



ICONIC WORLDWIDE BERHAD

[196901000067 (8386-P)]

CONDENSED INTERIM FINANCIAL REPORT

FOR THE

**2ND FINANCIAL QUARTER
&
FINANCIAL PERIOD ENDED**

30 SEPTEMBER 2021

[UNAUDITED]

STRICTLY PRIVATE & CONFIDENTIAL
[FOR MANAGEMENT PURPOSES ONLY]

ICONIC WORLDWIDE BERHAD

[196901000067 (8386-P)]

Condensed Interim Financial Report for the 2nd financial quarter and financial period ended 30 September 2021

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	INDIVIDUAL QUARTER		CUMULATIVE PERIOD	
	Current Quarter Ended 30/09/21 (Unaudited) RM'000	Comparative Quarter Ended 30/09/20 (Unaudited) RM'000	Current Period Ended 30/09/21 (Unaudited) RM'000	Comparative Period Ended 30/09/20 (Unaudited) RM'000
Revenue	19,061	11,664	37,584	16,462
Cost of Sales	(13,394)	(7,777)	(26,599)	(10,280)
Gross Profit	5,667	3,887	10,985	6,182
Other Income	182	65	285	227
Operating Expenses	(1,742)	(873)	(3,840)	(2,004)
Finance Costs	(238)	(50)	(294)	(104)
Profit Before Tax	3,869	3,029	7,136	4,301
Tax Expense	-	-	-	-
Profit After Tax	3,869	3,029	7,136	4,301
Other Comprehensive Income/(Expenses)	-	-	-	-
Total Comprehensive Income	3,869	3,029	7,136	4,301
Profit After Tax attributable to:				
Owners of the Company	3,869	3,029	7,136	4,301
Non-controlling Interest	-	-	-	-
	3,869	3,029	7,136	4,301
Total Comprehensive Income attributable to:				
Owners of the Company	3,869	3,029	7,136	4,301
Non-controlling Interest	-	-	-	-
	3,869	3,029	7,136	4,301
Earnings Per Share attributable to owners of the Company (sen):				
i) Basic	0.92	0.94	1.70	1.33
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 2021.

ICONIC WORLDWIDE BERHAD

[196901000067 (8386-P)]

Condensed Interim Financial Report for the 2nd financial quarter and financial period ended 30 September 2021

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	AS AT 30/09/21 (Unaudited) RM'000	AS AT 31/03/21 (Audited) RM'000
ASSETS		
Non-Current Assets		
Property, Plant and Equipment	149,178	85,584
Investment Properties	7,150	7,150
Right of Use Assets	24,232	23,388
	<u>180,560</u>	<u>116,122</u>
Current Assets		
Inventories	6,173	2,239
Development Cost	41,418	39,541
Trade & Other Receivables	18,988	6,253
Deposits, cash and bank balances	15,933	25,609
	<u>82,512</u>	<u>73,642</u>
TOTAL ASSETS	<u>263,072</u>	<u>189,764</u>
EQUITY AND LIABILITIES		
Share Capital	108,804	108,804
Retained Profits	24,348	17,212
Redeemable Convertible Preference Shares (RCPS)	14,958	14,958
Other Reserves	25,766	25,766
Equity Attributable to Equity Holders of the Company	<u>173,876</u>	<u>166,740</u>
Non-controlling Interests	(119)	(119)
Total Equity	<u>173,757</u>	<u>166,621</u>
Non-current Liabilities		
Redeemable Convertible Preference Shares (RCPS)	1,947	1,947
Borrowings	45,407	2,505
Deferred taxation	4,158	4,158
Lease Liabilities	712	112
	<u>52,224</u>	<u>8,722</u>
Current Liabilities		
Trade & Other Payables	36,020	13,289
Redeemable Convertible Preference Shares (RCPS)	571	571
Lease Liabilities	228	132
Current Tax Liabilities	14	12
Borrowings	258	417
	<u>37,091</u>	<u>14,421</u>
Total Liabilities	<u>89,315</u>	<u>23,143</u>
TOTAL EQUITY AND LIABILITIES	<u>263,072</u>	<u>189,764</u>
Net Asset Per Share (RM)	<u>0.41</u>	<u>0.40</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 2021.

ICONIC WORLDWIDE BERHAD

[196901000067 (8386-P)]

Condensed Interim Financial Report for the 2nd financial quarter and financial period ended 30 September 2021

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	Equity	Non- distributable			Distributable	Total Attributable To Owners	Non- controlling Interests	Total Equity
	Ordinary Share Capital	Equity component of RCPS	Capital Reserve	Revaluation reserves	Retained earnings			
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
<u>Cumulative Current Period (Unaudited)</u>								
At 1.4.2021	108,804	14,958	1,582	24,184	17,212	166,740	(119)	166,621
Shares issued during the year	-	-	-	-	-	0	-	0
Recognised income and expense for the year:								
Profit after taxation	-	-	-	-	7,136	7,136	-	7,136
At 30.9.2021	108,804	14,958	1,582	24,184	24,348	173,876	(119)	173,757
	Equity	Non- distributable			Distributable	Total Attributable To Owners	Non- controlling Interests	Total Equity
	Ordinary Share Capital	Equity component of RCPS	Capital Reserve	Revaluation reserves	Retained earnings			
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
<u>Cumulative Preceding Period (Unaudited)</u>								
At 1.4.2020	65,102	14,958	1,582	24,184	8,373	114,199	(117)	114,082
Shares issued during the year	-	-	-	-	-	0	-	0
Recognised income and expense for the year:								
Profit after taxation	-	-	-	-	4,301	4,301	-	4,301
At 30.9.2020	65,102	14,958	1,582	24,184	12,674	118,500	(117)	118,383

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 2021.

ICONIC WORLDWIDE BERHAD

[196901000067 (8386-P)]

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

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

	Cumulative Period	
	Period	Period
	Ended	Ended
	30/09/21	30/09/20
	Unaudited	Unaudited
	RM'000	RM'000
CASH FLOWS FROM/(FOR) OPERATING ACTIVITIES:		
Profit before taxation	7,136	4,301
Adjustments for:		
Non-cash items	571	287
Non-operating items	45	(123)
Operating profit/(loss) before changes in working capital	<u>7,752</u>	<u>4,465</u>
(Increase)/Decrease in current assets	(16,669)	633
Increase/(Decrease) in current liabilities	22,733	2,965
Cash flows (for)/from operations	13,816	8,063
Income tax refunded/(paid)	0	0
Interest received	249	227
Net cash flows (for)/from operating activities	14,065	8,290
CASH FLOWS FROM/(FOR) INVESTING ACTIVITIES:		
Property, plant and equipment	(64,313)	(3,373)
Development cost	(1,877)	(530)
Net cash flows for investing activities	(66,190)	(3,903)
CASH FLOWS FROM/(FOR) FINANCING ACTIVITIES:		
Interest paid	(294)	(104)
Net borrowings	42,743	(185)
Net cash flows (for)/from financing activities	42,449	(289)
Net increase/(decrease) in cash & cash equivalent	(9,676)	4,098
Cash & cash equivalent at beginning of the financial period	25,609	23,885
Cash & cash equivalent at end of the financial period	15,933	27,983
Cash & cash equivalent consists of:	RM'000	RM'000
Deposits, cash and bank balances	15,933	27,983
Bank overdrafts	-	-
	<u>15,933</u>	<u>27,983</u>

The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the Annual Financial Report for the financial year ended 31 March 2021.

CONDENSED INTERIM FINANCIAL REPORT FOR THE 2ND FINANCIAL QUARTER AND FINANCIAL PERIOD ENDED 30 SEPTEMBER 2021

NOTES TO THE 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 2021.

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 2021.

2. Auditors’ Report on Preceding Annual Financial Statements

The most recent annual audited financial statements for the financial year ended 31 March 2021 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. During the current financial quarter under review and the financial period to date, all active business segments of the Group were generally affected by the disruptions brought about by the prolonged Covid-19 pandemic.

4. Items or Incidence of an Unusual Nature

The Directors wish to mention that the Tourism Services segment of the Group continues to be affected by the prolonged Covid-19 pandemic. As at the date of this report, all Tourism Services related businesses of the Group remained closed with exceptions to the Hospitality Management Services. Despite adversities in the tourism segment, the prolonged pandemic has not materially 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 mainly due to the progress of the development project and the contributions from the new manufacturing segment.

Apart from the above, 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.

ICONIC WORLDWIDE BERHAD

[196901000067 (8386-P)]

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

6. Changes in Debt and Equity Securities

There were no issuance or repayments of debt or equity securities for the current financial quarter under review and financial period 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 four distinct business segments:

- Property development - Construction and sale of commercial and residential properties;
- Manufacturing - Manufacturing of Personal Protective Equipment (“PPE”), mainly disposable face masks;
- Tourism services - Hospitality management services and related 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 30.9.2021</i>	Property Development RM'000	Manufacturing RM'000	Tourism Services RM'000	Others RM'000	Group RM'000
Revenue					
Total revenue	22,539	13,832	920	300	37,591
Intersegment revenues	-	(7)	-	-	(7)
Total external revenue	22,539	13,825	920	300	37,584
Results					
Segment results	5,663	2,304	(294)	(243)	7,430
Finance costs	(6)	(208)	(80)	-	(294)
Share of profit from associate	-	-	-	-	-
Profit/(Loss) before tax	5,657	2,096	(374)	(243)	7,136
Income Tax	-	-	-	-	-
Profit/(Loss) after tax	5,657	2,096	(374)	(243)	7,136
Non-controlling interest	-	-	-	-	-
Profit/(Loss) attributable to Owners of the Company	5,657	2,096	(374)	(243)	7,136
Other information					
	Property Development RM'000	Manufacturing RM'000	Tourism Services RM'000	Others RM'000	Group RM'000
Segment assets	54,197	148,156	30,729	29,990	263,072
Segment liabilities	17,949	60,236	6,057	5,073	89,315
Capital expenditure	6	63,156	-	1,151	64,313
Depreciation	32	355	134	29	550

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

NOTES TO THE CONDENSED INTERIM FINANCIAL REPORT (Cont'd)**9. Changes in Composition of the Group**

On 13 July 2021, Sri Dondang Restaurant Sdn Bhd and Fine Pewterware (KL) Sdn Bhd, both of which are wholly-owned subsidiary companies of Sanbumi Capital Sdn Bhd, a wholly-owned subsidiary of the Company, were officially struck-off and ceased to be subsidiaries of the Company.

There were no other changes in the composition of the Group during the current financial quarter under review and the financial period to date.

10. Material Events after the Reporting Period

On 8 November 2021, the Company announced that the holder of the Redeemable Convertible Preference Shares ("RCPS") had exercised the rights to convert 57,324,840 RCPS held into ordinary shares in the Company at the issue price of RM0.314 as duly agreed. Following this conversion, the issued share capital of the Company was increased to 478,153,272 ordinary shares and the paid-up share capital was increased by RM18,000,000 to RM126,803,513.

There were no other material subsequent events as at 19 November 2021 (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.

11. Contingent Liabilities

	Period ended 30/9/21 RM'000	Period ended 30/9/20 RM'000
Unsecured corporate guarantee	<u>45,665</u>	<u>2,922</u>

The corporate guarantee is given to financial institutions for credit facilities granted to subsidiary companies.

There were no other contingent assets or liabilities as at 19 November 2021 (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.

12. Capital Commitments

The capital commitments of the Group contracted but not provided for as at the end of the reporting quarter amounted to approximately RM80 million.

NOTES TO THE CONDENSED INTERIM FINANCIAL REPORT (Cont'd)
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
	30/9/21	30/9/20	Inc/(Dec)	30/9/21	30/9/20	Inc/(Dec)
	RM'000	RM'000	%	RM'000	RM'000	%
Revenue	19,061	11,664	62.72	37,584	16,462	128.31
Operating Profit	5,667	3,887	45.79	10,985	6,182	77.69
Profit Before Interest and Tax (PBIT)	4,107	3,079	33.39	7,430	4,405	68.67
Profit Before Tax (PBT)	3,869	3,029	27.73	7,136	4,301	65.91
Profit After Tax (PAT)	3,869	3,029	27.73	7,136	4,301	65.91
Profit Attributable to Owners of the Company	3,869	3,029	27.73	7,136	4,301	65.91

- The Group's revenue for the current financial quarter and cumulative financial period increased by 62.72% and 128.31% respectively as compared to the preceding year corresponding financial periods. The recognition of progressive revenue derived from the Property Development segment in line with the progress of the development project coupled with the higher revenue contribution derived from the Manufacturing segment mainly attributed to the favourable increase in revenue for the current financial quarter and cumulative financial periods.

	Property		Manufacturing		Tourism		Others		Total	
	30/9/21	30/9/20	30/9/21	30/9/20	30/9/21	30/9/20	30/9/21	30/6/20	30/6/21	30/6/20
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Q1	11,962	4,220	5,947	-	464	447	150	131	18,523	4,798
Q2	10,577	9,843	7,878	1,175	456	484	150	162	19,061	11,664
PTD	22,539	14,063	13,825	1,175	920	931	300	293	37,584	16,462

Analysis of revenue by segment

- The Group's operating profit for the current financial quarter and cumulative financial period registered a healthy increased by 45.79% and 77.69% respectively as compared to the preceding year corresponding financial periods. The higher revenue and contribution margins from the Property Development and Manufacturing segments mainly attributed to the improvements for the current and cumulative financial periods.
- The effects of the higher revenue and contribution margins derived during the current financial quarter and cumulative financial periods mainly attributed to the higher PBIT, PBT, PAT and profit attributable to owners as compared to the preceding year corresponding financial periods.

NOTES TO THE CONDENSED INTERIM FINANCIAL REPORT (Cont'd)**13.2 Comparison with Immediate Preceding Quarter Results**

	Current Quarter Ended 30/9/21	Preceding Quarter Ended 30/6/21	Changes Inc/(Dec)
	RM'000	RM'000	%
Revenue	19,061	18,523	2.90
Operating Profit	5,667	5,318	6.56
Profit Before Interest and Tax [PBIT]	4,107	3,323	23.59
Profit Before Tax [PBT]	3,869	3,267	18.43
Profit After Tax [PAT]	3,869	3,267	18.43
Profit Attributable to Owners of the Company	3,869	3,267	18.43

- The Group's revenue for the current financial quarter registered a marginal increase of 2.90% as compared to the immediate preceding financial quarter. Though the manufacturing segment registered an increase of 32.47% in revenue as compared to the immediate preceding financial quarter the 11.58% drop in revenue from the property development segment for the same period mainly attributed to the small increase collectively.
- The higher contribution margins as a result of the change in sales mix and improved efficiency from the manufacturing segment mainly contributed to the increase in the operating profit, PBIT, PBT, PAT as well as the profit attributable to owners of the company for the current financial quarter as compared to the immediate preceding quarter.

13.3 Prospects for the Current Financial Year

The property development business segment is expected to continue and remain as the major contributor towards the revenue and financial performance of the Group for remaining quarters of the current financial year. The Group expects that the contribution from manufacturing segment will continue to improve in line with the expansion of the PPE operations. Based on the current progress, the manufacturing and distribution of disposable gloves is expected to be able to contribute to the revenue and financial performance of the Group towards the last quarter of the current financial year.

As for the tourism segment, given the current extreme uncertainties caused by the prolonged Covid-19 pandemic, the Group is currently reviewing the future prospects of this segment based on the underlying risks and will put into action a decisive plan on its future direction.

Barring any unforeseen circumstances, the Group is confident that it will be able to register continued improvements in its financial performance for the current financial year.

NOTES TO THE CONDENSED INTERIM FINANCIAL REPORT (Cont'd)**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 10 November 2021, the Company announced that it proposes to undertake a private placement of up to 95,630,650 new ordinary shares at an issue price to be determined and fixed at a later date.

There are no other corporate proposals announced but not completed as at 19 November 2021 (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 Material Litigations

There are no pending material litigations involving the Group as at 19 November 2021 (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.

13.7 Taxation

There is no tax charge for the current financial quarter under review and financial period to date principally due to the availability of sufficient unabsorbed losses that are available to set-off potential taxable income of the Group.

13.8 Group Borrowings

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

	As at 30/9/21 RM'000	As at 30/9/20 RM'000
Non-current:		
Term Loan	<u>45,407</u>	<u>2,731</u>
Current:		
Term Loan	<u>258</u>	<u>385</u>

During the current financial quarter, the Group was granted general banking facilities amounting up to RM130,260,000.00 comprising of term loans, overdraft and multi-trade financing to be secured by a fixed charge over the property, a debenture over the glove manufacturing equipment and guarantees from a Director and the Company respectively. The facilities are to part finance the acquisition and construction of the manufacturing facility and related machineries. All borrowings are denominated in Ringgit Malaysia.

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

ICONIC WORLDWIDE BERHAD

[196901000067 (8386-P)]

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

13.9 Proposed Dividends

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

13.10 Earnings Per Share

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

	INDIVIDUAL PERIOD		CUMULATIVE PERIOD	
	Quarter Ended	Quarter Ended	Period Ended	Period Ended
	30/9/21	30/9/20	30/9/21	30/9/20
Profit after taxation attributable to owners of the Company (RM'000)	3,869	3,029	7,136	4,301
Number of Shares in issue ('000)	420,828	323,714	420,828	323,714
Basic Earnings per share (sen)	0.92	0.94	1.70	1.33

13.11 Recurrent Related Party Transactions of a revenue or trading nature

The Shareholders' Mandate for the Group to enter into recurrent related party transactions ("RRPT") of a revenue or trading nature was obtained at the Annual General Meeting held on 28 September 2020. Details of such transactions from the date of the mandate on 28 September 2020 up to 27 September 2021 (being the date of expiry of the mandate) are as follows:

Transacting Company	Related Party	Nature of transaction	Mandate RM'000	Actual RM'000
Iconic Maison Sdn Bhd ("IMSB")	Iconic Construction Sdn Bhd ("ICON")	Provision of services as Main Contractor by ICON to IMSB for the construction and completion of the commercial development project to be known as "Iconic Point".	50,000	24,450
Iconic Hotel Management Sdn Bhd ("IHMSB")	Lucky 888 Sdn Bhd ("Lucky 888")	Provision of hospitality management and operation services by IHMSB to Lucky 888	4,000	1,872
IMSB	Lucky 888	Rental office space payable to Lucky 888 by IMSB.	120	120

On 28 September 2022, for Company obtained approval for the renewal of the Shareholders' Mandate for the existing RRPT as well as additional RRPT of a revenue or trading nature. The mandate shall be applicable for the period from 29 September 2021 up to the date of the forthcoming AGM.

ICONIC WORLDWIDE BERHAD

[196901000067 (8386-P)]

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

All the above transactions were within the approved mandate. The said Mandate is subject to renewal at the next Annual General Meeting to be held in September 2022.

13.12 Profit Before Tax

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

	INDIVIDUAL QUARTER		CUMULATIVE PERIOD	
	Current Quarter Ended 30/9/21 (Unaudited) RM'000	Comparative Quarter Ended 30/9/20 (Unaudited) RM'000	Current Year Ended 30/9/21 (Unaudited) RM'000	Comparative Year Ended 30/9/20 (Unaudited) RM'000
Interest income	(152)	(65)	(249)	(227)
Other income including investment income	-	-	-	-
Net (gain)/loss on foreign exchange	(30)	-	(35)	-
Interest expense	238	50	294	104
Depreciation	288	115	549	224
Impairment losses on receivables	-	-	-	-
Impairment or write off of inventories	-	-	-	-
(Gain)/loss on disposal of quoted or unquoted investments or properties	-	-	-	-
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
Ms. Lim Choo Tan / Ms. Chew Siew Cheng
Company Secretaries

Date: 26 November 2021