



ICONIC WORLDWIDE BERHAD

[196901000067 (8386-P)]

CONDENSED INTERIM FINANCIAL REPORT

FOR THE

**1st FINANCIAL QUARTER
&
FINANCIAL PERIOD ENDED**

30 JUNE 2021

[UNAUDITED]

STRICTLY PRIVATE & CONFIDENTIAL
[FOR MANAGEMENT PURPOSES ONLY]

ICONIC WORLDWIDE BERHAD

[196901000067 (8386-P)]

Condensed Interim Financial Report for the 1st financial quarter and financial period ended 30 June 2021

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	INDIVIDUAL QUARTER		CUMULATIVE PERIOD	
	Current Quarter Ended 30/06/21 (Unaudited) RM'000	Comparative Quarter Ended 30/06/20 (Unaudited) RM'000	Current Period Ended 30/06/21 (Unaudited) RM'000	Comparative Period Ended 30/06/20 (Unaudited) RM'000
Revenue	18,523	4,798	18,523	4,798
Cost of Sales	(13,205)	(2,503)	(13,205)	(2,503)
Gross Profit	5,318	2,295	5,318	2,295
Other Income	103	162	103	162
Operating Expenses	(2,098)	(1,131)	(2,098)	(1,131)
Finance Costs	(56)	(54)	(56)	(54)
Profit Before Tax	3,267	1,272	3,267	1,272
Tax Expense	-	-	-	-
Profit After Tax	3,267	1,272	3,267	1,272
Other Comprehensive Income/(Expenses)	-	-	-	-
Total Comprehensive Income	3,267	1,272	3,267	1,272
Profit After Tax attributable to:				
Owners of the Company	3,267	1,272	3,267	1,272
Non-controlling Interest	-	-	-	-
	3,267	1,272	3,267	1,272
Total Comprehensive Income attributable to:				
Owners of the Company	3,267	1,272	3,267	1,272
Non-controlling Interest	-	-	-	-
	3,267	1,272	3,267	1,272
Earnings Per Share attributable to owners of the Company (sen):				
i) Basic	0.78	0.39	0.78	0.39
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 1st financial quarter and financial period ended 30 June 2021

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	AS AT 30/06/21 (Unaudited) RM'000	AS AT 31/03/21 (Audited) RM'000
ASSETS		
Non-Current Assets		
Property, Plant and Equipment	118,656	85,584
Investment Properties	7,150	7,150
Right of Use Assets	23,354	23,388
	<u>149,160</u>	<u>116,122</u>
Current Assets		
Inventories	4,079	2,239
Development Cost	40,808	39,541
Trade & Other Receivables	13,080	6,253
Deposits, cash and bank balances	6,597	25,609
	<u>64,564</u>	<u>73,642</u>
TOTAL ASSETS	<u>213,724</u>	<u>189,764</u>
EQUITY AND LIABILITIES		
Share Capital	108,804	108,804
Retained Profits	20,479	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>170,007</u>	<u>166,740</u>
Non-controlling Interests	(119)	(119)
Total Equity	<u>169,888</u>	<u>166,621</u>
Non-current Liabilities		
Redeemable Convertible Preference Shares (RCPS)	1,947	1,947
Borrowings	2,404	2,505
Deferred taxation	4,158	4,158
Lease Liabilities	112	112
	<u>8,621</u>	<u>8,722</u>
Current Liabilities		
Trade & Other Payables	34,115	13,289
Redeemable Convertible Preference Shares (RCPS)	571	571
Lease Liabilities	100	132
Current Tax Liabilities	12	12
Borrowings	417	417
	<u>35,215</u>	<u>14,421</u>
Total Liabilities	<u>43,836</u>	<u>23,143</u>
TOTAL EQUITY AND LIABILITIES	<u>213,724</u>	<u>189,764</u>
Net Asset Per Share (RM)	<u>0.40</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.

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Condensed Interim Financial Report for the 1st financial quarter and financial period ended 30 June 2021

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	Equity	Non- distributable			Distributable	Total Attributable To Owners	Non- controlling Interests	Total Equity
	Ordinary Share Capital RM'000	Equity component of RCPS RM'000	Capital Reserve RM'000	Revaluation reserves RM'000	Retained earnings 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	-	-	-	-	3,267	3,267	-	3,267
At 30.6.2021	108,804	14,958	1,582	24,184	20,479	170,007	(119)	169,888
	Equity	Non- distributable			Distributable	Total Attributable To Owners	Non- controlling Interests	Total Equity
	Ordinary Share Capital RM'000	Equity component of RCPS RM'000	Capital Reserve RM'000	Revaluation reserves RM'000	Retained earnings 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	-	-	-	-	1,272	1,272	-	1,272
At 30.6.2020	65,102	14,958	1,582	24,184	9,645	115,471	(117)	115,354

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.

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Condensed Interim Financial Report for the 1st financial quarter and financial period ended 30 June 2021

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

	Cumulative Period	
	Period	Period
	Ended	Ended
	30/06/21	30/06/20
	Unaudited	Unaudited
	RM'000	RM'000
CASH FLOWS FROM/(FOR) OPERATING ACTIVITIES:		
Profit before taxation	3,267	1,272
Adjustments for:		
Non-cash items	295	143
Non-operating items	(41)	(108)
Operating profit/(loss) before changes in working capital	<u>3,521</u>	<u>1,307</u>
(Increase)/Decrease in current assets	(8,667)	2,212
Increase/(Decrease) in current liabilities	20,794	254
Cash flows (for)/from operations	<u>15,648</u>	<u>3,773</u>
Income tax refunded/(paid)	0	0
Interest received	97	162
Net cash flows (for)/from operating activities	<u>15,745</u>	<u>3,935</u>
CASH FLOWS FROM/(FOR) INVESTING ACTIVITIES:		
Property, plant and equipment	(33,333)	(542)
Development cost	(1,267)	(384)
Net cash flows for investing activities	<u>(34,600)</u>	<u>(926)</u>
CASH FLOWS FROM/(FOR) FINANCING ACTIVITIES:		
Interest paid	(56)	(54)
Net borrowings	(101)	(90)
Net cash flows from financing activities	<u>(157)</u>	<u>(144)</u>
Net increase/(decrease) in cash & cash equivalent	(19,012)	2,865
Cash & cash equivalent at beginning of the financial period	25,609	23,885
Cash & cash equivalent at end of the financial period	<u>6,597</u>	<u>26,750</u>
Cash & cash equivalent consists of:	RM'000	RM'000
Deposits, cash and bank balances	6,597	26,750
Bank overdrafts	-	-
	<u>6,597</u>	<u>26,750</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.

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CONDENSED INTERIM FINANCIAL REPORT FOR THE 1st FINANCIAL QUARTER AND FINANCIAL PERIOD ENDED 30 JUNE 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 severely affected by the prolonged travel restrictions as a result of the various stages of the Movement Control Order (MCO) imposed by the government to curb the widespread of the deadly Covid-19 pandemic. At the date of this report, all Tourism Services related businesses of the Group remained closed with exceptions to the Hospitality Management Services. Despite the adversities to the tourism segment, the MCO 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.

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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, 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 30.6.2021</i>	Property Development RM'000	Manufacturing RM'000	Tourism Services RM'000	Others RM'000	Group RM'000
Revenue					
Total revenue	11,962	6,035	464	150	18,611
Intersegment revenues	-	(88)	-	-	(88)
Total external revenue	11,962	5,947	464	150	18,523
Results					
Segment results	2,735	863	(222)	(53)	3,323
Finance costs	(3)	(12)	(41)	-	(56)
Share of profit from associate	-	-	-	-	-
Profit/(Loss) before tax	2,732	851	(263)	(53)	3,267
Income Tax	-	-	-	-	-
Profit/(Loss) after tax	2,732	851	(263)	(53)	3,267
Non-controlling interest	-	-	-	-	-
Profit/(Loss) attributable to Owners of the Company	2,732	851	(263)	(53)	3,267
Other information					
	Property Development RM'000	Manufacturing RM'000	Tourism Services RM'000	Others RM'000	Group RM'000
Segment assets	51,467	102,744	29,836	29,677	213,724
Segment liabilities	13,647	19,077	6,119	4,993	43,836
Capital expenditure	1	33,332	-	-	33,333
Depreciation	16	164	67	14	261

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**

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

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 struck-off and reported in the government official gazette as officially ceased.

10. Material Events after the Reporting Period

There were no material subsequent events as at 17 August 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 Assets or Liabilities

	Period ended 30/6/21 RM'000	Period ended 30/6/20 RM'000
Unsecured corporate guarantee	<u>2,852</u>	<u>3,247</u>

The corporate guarantee is given to a financial institution for credit facilities granted to a subsidiary company.

On 11 June 2021, the Company has given a corporate guarantee to a financial institution for credit facilities amounting to RM 130,260,000.00 to be granted to a subsidiary company.

There were no other contingent assets or liabilities as at 17 August 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 RM96 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
	30/6/21	30/6/20	Inc/(Dec)	30/6/21	30/6/20	Inc/(Dec)
	RM'000	RM'000	%	RM'000	RM'000	%
Revenue	18,523	4,798	286.01	18,523	4,798	286.01
Operating Profit	5,318	2,295	131.72	5,318	2,295	131.72
Profit Before Interest and Tax (PBIT)	3,323	1,326	150.60	3,323	1,326	150.60
Profit Before Tax (PBT)	3,267	1,272	156.84	3,267	1,272	156.84
Profit After Tax (PAT)	3,267	1,272	156.84	3,267	1,272	156.84
Profit Attributable to Owners of the Company	3,267	1,272	156.84	3,267	1,272	156.84

- The Group's revenue for the current financial quarter and cumulative financial period increased by 286.01% as compared to the preceding year corresponding financial period. The recognition of the higher quantum of progressive revenue by the Property Development segment in line with the progress of the development project coupled with the revenue contribution from the face mask manufacturing business which commenced only in Q2 of FY 2020 mainly attributed to the significant increase in revenue for the current financial quarter and cumulative financial period. The contributions from the Group's Tourism and Others segments record a small increase in contributions by 6.75% as compared to the preceding year corresponding financial period.

	Property		Manufacturing		Tourism		Others		Total	
	30/6/21	30/6/20	30/6/21	30/6/20	30/6/21	30/6/20	30/6/21	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
PTD	11,962	4,220	5,947	-	464	447	150	131	18,523	4,798

Analysis of revenue by segment

- The Group's operating profit for the current financial quarter and cumulative financial period increased by 131.72% as compared to the preceding year corresponding financial period. The higher revenue and contribution margins from the Property Development and Manufacturing segments mainly attributed to the significant improvements for the current and cumulative financial periods.
- The impact of the higher revenue and contribution margins derived during the current financial quarter and cumulative financial period attributed to the higher PBIT, PBT, PAT and profit attributable to owners as compared to the preceding year corresponding financial period.

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

	Current Quarter Ended 30/6/21	Preceding Quarter Ended 31/3/21	Changes Inc/(Dec)
	RM'000	RM'000	%
Revenue	18,523	15,828	17.03
Operating Profit	5,318	3,702	43.65
Profit Before Interest and Tax [PBIT]	3,323	1,117	197.49
Profit Before Tax [PBT]	3,267	935	249.41
Profit After Tax [PAT]	3,267	935	249.41
Profit Attributable to Owners of the Company	3,267	936	249.04

- The Group's revenue for the current financial quarter registered an increase by 17.03% as compared to immediate preceding financial quarter mainly due to the higher revenue derived from the manufacturing segment.
- The higher revenue coupled with the better contribution margins as a result improved production 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 remain as the major contributor towards the revenue and financial performance of the Group for at least the next three financial quarters of the current financial year. The Group expects that the contribution from manufacturing segment will gradually improve in line with the expansion of the disposable face mask operations. As for the manufacturing and distribution of disposable gloves, the Group anticipates that it will be able to contribute to the revenue and financial performance of the Group commencing in 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 will critically review the prospects of this segment based on the underlying risks and 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.

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.

NOTES TO THE CONDENSED INTERIM FINANCIAL REPORT (Cont'd)**13.5 Corporate Proposals**

There are no corporate proposals announced but not completed as at 17 August 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 Utilisation of Proceeds Raised from Corporate Proposal

On 12 September 2019, the Company completed the 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 which are to be allocated and utilised in accordance with the approved utilisation plan that will lapse on 11 September 2021. As at the date of this report the entire proceeds have been fully utilised for the intended purposes as follows:

Purpose	Utilisation		Intended Timeframe for Utilisation	Deviation	
	Proposed RM'000	Actual RM'000		RM'000	%
Expenses in relation to Corporate Proposals	1,000	1,000	Within 1 month	-	-
To fund the development project known as 'Iconic Point'	18,423	18,423	Within 24 months	-	-
	<u>19,423</u>	<u>19,423</u>			

13.7 Material Litigations

There are no pending material litigations involving the Group as at 17 August 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.

13.8 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.

13.9 Group Borrowings

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

	As at 30/6/21 RM'000	As at 30/6/20 RM'000
Non-current:		
Term Loan	<u>2,404</u>	<u>2,826</u>
Current:		
Term Loan	<u>417</u>	<u>385</u>

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

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

13.10 Proposed Dividends

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

13.11 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.

	<u>INDIVIDUAL PERIOD</u>		<u>CUMULATIVE PERIOD</u>	
	Quarter Ended	Quarter Ended	Period Ended	Period Ended
	30/6/21	30/6/20	30/6/21	30/6/20
Profit after taxation attributable to owners of the Company (RM'000)	3,267	1,272	3,267	1,272
Number of Shares in issue ('000)	420,828	323,714	420,828	323,714
Basic Earnings per share (sen)	0.78	0.39	0.78	0.39

13.12 Recurrent Related Party Transactions of a revenue or trading nature

The Shareholders' Mandate for the Group to enter into recurrent related party transactions 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 17 August 2021 (being the latest practicable date which is no earlier than 7 days from the date of issue of this quarterly report) 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	21,750
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	1,607
IMSB	Lucky 888	Rental office space payable to Lucky 888 by IMSB.	120	100

All the above transactions were within the approved mandate. The said Mandate is subject to renewal at the Annual General Meeting on 28 September 2021.

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

13.13 Profit Before Tax

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

	INDIVIDUAL QUARTER		CUMULATIVE PERIOD	
	Current Quarter Ended 30/6/21 (Unaudited) RM'000	Comparative Quarter Ended 30/6/20 (Unaudited) RM'000	Current Year Ended 30/6/21 (Unaudited) RM'000	Comparative Year Ended 30/6/20 (Unaudited) RM'000
Interest income	(97)	(162)	(97)	(162)
Other income including investment income	-	-	-	-
Net (gain)/loss on foreign exchange	(5)	-	(5)	-
Interest expense	56	54	56	54
Depreciation	261	109	261	109
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: 24 August 2021