

## Iconic Worldwide Berhad

**54<sup>th</sup> Annual General Meeting held at the Function Room Iconic 5, Level 7, Iconic Hotel at 71 Jalan Icon City, Bukit Tengah, 14000 Bukit Mertajam, Penang on Wednesday, 20 September 2023 at 10.30 a.m.**

**QUESTIONS RAISED BY SHAHOLDERS DURING THE MEETING  
AND THE COMPANY'S RESPONSE**

No	Questions	Company's Response
1.	The Company had a low revenue in PPE segment. What is the future plan of the Company to increase its revenue?	<p>FY2023 saw the lowest point for gloves business and market. The market is expected to improve in FY2024. The Company also foresees that the demand for gloves would improve in the next six months based on the orders in hand and forecasts.</p> <p>The PPE revenue is expected to improve with the anticipated increase in demand for gloves.</p>
2.	Does the Company have any plan to acquire new business segment such as F&B?	The Company will be focusing on the property development project in Alma and is targeting to launch it by end of this year. Nonetheless the Company is open to exploring new business opportunities but as of now, the Company has no plan to venture into new business segments.
3.	The Company plans on focusing on a customised and environmentally friendly PPE products. Please elaborate on the technology used and specification to make it more environmentally friendly as well as its price.	<p>The production of gloves, moving forward will be done based on "Make to Order" strategy and shall be subject to customers' specification and demand. IMED is now producing AQL 2.2 gram gloves which is the thinnest in the market instead of the traditional AQL 3.5 gram gloves.</p> <p>The US companies generally emphasize on environmental issues. This is good news to us as the Group is also moving towards embracing ESG whereby moving forward we intend to produce more thinner gloves that could help reduce carbon emissions and resource wastage. In terms of gloves packaging, we have also increased the packaging to 300 pieces per box from 100 pieces per box, thereby, reducing the materials used and wastage.</p> <p>The thinner gloves with lesser weight have also helped the Company save on its shipment cost, thus help reduce shipping emissions.</p>

## APPENDIX B

No	Questions	Company's Response
4.	Please provide utilisation rate of the production.	As of now, the utilisation rate of gloves is around 30-40%. The Company plans to increase its utilisation rate to 50-60% by year end.
5.	On the material litigation, Iconic Medicare Sdn Bhd ("IMED") had paid 60% to Latex Form Sdn Bhd ("LFSB"). However, the delivery for its first line was only made a year later. What is the cause of the delay?	<p>As per contract, the delivery should have been made in October, November and December 2021. However, it was only delivered to IMED in October 2022.</p> <p>The delay of delivery from LFSB was claimed to be due to the Movement Control Orders ("MCO"). In addition to this, LFSB had also paid Liquidated and Ascertained Damages ("LAD") of RM2.4 million to IMED for the additional delays.</p> <p>This is an ongoing case and the Company has plans to file a counterclaim against LFSB for the delay and failure to comply with the mutually agreed terms/extended terms of the order. The Company will make further announcements on this matter in due course.</p>
6.	What lessons did the Board gain from this legal cases, in term of procurement of suppliers to assess their quality and services?	The Company is improving on its suppliers evaluation process and where necessary perform complete due diligence on its suppliers before the Company procure their services to avoid such issue from recurring.
7.	Will the compensation received from LFSB sufficient to cover the delay in production and loss in revenue of the Company?	<p>As mentioned in our announcement 2 out of the 6 lines procured was completed and accepted with conditions. Our solicitors are currently assessing our claims on the potential revenue and loss of profits, claims arising from and due to the delay in handover as well as other damages.</p> <p>The Company will make further announcements in due course.</p>