total external revenue	4,776	274	5,050
Results			
Segment results	2,849	(730)	2,119
Finance costs	(156)	-	(156)
Share of profit from associate	-	-	-
Profit/(Loss) before tax	2,693	(730)	1,963
Income Tax	(65)	-	(65)
Profit/(Loss) after tax	2,628	(730)	1,898
Non-controlling interest	-	-	-
Loss attributable to Owners of the Company	2,628	(730)	1,898
Other information			
Segment assets	29,200	76,346	105,546
Segment liabilities	7,549	4,980	12,529
Capital expenditure	10	1,934	1,944
Depreciation and amortization	207	37	244

No geographical analysis has been prepared as the Group operates wholly in Malaysia.

NOTES TO THE UNAUDITED CONDENSED INTERIM FINANCIAL REPORT (Cont'd)

9. Changes in Composition of the Group

There were no changes in the composition of the Group during the current financial quarter under review and the financial period to date other than the disposal of the entire interest in the shares of Nouvelle Hotel (KL) Sdn Bhd, a wholly-owned subsidiary company.

10. Material Events during the Reporting Period

On 28 August 2019, the shareholders of the Company duly approved the Multiple Proposal comprising the following:

- a) Proposed Joint Venture (JV) via a JV agreement entered between Iconic Maison Sdn Bhd (formerly known as Sanbumi Sawmill Sdn Bhd) (“IMSB”) and Iconic Development Sdn Bhd (“IDSB”) to jointly develop a commercial development project to be known as “Iconic Point” in Seberang Perai Selatan;
- b) Proposed Issuance of 57,324,840 new Redeemable Convertible Preference Shares (“RCPS”) of the Company to IDSB pursuant to the JV agreement (“Proposed Issuance of RCPS”);
- c) Proposed Special Issue of up to 74,703,000 new ordinary shares in the Company to independent third party investor(s) to be identified at an issue price to be determined at a later date (“Proposed Special Issue”);
- d) Proposed amendments to the Constitution of the Company to comply with the Companies Act 2016 and facilitate the issuance of the RCPS; and
- e) Proposed change of name from Sanbumi Holdings Berhad to Iconic Worldwide Berhad

On 28 August 2019, the Company announced that the Special Issue of 74,703,000 new ordinary shares in the Company shall be fixed at RM0.26 per share.

On 4 September 2019, the Company announced that it had changed its Name from “Sanbumi Holdings Berhad” to “Iconic Worldwide Berhad” with effect from 29 August 2019 being the date of issuance of the Notice of Registration of New Name.

On 12 September 2019, the Company announced that Special Issue of 74,703,000 new ordinary shares in the Company at an issue price of RM0.26 was completed. The total fund raised from this exercise was RM19,422,780.00

11. Material Events after the Reporting Period

On 1 October 2019, the Company announced that the parties to the JV agreement had mutually agreed to extend the period to fulfill the Conditions Precedent for an additional six months to 30 April 2020. All other terms and conditions under the JV remains unchanged.

On 11 November 2019, the Company announced the change of its registered and correspondence address from Wisma EMC, 972 Jalan Baru, 13700 Prai, Penang to No.1-2, Jalan Icon City, Icon City, 14000 Bukit Mertajam, Penang.

There were no other material subsequent events as at 19 November 2019 (being the latest practicable date which is no earlier than 7 days from the date of issue of this quarterly report) that may affect the financial results of the Group for the current financial quarter under review and the financial period to date.

NOTES TO THE UNAUDITED CONDENSED INTERIM FINANCIAL REPORT (Cont'd)

12. Contingent Assets or Liabilities

There were no contingent assets or liabilities as at 19 November 2019 (being the latest practicable date which is no earlier than 7 days from the date of issue of this quarterly report) that will or may affect the financial results of the Group for the current financial quarter under review and the financial period to date.

13. Additional Information Pursuant to Appendix 9B of the MMLR of Bursa Securities

13.1 Group Performance Review

	INDIVIDUAL QUARTER ENDED			CUMULATIVE YEAR ENDED		
	Current	Comparative	Changes	Current	Comparative	Changes
	30/9/19	30/9/18	Inc/(Dec)	30/9/19	30/9/18	Inc/(Dec)
	RM'000	RM'000	%	RM'000	RM'000	%
Revenue	2,575	5,071	(49.22)	5,050	13,114	(61.49)
Operating Profit	351	642	(45.33)	909	1,253	(27.45)
Profit/(Loss) Before Interest and Tax	664	(934)	>100	2,119	(1,829)	>100
Profit/(Loss) Before Tax	587	(1,017)	>100	1,963	(1,994)	>100
Profit/(Loss) After Tax	587	(1,017)	>100	1,898	(1,994)	>100
Profit/(Loss) Attributable to Owners of the Company	587	(1,017)	>100	1,898	(1,994)	>100

- The Group's revenue for the current financial quarter decline by 49.22% whereas the cumulative current financial period declined by 61.49% as compared to the preceding year corresponding financial periods. The drop in revenue is mainly attributed by the decline in the volume of tourist arrivals as a result the ongoing critical review and reorganization of the loss making tourism business segment. The management views this setback as necessary in order to streamline and turnaround the loss making tourism business segment. The management is confident that the successful launch of the Iconic Point development project under the JV arrangement will soon be able to contribute significantly to the Group's revenue.
- The Group's operating profit for the current financial quarter and the cumulative current financial period registered a decline of 45.33% and 61.49% respectively as compared to the preceding year corresponding financial periods. Despite the drop in revenue the Group managed to register an improved operating profit margin of 13.63% for current financial quarter as compared to 12.66% registered in the preceding year corresponding financial period. Similarly, the Group managed to register an improved operating profit margin of 18.00% for the cumulative current financial period as compared to the 9.55% registered in the preceding year corresponding financial periods. The improved results are mainly attributable to the positive impact of the review and reorganization exercise of the tourism business segment.

NOTES TO THE UNAUDITED CONDENSED INTERIM FINANCIAL REPORT (Cont'd)

13.1 Group Performance Review (Cont'd)

- The Group registered a profit before interest and tax (PBIT) of RM0.66 million for the current financial quarter as compared to the loss before interest and tax (LBIT) of RM0.93 million registered in the preceding year corresponding financial period. Similarly, Group registered a PBIT of RM2.12 million for the cumulative current financial period as compared to the LBIT of RM1.83 million registered in the preceding year corresponding financial period. The positive impact of the review and reorganization exercise of the tourism business segment mainly contributed to the improved results for the current financial quarter and the cumulative current financial period

13.2 Comparison with Immediate Preceding Quarter Results

	Current Quarter Ended 30/9/19 RM'000	Preceding Quarter Ended 30/6/19 RM'000	Changes Inc/(Dec) %
Revenue	2,575	2,475	4.00
Operating Profit	351	558	(37.10)
Profit Before Interest and Tax [PBIT]	664	1,455	(54.36)
Profit Before Tax [PBT]	587	1,376	(57.34)
Profit After Tax [PAT]	587	1,311	(55.22)
Profit Attributable to Owners of the Company	587	1,311	(55.22)

- The Group's revenue for the current financial quarter marginally improved by 4.00% as compared to the immediate preceding quarter. The positive impact from the ongoing reorganization of the tourism business segment contributed to the improved revenue.
- The Group's operating profit for the current financial quarter declined by 37.10% as compared to the immediate preceding quarter. This decline is attributed by the change in the sales mix which resulted in the drop in the contribution margin from 22.55% registered in the immediate preceding quarter to 13.63% registered during the current financial quarter.
- The Group's PBIT for the current financial quarter declined by 54.36% as compared to the immediate preceding quarter mainly due to the impact of the lower contribution margin coupled with the higher operating expenses incurred.
- The Group's PBT and PAT also registered a decline by 57.34% and 55.22% respectively for the current financial quarter as compared to the immediate preceding quarter. The impact of the lower contribution margin coupled with the higher operating expenses is the major factor to this decline.

NOTES TO THE UNAUDITED CONDENSED INTERIM FINANCIAL REPORT (Cont'd)

13.3 Prospects for the Current Financial Year

With the approval of the Multiple Proposals and the overwhelming response to the soft-launch of the Iconic Point development project the Group is optimistic that this will pave the way for the Group to aggressively venture into the robust property development business and accelerate the future prospects and financial performance of the Group.

13.4 Profit Forecast

The Company did not issue any profit forecast or guarantee during the current financial quarter under review and the financial period to date.

13.5 Corporate Proposals

On 28 August 2019, the Company announced that the shareholders approved the Multiple Proposals, details of which are as disclosed in Note 10 of this report. As at the date of this report all approved Multiple Proposals had been completed with exceptions to the approved JV and the Issuance of RCPS.

Other than the above, there were no other corporate proposals announced but not completed as at 19 November 2019 (being the latest practicable date which is no earlier than 7 days from the date of issue of this quarterly report) that may affect the financial results for the current financial quarter under review and the financial period to date.

13.6 Utilisation of Proceeds Raised from Corporate Proposal

On 9 January 2019, the Company completed Private Placement of 22,637,384 new ordinary shares at a placement price of RM0.173 each. The total capital raised from the placement of shares amounted to RM3,916,267.43 and the proceeds are to be allocated and utilised in accordance with the approved utilisation plan. The status of the utilisation as at 30 June 2019 are as follows:

Purpose	Utilisation		Intended Timeframe for Utilisation	Deviation	
	Proposed RM'000	Actual RM'000		RM'000	%
Expenses in relation to Corporate Proposals	180	180	Within 2 month	-	-
Working capital and/or future business projects(s)/ investment(s)	3,736	2,336	Within 12 months		
	<u>3,916</u>	<u>2,516</u>			

On 12 September 2019, the Company completed Special Issue of 74,703,000 new ordinary shares at an issue price of RM0.26 each. The total capital raised from this issue of shares amounted to RM19,422,780 and the proceeds are to be allocated and utilised in accordance with the approved utilisation plan.

NOTES TO THE UNAUDITED CONDENSED INTERIM FINANCIAL REPORT (Cont'd)

13.7 Taxation

	Quarter ended 30/9/19 RM'000	Quarter ended 30/9/18 RM'000	Period ended 30/9/19 RM'000	Period ended 30/9/18 RM'000
In respect of current period:				
Income tax	-	-	-	-
Deferred tax	-	-	-	-
	-	-	-	-
Under/(Over) provision in respect of previous period:				
Income tax	-	-	65	-
Deferred tax	-	-	-	-
	-	-	65	-

There is no tax charge for the current financial quarter under review principally due to sufficient losses that are available to set-off any tax liabilities of the subsidiaries.

13.8 Material Litigations

There are no pending material litigations involving the Group as at 19 November 2019 (being the latest practicable date which is no earlier than 7 days from the date of issue of this quarterly report) that may affect the financial results for the current financial quarter under review and the financial period to date.

13.9 Group Borrowings

The details of the secured borrowings of the Group are as follows:-

	As at 30/9/19 RM'000	As at 30/9/18 RM'000
Non-current:		
Term Loan	3,191	3,447
Hire Purchase	73	-
	<u>3,264</u>	<u>3,447</u>
Current:		
Term Loan	258	251
Hire Purchase	20	-
	<u>278</u>	<u>251</u>

There were no unsecured borrowings outstanding as at the end of the current financial quarter under review and the financial period to date.

13.10 Proposed Dividends

No dividend has been declared or proposed since the end of the previous financial year.

NOTES TO THE UNAUDITED CONDENSED INTERIM FINANCIAL REPORT (Cont'd)

13.11 Earnings/(Loss) Per Share

The basic earnings/(loss) per share of the Group is calculated by dividing the profit/(loss) for the period attributable to owners of the Company with the weighted average number of shares in issue during the reporting period.

	INDIVIDUAL PERIOD		CUMULATIVE PERIOD	
	Quarter Ended 30/9/19	Quarter Ended 30/9/18	Period Ended 30/9/19	Period Ended 30/9/18
Profit/(Loss) after taxation attributable to owners of the Company (RM'000)	587	(1,017)	1,898	(1994)
Weighted average Number of Shares in issue ('000)	263,627	226,373	256,399	226,373
Basic Earnings/(Loss) per share (sen)	0.22	(0.45)	0.74	(0.88)

13.12 Profit/(Loss) Before Tax

Profit/(Loss) before tax is arrived at after (crediting)/charging:

	INDIVIDUAL QUARTER		CUMULATIVE PERIOD	
	Current Quarter Ended 30/9/19 (Unaudited) RM'000	Comparative Quarter Ended 30/9/18 (Unaudited) RM'000	Current Year Ended 30/9/19 (Unaudited) RM'000	Comparative Year Ended 30/9/18 (Unaudited) RM'000
Interest income	(11)	(53)	(22)	(122)
Other income including investment income	-	-	-	-
Net (gain)/loss on foreign exchange	-	-	-	-
Interest expense	76	83	154	165
Depreciation	121	437	244	801
Amortisation of prepaid lease payments	-	58	-	118
Impairment losses on receivables	5,327	-	4,680	-
Impairment or write off of inventories	-	-	(32)	-
(Gain)/loss on disposal of quoted or unquoted investments or properties	(6,753)	-	(7,785)	-
Impairment losses on investment properties	-	-	-	-
Impairment losses on property, plant and equipment	-	-	-	-
(Gain)/loss on derivatives	-	-	-	-
Exceptional items	-	-	-	-

By Order of the Board
ICONIC WORLDWIDE BERHAD
(f.k.a Sanbumi Holdings Berhad)
Lim Choo Tan
Chew Siew Cheng
Company Secretaries

Date: 26 November 2019