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Inspire with excellence

Emerging from the incandescent filament of a light bulb – where heat and light energy are created – are splashes of colourful paint. The brilliant ripples bursting forth signifies the strength of organisational creativity and innovation, which help expand horizons through diversity. Just as the colourful spectrum expands lengthwise, doves of multiple hues take flight and soar upwards.

The light bulb analogy evokes the unlocking of opportunity where tenacity and diligence will harness the ability to reach further. This inspires Iconic to be committed to reach out and achieve greater heights. Ironically, with the strong leadership and a diverse team with unique capabilities, Iconic will forge towards reaching further and achieving its vision in an ever changing and challenging world. Inspire with excellence.

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the Fifty-First Annual General Meeting of Iconic Worldwide Berhad will be held at the Function Room, Level 7, Iconic Hotel at 71, Jalan Icon City, Bukit Tengah, 14000 Bukit Mertajam, Penang on Monday, 28 September 2020 at 10.30 a.m. for the following purposes:-

AGENDA

1. To receive the Audited Financial Statements for the financial year ended 31 March 2020 together with the Directors' and Auditors' Reports thereon. **Please refer to Note A**

AS ORDINARY BUSINESS

2. To re-elect the following Directors retiring under Clause 76(3) of the Constitution of the Company, and who, being eligible, have offered themselves for re-election:-
 - (i) Dato' Ir Zainurin bin Karman **Ordinary Resolution 1**
 - (ii) Mr Tan Cho Chia **Ordinary Resolution 2**
3. To re-elect the following Directors retiring under Clause 78 of the Constitution of the Company, and who, being eligible, have offered themselves for re-election:-
 - (i) Ms Tan Seok Ying **Ordinary Resolution 3**
 - (ii) Ms Ong Lay See **Ordinary Resolution 4**
 - (iii) Mr Jason Chung Wei Chiun **Ordinary Resolution 5**
4. To re-appoint BDO PLT as Auditors of the Company and to authorise the Directors to determine their remuneration. **Ordinary Resolution 6**
5. To approve the payment of Directors' fees of RM228,000 for the financial year ended 31 March 2020. **Ordinary Resolution 7**
6. To approve the payment of Directors' benefits of up to RM25,000 in accordance with Section 230(1) of the Companies Act 2016 from 28 September 2020 until the next Annual General Meeting of the Company. **Ordinary Resolution 8**

AS SPECIAL BUSINESS

To consider and if thought fit, to pass with or without modifications the following resolutions:-

Ordinary Resolutions

7. **Authority to continue in office as Independent Non-Executive Directors**

"THAT subject to the passing of Ordinary Resolution 1, authority be and is hereby given to Dato' Ir Zainurin bin Karman who has served as an Independent Non-Executive Director of the Company for a cumulative term of more than nine years to continue to act as an Independent Non-Executive Director of the Company until the conclusion of the next Annual General Meeting." **Ordinary Resolution 9**

"THAT authority be and is hereby given to Mr Lim Thian Loong who has served as an Independent Non-Executive Director of the Company for a cumulative term of more than nine years to continue to act as an Independent Non-Executive Director of the Company until the conclusion of the next Annual General Meeting." **Ordinary Resolution 10**

NOTICE OF ANNUAL GENERAL MEETING (CONT'D)

8. Authority to Issue Shares

"THAT pursuant to Sections 75 and 76 of the Companies Act 2016 and the Constitution of the Company and subject to approvals from Bursa Malaysia Securities Berhad ("Bursa Securities") and other relevant governmental/regulatory authorities where such authority shall be necessary, the Board of Directors be and is hereby authorised to issue and allot shares in the Company from time to time until the conclusion of the next Annual General Meeting and upon such terms and conditions and for such purposes as the Board of Directors may, in their absolute discretion, deem fit provided that the aggregate number of shares to be issued shall not exceed twenty per centum (20%) of the total number of issued shares (excluding treasury shares) of the Company for the time being, and that the Board of Directors be and is also empowered to obtain the approval for the listing of and quotation for the additional shares so issued on Bursa Securities."

Ordinary Resolution 11

9. Proposed Renewal of Share Buy-Back Authority

"THAT subject to the provisions under the Companies Act 2016 ("the Act"), the Constitution of the Company, Bursa Malaysia Securities Berhad ("Bursa Securities") Main Market Listing Requirements and the approvals of all relevant authorities (if any), the Company be and is hereby authorised to purchase such number of ordinary shares in the Company ("ICONIC") as may be determined by the Directors of the Company from time to time through Bursa Securities upon such terms and conditions as the Directors may deem fit and expedient in the interest of the Company provided that the aggregate number of shares purchased pursuant to this resolution shall not exceed ten per centum (10%) of the total number of issued shares of the Company as at the point of purchase ("Proposed Renewal of Share Buy-Back Authority").

Ordinary Resolution 12

THAT the maximum amount of funds to be utilised for the purpose of the Proposed Renewal of Share Buy-Back Authority shall not exceed the Company's retained profits.

THAT authority be and is hereby given to the Directors of the Company to decide at their discretion as may be permitted and prescribed by the Act and/or any prevailing laws, rules, regulations, orders, guidelines and requirements issued by the relevant authorities for the time being in force to deal with any ICONIC Shares so purchased by the Company in the following manner:-

- (i) the ICONIC Shares so purchased could be cancelled; or
- (ii) the ICONIC Shares so purchased could be retained as treasury shares for distribution as share dividends to the shareholders of the Company and/or resold through Bursa Securities in accordance with the relevant rules of Bursa Securities and/or be cancelled subsequently; or
- (iii) combination of (i) and (ii) above; or
- (iv) in accordance with the relevant prevailing statutory provisions and guidelines.

THAT the authority conferred by this resolution will be effective immediately from the passing of this ordinary resolution until:-

- (i) the conclusion of the next annual general meeting of the Company following the general meeting at which such resolution was passed, at which time the authority would lapse unless renewed by ordinary resolution, either unconditionally or conditionally; or
- (ii) the passing of the date on which the next annual general meeting of the Company is required by law to be held; or
- (iii) the authority is revoked or varied by resolution of the shareholders of the Company in a general meeting;

whichever occurs first.

NOTICE OF ANNUAL GENERAL MEETING (CONT'D)

And THAT the Directors of the Company be and are authorised to take such steps to give full effect to the Proposed Renewal of Share Buy-Back Authority with full power to assent to any conditions, modifications, variations and/or amendments as may be imposed by the relevant authorities and/or to do all such acts and things as the Directors may deem fit and expedient in the best interest of the Company."

10. **Proposed Renewal of Shareholders' Mandate for Recurrent Related Party Transactions of a Revenue or Trading Nature**

"THAT subject always to the provisions of the Companies Act 2016 ("the Act"), the Company's Constitution, Bursa Malaysia Securities Berhad Main Market Listing Requirements or other regulatory authorities, approval be and is hereby given to the Company and/or its subsidiaries to enter into recurrent related party transactions with the related parties as set out in Appendix I of the Circular to Shareholders dated 28 August 2020 ("the Circular"), which are necessary for the day to day operations and are carried out in the ordinary course of business and are on normal commercial terms which are not more favourable to the related parties than those generally available to the public and not detrimental to the minority shareholders as set out in the Circular ("Mandate").

Ordinary Resolution 13

THAT the Directors be empowered to do all such acts and things be considered necessary or expedient to give full effect to the Mandate with full powers to assent to any conditions, modifications, revaluations, variations and/or amendments as may be imposed by the relevant authorities.

THAT such Mandate shall commence upon passing this ordinary resolution and to be in force until:-

- (a) the conclusion of the next Annual General Meeting ("AGM") of the Company at which time the authority shall lapse unless the authority is renewed by a resolution passed at the meeting; or
- (b) the expiration of the period within which the next AGM after that date it is required to be held pursuant to Section 340(2) of the Act (but shall not extend to such extension as may be allowed pursuant to Section 340(4) of the Act); or
- (c) revoked or varied by ordinary resolution of the shareholders of the Company at a general meeting;

whichever is earlier.

And THAT the Directors of the Company be and are hereby authorised to complete and to do all such acts and things (including executing all such documents as may be required) as they may consider expedient or necessary to give effect to the transactions contemplated and/or authorised by this ordinary resolution."

11. To transact any other business of the Company of which due notice shall have been received.

By Order of the Board

LIM CHOO TAN (LS 0008888) (PC No. 202008000713)
CHEW SIEW CHENG (MAICSA 7019191) (PC No. 202008001179)
Company Secretaries

Penang

Date: 28 August 2020

NOTICE OF ANNUAL GENERAL MEETING (CONT'D)

Note A

This Agenda Item is meant for discussion only as the provision of Section 248(2) and Section 340 of the Companies Act 2016 do not require a formal approval of the shareholders and hence is not put forward for voting.

NOTES:

1. For the purpose of determining who shall be entitled to attend this General Meeting, the Company shall be requesting Bursa Malaysia Depository Sdn Bhd to make available to the Company, a Record of Depositors as at 18 September 2020. Only a member whose name appears on this Record of Depositors shall be entitled to attend this General Meeting or appoint a proxy to attend, speak and vote on his/her/its behalf.
2. A member entitled to attend and vote at this General Meeting is entitled to appoint a proxy or attorney or in the case of a corporation, to appoint a duly authorised representative to attend, participate, speak and vote in his place. A proxy may but need not be a member of the Company.
3. A member of the Company who is entitled to attend and vote at a General Meeting of the Company may appoint not more than two (2) proxies to attend, participate, speak and vote instead of the member at the General Meeting.
4. If two (2) proxies are appointed, the entitlement of those proxies to vote on a show of hands shall be in accordance with the listing requirements of the stock exchange.
5. Where a member of the Company is an authorised nominee as defined in the Central Depositories Act, it may appoint not more than two (2) proxies in respect of each securities account it holds in ordinary shares of the Company standing to the credit of the said securities account.
6. Where a member of the Company is an exempt authorised nominee which holds ordinary shares in the Company for multiple beneficial owners in one securities account ("omnibus account"), there is no limit to the number of proxies which the exempt authorised nominee may appoint in respect of each omnibus account it holds. An exempt authorised nominee refers to an authorised nominee defined under the Securities Industry (Central Depositories) Act 1991 ("Central Depositories Act") which is exempted from compliance with the provisions of Section 25A(1) of the Central Depositories Act.
7. Where a member appoints more than one (1) proxy, the proportion of shareholdings to be represented by each proxy must be specified in the instrument appointing the proxies.
8. The appointment of a proxy may be made in a hard copy form or by electronic means in the following manner and must be received by the Company not less than forty-eight (48) hours before the time appointed for holding the General Meeting or adjourned General Meeting at which the person named in the appointment proposes to vote:
 - (i) In hard copy form
In the case of an appointment made in hard copy form, this proxy form must be deposited at the registered office of the Company situated at No. 1-2, Jalan Icon City, Icon City, 14000 Bukit Mertajam, Penang.
 - (ii) By electronic means
The proxy form can be electronically lodged with the Share Registrar of the Company via TIH Online at <https://tjih.online> (applicable to individual shareholders only). Please refer to the Annexure to the proxy form on the procedures for electronic lodgement of proxy form via TIH Online.
9. Any authority pursuant to which such an appointment is made by a power of attorney must be deposited at the registered office of the Company situated at No. 1-2, Jalan Icon City, Icon City, 14000 Bukit Mertajam, Penang not less than forty-eight (48) hours before the time appointed for holding the General Meeting or adjourned General Meeting at which the person named in the appointment proposes to vote. A copy of the power of attorney may be accepted provided that it is certified notarially and/or in accordance with the applicable legal requirements in the relevant jurisdiction in which it is executed.
10. Please ensure ALL the particulars as required in this proxy form are completed, signed and dated accordingly.
11. Last date and time for lodging this proxy form is 10.30 a.m. on 26 September 2020 (Saturday).

NOTICE OF ANNUAL GENERAL MEETING (CONT'D)

NOTES: (CONT'D)

12. Please bring an **ORIGINAL** of the following identification papers (where applicable) and present it to the registration staff for verification:
 - a. Identity card (NRIC) (Malaysian), or
 - b. Police report (for loss of NRIC) / Temporary NRIC (Malaysian), or
 - c. Passport (Foreigner).
13. For a corporate member who has appointed a representative instead of a proxy to attend this meeting, please bring the **ORIGINAL** certificate of appointment executed in the manner as stated in this proxy form if this has not been lodged at the Company's registered office earlier.
14. Those proxy forms which are indicated with "√" in the spaces provided to show how the votes are to be cast will also be accepted.

EXPLANATORY NOTES

1. **Ordinary Resolution 7 – To approve the payment of Directors' fees of RM228,000 for the financial year ended 31 March 2020**

The Ordinary Resolution 7, if passed, will authorise the payment of the Directors' fees for the financial year ended 31 March 2020 amounting to RM228,000.

2. **Ordinary Resolution 8 – To approve the payment of Directors' benefits of up to RM25,000 in accordance with Section 230(1) of the Companies Act 2016 with effect from 28 September 2020 until the next Annual General Meeting of the Company**

The Ordinary Resolution 8, if passed, will authorise the payment of Directors' benefits of up to RM25,000 in accordance with Section 230(1) of the Companies Act 2016 with effect from 28 September 2020 until the next Annual General Meeting of the Company.

3. **Ordinary Resolution 9 - Authority to continue in office as an Independent Non-Executive Director**

The Board of Directors has via the Nomination Committee conducted an annual performance evaluation and assessment of Dato' Ir Zainurin bin Karman. Dato' Ir Zainurin bin Karman has met the independence guidelines as set out in Chapter 1 of the Bursa Malaysia Securities Berhad Main Market Listing Requirements and the Board considers him to be independent and believes that he should be re-appointed and retained as Independent Non-Executive Director, in particular his experience and contributions to the Board. The Board will be seeking for shareholders' approval through a two-tier voting process as recommended by the Malaysian Code on Corporate Governance 2017 ("MCCG 2017") at the 51st AGM to retain him as an Independent Non-Executive Director ("INED") as his tenure as an INED has exceeded 12 years.

4. **Ordinary Resolution 10 - Authority to continue in office as an Independent Non-Executive Director**

The Board of Directors has via the Nomination Committee conducted an annual performance evaluation and assessment of Mr Lim Thian Loong. Mr Lim Thian Loong has met the independence guidelines as set out in Chapter 1 of the Bursa Malaysia Securities Berhad Main Market Listing Requirements and the Board considers him to be independent and believes that he should be re-appointed and retained as Independent Non-Executive Director, in particular his experience and contributions to the Board. The Board will be seeking for shareholders' approval at the 51st AGM to retain him as an Independent Non-Executive Director ("INED") as his tenure as an INED has exceeded 9 years.

5. **Ordinary Resolution 11 - Authority to issue shares**

This general mandate for issue of shares ("the Mandate") was sought for in the preceding year and the Board did not carry out the Mandate since the last Annual General Meeting ("AGM") of the Company until the latest practicable date before the printing of this Annual Report. As the Mandate will expire on 28 September 2020, the Board is desirous of seeking a fresh general mandate at the forthcoming AGM.

In view of the challenging time due to the Covid-19 pandemic, Bursa Malaysia Securities Berhad had on 16 April 2020 introduced this 20% General Mandate as an interim relief measure to allow a listed issuer to seek a higher general mandate under Paragraph 6.03 of the Listing Requirement of Bursa Malaysia Securities Berhad of not more than twenty per centum (20%) of the total number of issued shares (excluding treasury shares) for issue of new securities.

NOTICE OF ANNUAL GENERAL MEETING (CONT'D)

EXPLANATORY NOTES (CONT'D)

5. **Ordinary Resolution 11 - Authority to issue shares (cont'd)**

The Board, having considered the current economic climate and future financial needs of the Group, is of the opinion that this 20% General Mandate is in the best interest of the Company and its shareholders.

This proposed Ordinary Resolution 11, if passed, will provide flexibility for the Company and empower the Directors of the Company to issue and allot new shares in the Company up to an amount not exceeding in total 20% of the total number of issued share of the Company for any possible fund raising activities, including but not limited to placing of shares, for the purpose of funding further investment project(s), working capital and/or acquisition. This authority will, unless revoked or varied by the Company in general meeting, will expire at the next AGM of the Company.

6. **Ordinary Resolution 12 - Proposed Renewal of Share Buy-Back Authority**

The proposed Ordinary Resolution 12 if passed, will allow the Company to purchase its own shares. The total number of shares purchased shall not exceed 10% of the total number of issued shares of the Company. This Authority will, unless revoked or varied by the Company in general meeting, will expire at the next Annual General Meeting of the Company.

7. **Ordinary Resolution 13 - Proposed Renewal of Shareholders' Mandate for Recurrent Related Party Transactions of a Revenue or Trading Nature**

The proposed Ordinary Resolution 13, if passed, will authorise the Company and/or its subsidiaries to enter into recurrent related party transactions of a revenue or trading nature. This Authority will, unless revoked or varied by the Company in general meeting, will expire at the next Annual General Meeting of the Company. Please refer to the Circular to Shareholders dated 28 August 2020 for more information.

STATEMENT ACCOMPANYING NOTICE OF ANNUAL GENERAL MEETING

Pursuant to Paragraph 8.27(2) of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad

There are no individuals who are standing for election as Director (excluding Directors standing for re-election) at the forthcoming Annual General Meeting.

General Mandate for Issue of Securities pursuant to Paragraph 6.03(3) of the Bursa Malaysia Securities Berhad Main Market Listing Requirements

This general mandate for issue of shares ("the Mandate") was sought for in the preceding year and the Board did not carry out the Mandate since the Annual General Meeting ("AGM") of the Company until the latest practicable date before the printing of this Annual Report. This Mandate will expire on 28 September 2020. A renewal of this authority is being sought at the Fifty-First AGM.

This Mandate will provide flexibility to the Company for any possible fundraising activities, including but not limited to placing of shares, for the purpose of funding further investment project(s), working capital and/or acquisition.

ADMINISTRATIVE GUIDE FOR THE 51ST ANNUAL GENERAL MEETING ("AGM")

Date : 28 September 2020
Time : 10.30 a.m.
Venue : Function Room, Level 7, Iconic Hotel, 71, Jalan Icon City, Bukit Tengah, 14000 Bukit Mertajam, Penang

1. SAFETY MEASURES IN LIGHT OF THE COVID-19 OUTBREAK

The Company takes the well-being of employees, shareholders, customers, suppliers and service providers seriously. As a precautionary measure, we will be conducting temperature checks on all persons upon arrival at the AGM venue.

If you have travelled overseas in the past 14 days prior to the date of the 51st AGM or have been in contact with a Covid-19 affected person or if you are unwell with sore throat, flu, fever, cough, aches and pains, nasal congestion, runny nose, diarrhoea or shortness of breath, please quarantine yourself at home. You are strongly advised to appoint a proxy or the Chairman of the meeting to attend and vote at the AGM on your behalf.

The Company reserves the right to deny entry to anyone with a temperature of 37.5 degrees Celsius or higher and/or showing symptoms of respiratory illness such as coughing and sneezing.

2. ELIGIBILITY TO ATTEND BASED ON THE RECORD OF DEPOSITORS

Only a shareholder whose name appears on the Record of Depositor as at 18 September 2020 shall be entitled to attend or appoint proxy(ies) to attend and/or vote on his/her behalf.

3. NO REFRESHMENT, DOOR GIFTS OR FOOD VOUCHERS

There will be no refreshment, door gifts or food vouchers provided to shareholders, proxies and invited guests who attend the 51st AGM.

4. PRE-REGISTRATION TO ATTEND THE ANNUAL GENERAL MEETING

Shareholders are required to register ahead of the 51st AGM to allow the Company to make the necessary arrangements in relation to the meeting i.e. infrastructure, logistics and meeting venue(s) to accommodate the meeting participants.

Please do read and follow the following procedures to pre-register your physical attendance at the 51st AGM via the TIIH Online website at <https://tiih.online>:-

- Login in to TIIH Online website with your user name (i.e. e-mail address) and password under the "e-Services". If you have not registered as a user of TIIH Online, please refer to the tutorial guide posted on the homepage for assistance to sign up.
- Select the corporate event: "**(REGISTRATION) ICONIC 51st AGM**".
- Read and agree to the Terms & Conditions and confirm the Declaration.
- Select "**Register for Physical Attendance at Meeting Venue**".
- Review your registration and proceed to register.
- System will send an e-mail to notify that your registration for Physical Attendance at Meeting Venue is received and will be verified.
- After verification of your registration against the General Meeting Record of Depositors, the system will send you an e-mail **after 26 September 2020** to approve or reject your registration to attend physically at the Meeting Venue.

Please note that only a depositor whose name appears on the Record of Depositor as at **18 September 2020** shall be entitled to attend or appoint proxies to attend and/or vote on his/her behalf at the 51st AGM.

ADMINISTRATIVE GUIDE FOR THE 51ST ANNUAL GENERAL MEETING (“AGM”) (CONT'D)

5. POLL VOTING

The voting at the AGM will be conducted by poll in accordance with Paragraph 8.29A of Main Market Listing Requirements of Bursa Malaysia Securities Berhad. The Company has appointed Tricor Investor & Issuing House Services Sdn Bhd as Poll Administrator to conduct the poll and Coopers Professional Scrutineers Sdn Berhad as Scrutineers to verify the poll results.

6. APPOINTMENT OF PROXY

A shareholder who is unable to attend the 51st AGM on 28 September 2020 may appoint proxy and indicate the voting instructions in the proxy form. Please deposit the proxy form at the registered office of the Company situated at No. 1-2, Jalan Icon City, Icon City, 14000 Bukit Mertajam, Penang.

For individual shareholders, you have the option of submitting the proxy form electronically via TIIH Online at <https://tiih.online>. Please refer to the Annexure to proxy form for details.

The last date and time for lodging the proxy form is Saturday, 26 September 2020 at 10.30 a.m.

Please bring an **ORIGINAL** of the following identification papers (where applicable) and present it to the registration staff for verification:

- a. Identity card (NRIC) (Malaysian), or
- b. Police report (for loss of NRIC) / Temporary NRIC (Malaysian), or
- c. Passport (Foreigner).

7. Shareholders are also reminded to monitor the Company’s website and announcements for any changes to 51st AGM arrangements.
8. If you have any enquiries on the above, please contact the following person-in-charge during office hours on Mondays to Fridays from 9.00am to 5.30pm (except on public holidays):

Tricor Investor & Issuing House Services Sdn Bhd

General / Fax No. : 603-2783 9299 / 603-2783 9222

Email : is.enquiry@my.tricorglobal.com

Pn. Azizah : 603-2783 9260 / azizah@my.tricorglobal.com

Mr. Tee Yee Loon : 603-2783 9242 / yee.loon.tee@my.tricorglobal.com

STATEMENT TO SHAREHOLDERS

In Relation to the Proposed Renewal for Share Buy-Back Authority by the Company of up to ten per centum (10%) of its Total Number of Issued Shares ("Proposed Renewal of Share Buy-Back Authority")

This Statement is important and requires your immediate attention. If you are in any doubt as to the course of action to be taken, you should consult your stockbroker, bank manager, solicitor, accountant or other professional advisers immediately.

Bursa Malaysia Securities Berhad ("Bursa Securities") takes no responsibility for the contents of this Statement, makes no representation as to its accuracy or completeness and expressly disclaims any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this Statement. This Statement has not been perused by Bursa Securities before its issuance.

1. INTRODUCTION

On 11 August 2020, the Company announced that it proposed to seek renewal of authority from its shareholders to purchase shares of the Company up to a maximum of ten per centum (10%) of the total number of issued shares of the Company through the Bursa Securities pursuant to Section 127 of the Companies Act 2016 ("the Act") at the forthcoming Annual General Meeting ("AGM") to be held on 28 September 2020.

The purpose of this Statement is to provide the shareholders with information on the Proposed Renewal of Share Buy-Back Authority and to seek the shareholders' approval for the ordinary resolution relating to the Proposed Renewal of Share Buy-Back Authority under agenda 12 of the Notice of the AGM in this Annual Report of the Company for the financial year ended 31 March 2020 to be tabled at the forthcoming AGM.

2. DETAILS OF THE PROPOSED RENEWAL OF SHARE BUY-BACK AUTHORITY

The Board of the Directors ("the Board") proposes to seek renewal of authority from its shareholders to enable the Company to purchase and/or hold as treasury shares in aggregate of up to ten percent (10%) of the total number of issued shares of the Company at any point in time through stockbroker(s) to be appointed by the Company.

As at 30 July 2020, the total number of issued shares of the Company is represented by 323,714,232 ordinary shares, equivalent to RM65,102,122.65. Hence, the maximum number of shares may be purchased by the Company will be 32,371,423 ordinary shares.

The approval from the shareholders for the Proposed Renewal of Share Buy-Back Authority will be effective immediately upon the passing of the ordinary resolution for the Proposed Renewal of Share Buy-Back Authority until:

- (a) the conclusion of the next Annual General Meeting ("AGM") of the Company following the general meeting at which such resolution was passed, at which time it will lapse, unless by resolution passed at a general meeting, the authority is renewed; or
- (b) the expiration of the period within which the next AGM after that date is required by law to be held; or
- (c) revoked or varied by ordinary resolution passed by the shareholders of the Company in general meeting;

whichever occurs first.

In accordance with the Main Market Listing Requirements of Bursa Securities ("the MMLR"), a share buy-back under the Proposed Renewal of Share Buy-Back Authority must be made wholly out of retained profits of the listed company. The maximum amount of funds to be allocated for the share buy-back will be subject to the availability of retained profits of the Company. The actual number of shares which may be purchased and the timing of the purchase(s) will depend on, inter-alia, the market conditions, the available retained earnings and financial resources of the Company as well as the Bursa Securities' requirement to maintain the necessary shareholding spread.

STATEMENT TO SHAREHOLDERS (CONT'D)

In Relation to the Proposed Renewal for Share Buy-Back Authority by the Company of up to ten per centum (10%) of its Total Number of Issued Shares ("Proposed Renewal of Share Buy-Back Authority")

2. DETAILS OF THE PROPOSED RENEWAL OF SHARE BUY-BACK AUTHORITY (CONT'D)

Based on the Company's latest audited financial statements for the financial year ended 31 March 2020, the accumulated losses of the Company amounted to RM6,893,582.

The funding of the purchase(s) under Proposed Renewal of Share Buy-Back Authority will be through internally generated funds and/or bank borrowings, the proportion of which will depend on the quantum of purchase consideration as well as the availability of any internally generated funds and borrowings and repayment capabilities of the Group at the time of purchase(s). As such, the funding is not expected to have a negative bearing on the cashflow position of the Group.

The amount of funds to be utilised for the purchase(s) under Proposed Renewal of Share Buy-Back Authority will only be determined later depending on the actual number of the Company's shares to be purchased, the availability of funds at the time of purchase(s) and other relevant cost factors.

Pursuant to the Listing Requirements, the Company may only purchase its own shares on Bursa Securities at a price which is not more than 15% above the weighted average market price for the shares for the five (5) market days immediately before the date of the purchase(s). The Company may only resell the purchased shares held as treasury shares on Bursa Securities at:-

- (a) a price which is not less than the weighted average market price for the shares for the five (5) market days immediately before the resale; or
- (b) a discounted price of not more than five percent (5%) to the weighted average market price for the shares for the five (5) market days immediately before the resale provided that:-
 - (i) the resale takes place no earlier than thirty (30) days from the date of purchase; and
 - (ii) the resale price is not less than the cost of purchase of the shares being resold.

Pursuant to the provisions of Section 127(4) of the Act, the Directors may deal with the shares in the following manner:-

- (i) cancel the shares so purchased; or
- (ii) retain the shares so purchased in treasury, which may be distributed as share dividends to the shareholders and/or be resold on Bursa Securities in accordance with the relevant rules of Bursa Securities and/or be transferred for the purposes of an employees' share scheme and/or be transferred as purchase consideration and/or be cancelled subsequently and/or be sold, transferred or otherwise be used for such purposes of the Minister may by order prescribe; or
- (iii) retain part of the shares so purchased as treasury shares and cancel the remainder.

While the purchased shares are held as treasury shares, the rights attached to them as to attending meetings, voting, receiving dividends and participation in other distributions whether cash or otherwise shall not be conferred to the holder of such treasury shares and the treasury shares shall not be taken into account in calculating the number or percentage of shares or of a class of shares in the Company for any purpose including substantial shareholdings, take-overs, notices, the requisitioning of meetings, the quorum for a meeting and the result of a vote on a resolution at a meeting.

STATEMENT TO SHAREHOLDERS (CONT'D)

In Relation to the Proposed Renewal for Share Buy-Back Authority by the Company of up to ten per centum (10%) of its Total Number of Issued Shares ("Proposed Renewal of Share Buy-Back Authority")

3. RATIONALE FOR THE PROPOSED RENEWAL OF SHARE BUY-BACK AUTHORITY

The Proposed Renewal of Share Buy-Back Authority will help stabilise the market price as well as the supply and demand of the Company's shares and this is expected to enhance investors' confidence in the performance and the price of the Company's shares traded. All things being equal, the Proposed Renewal of Share Buy-Back Authority, whether the Company's shares to be purchased are maintained as treasury shares or cancelled, will improve the Earnings Per Share ("EPS") of the Company due to the reduction in the number of shares used for the purpose of computing EPS. This in turn, may have a positive impact on the market price of shares. If the purchased shares are held as treasury shares, they could be resold with the intention of realising a potential gain and/or distributed as share dividends to reward the shareholders of the Company.

In the event the treasury shares are distributed as share dividends to shareholders, it will serve as a reward to shareholders of the Company.

4. POTENTIAL ADVANTAGES AND DISADVANTAGES OF THE PROPOSED RENEWAL OF SHARE BUY-BACK AUTHORITY

The potential advantages of the Proposed Renewal of Share Buy-Back Authority to the Company and its shareholders are outlined in Section 3 of this Statement.

The potential disadvantages of the Proposed Renewal of Share Buy-Back Authority to the Company or its shareholders are as follows:-

- (i) the Proposed Renewal of Share Buy-Back Authority, if implemented, would reduce the financial resources of the Group and may result in the Group foregoing better investment opportunities that may emerge in future; and
- (ii) the Proposed Renewal of Share Buy-Back Authority may also reduce the amount of resources available for the payment of cash dividends to shareholders of the Company.

However, the financial resources of the Group may increase pursuant to the resale of the purchased shares held as treasury shares at prices higher than the purchase price. In that regard, the Company would buy back the shares only after the Directors have given due consideration to the potential impact on the Group's earnings and financial position and the Directors are of the opinion that it would be in the interests of the Company and the minority shareholders to do so.

5. FINANCIAL EFFECTS OF THE PROPOSED RENEWAL OF SHARE BUY-BACK AUTHORITY

5.1 Share Capital

The effect of the purchase(s) under the Proposed Renewal of Share Buy-Back Authority on the number of issued shares of the Company will depend on whether the purchased shares are cancelled or retained as treasury shares. The share buy-back will result in a reduction in the number of issued shares of the Company if the purchased shares are cancelled.

In the event the share buy-back is implemented in full and all the purchased shares are subsequently cancelled, the proforma effects on the total number of issued shares of the Company as at 30 July 2020, are as follows:-

	Number of Shares
Existing number of issued shares as at 30 July 2020	323,714,232
Cancellation of purchased shares	(32,371,423)
Resultant number of issued shares upon completion of the share buy-back	<u>291,342,809</u>

STATEMENT TO SHAREHOLDERS (CONT'D)

In Relation to the Proposed Renewal for Share Buy-Back Authority by the Company of up to ten per centum (10%) of its Total Number of Issued Shares ("Proposed Renewal of Share Buy-Back Authority")

5. FINANCIAL EFFECTS OF THE PROPOSED RENEWAL OF SHARE BUY-BACK AUTHORITY (CONT'D)

5.1 Share Capital (Cont'd)

However, purchase(s) under the Proposed Renewal of Share Buy-Back Authority will have no effect on the number of issued shares of the Company if all the purchased shares are to be retained as treasury shares, resold or distributed to the shareholders.

5.2 Net Assets per Share

The purchase(s) under the Proposed Renewal of Share Buy-Back Authority may result in an increase or decrease in the Net Assets ("NA") per share depending on the purchase price(s) of the shares bought back. The NA per share will increase if the purchase price is less than the NA per share and will decrease if the purchase price exceeds the NA per share at the time when the shares are purchased.

In the event the purchased shares which are retained as treasury shares are resold, the NA of the Group will increase or decrease depending on whether a gain or a loss is realised upon the resale. The quantum of the increase or decrease in NA will depend on the actual disposal price and the number of the purchased shares, retained as treasury shares, which are resold.

5.3 Working Capital

The purchase(s) under the Proposed Renewal of Share Buy-Back Authority will reduce the working capital of the Group, the quantum of which depends on the actual purchase price and number of shares purchased. However, this is not expected to have any material adverse effect on the financial position of the Group. If the purchased shares are treated as treasury shares and subsequently resold on Bursa Securities, the working capital of the Group will increase if the Company realized a gain from the resale.

5.4 EPS

The effect of purchase(s) under the Proposed Renewal of Share Buy-Back Authority on the EPS of the Company is dependent on, inter-alia, the actual number of the shares bought back and the purchase prices of the shares and the effective funding cost to the Company.

Assuming that the purchased shares are retained as treasury shares and resold, the EPS will increase if the selling price is higher than the cost of the shares purchased and the interest foregone or interest expense incurred on the purchased shares. If the purchased shares are cancelled, the EPS will increase provided that the income foregone and interest expense incurred on the purchased shares is less than the EPS before the share buy-back.

The effective reduction in the number of shares in the computation of the consolidated EPS pursuant to the share buy-back may generally, all other things remaining equal, have a positive impact on the consolidated EPS of the Company for the financial year in which the shares are purchased.

5.5 Dividends

Assuming the Proposed Renewal of Share Buy-Back Authority is implemented in full, dividends will be paid on the remaining number of shares of the Company (excluding the shares already purchased). The share buy-back may reduce the amount of distributable reserves available for payment of dividend in the immediate future.

STATEMENT TO SHAREHOLDERS (CONT'D)

In Relation to the Proposed Renewal for Share Buy-Back Authority by the Company of up to ten per centum (10%) of its Total Number of Issued Shares ("Proposed Renewal of Share Buy-Back Authority")

6. DIRECTORS' AND SUBSTANTIAL SHAREHOLDERS' INTERESTS

The effects of the purchase(s) under the Proposed Renewal of Share Buy-Back Authority on the shareholdings of the directors and substantial shareholders based on the Company's Registers of Directors' Shareholdings and Substantial Shareholders as at 30 July 2020 are as follows:-

(i) Directors

Name of Directors	Before the Proposed Renewal of Share Buy-Back Authority				After the Proposed Renewal of Share Buy-Back Authority Assuming 10% of the share capital is purchased and cancelled			
	Direct		Indirect		Direct		Indirect	
	No. of shares	%	No. of shares	%	No. of shares	%	No. of shares	%
Dato' Tan Kean Tet	50,639,154	15.64	28,208,400 ⁽¹⁾	8.71	50,639,154	17.38	28,208,400 ⁽¹⁾	9.68
Tan Cho Chia	1,300,000	0.40	28,208,400 ⁽¹⁾	8.71	1,300,000	0.45	28,208,400 ⁽¹⁾	9.68
Tan Seok Ying	-	-	-	-	-	-	-	-
Jason Chung Wei Chiun	-	-	-	-	-	-	-	-
Dato' Ir Zainurin bin Karman	-	-	-	-	-	-	-	-
Lim Thian Loong	-	-	-	-	-	-	-	-
Leow Chan Kiang	-	-	-	-	-	-	-	-
Ong Lay See	-	-	-	-	-	-	-	-

⁽¹⁾ Deemed interested by virtue of his shareholdings in Legacy 888 Sdn Bhd and a joint account via Citigroup Nominees (Tempatan) Sdn Bhd Exempt AN for Bank of Singapore Limited (Local) pursuant to Section 8 of the Act

STATEMENT TO SHAREHOLDERS (CONT'D)

In Relation to the Proposed Renewal for Share Buy-Back Authority by the Company of up to ten per centum (10%) of its Total Number of Issued Shares ("Proposed Renewal of Share Buy-Back Authority")

6. DIRECTORS' AND SUBSTANTIAL SHAREHOLDERS' INTERESTS (CONT'D)

(ii) Substantial Shareholders

Name of Substantial Shareholders	Before the Proposed Renewal of Share Buy-Back Authority				After the Proposed Renewal of Share Buy-Back Authority Assuming 10% of the share capital is purchased and cancelled			
	Direct		Indirect		Direct		Indirect	
	No. of shares	%	No. of shares	%	No. of shares	%	No. of shares	%
Dato' Tan Kean Tet	50,639,154	15.64	28,208,400 ⁽¹⁾	8.71	50,639,154	17.38	28,208,400 ⁽¹⁾	9.68
Tan Cho Chia	1,300,000	0.40	28,208,400 ⁽¹⁾	8.71	1,300,000	0.40	28,208,400 ⁽¹⁾	9.68
Dato' Chua Tiong Moon	310,362	0.10	24,000,000 ⁽²⁾	7.41	310,362	0.11	24,000,000 ⁽²⁾	8.24
Rangkaian Jiwa Sdn. Bhd.	24,000,000	7.41	-	-	24,000,000	8.24	-	-

⁽¹⁾ Deemed interested by virtue of his shareholdings in Legacy 888 Sdn Bhd and a joint account via Citigroup Nominees (Tempatan) Sdn Bhd Exempt AN for Bank of Singapore Limited (Local) pursuant to Section 8 of the Act

⁽²⁾ Deemed interested by virtue of his shareholdings in Rangkaian Jiwa Sdn Bhd pursuant to Section 8 of the Act

7. INTEREST OF DIRECTORS, MAJOR SHAREHOLDERS AND PERSONS CONNECTED WITH DIRECTORS AND MAJOR SHAREHOLDERS

Save for the changes in percentage of shareholdings and/or voting of the Shareholders resulting from the purchase(s) under the Proposed Renewal of Share Buy-Back Authority, none of the Directors and Substantial Shareholders will have any interest, direct or indirect, in the shares bought under the Proposed Renewal of Share Buy-Back Authority and, if any, the resale of treasury shares. In addition, in so far as the Directors are aware, none of the persons connected to the Directors and Substantial Shareholders will have any interest, direct or indirect, in the shares to be bought under the Proposed Renewal of Share Buy-Back Authority and, if any, in the resale of treasury shares.

STATEMENT TO SHAREHOLDERS (CONT'D)

In Relation to the Proposed Renewal for Share Buy-Back Authority by the Company of up to ten per centum (10%) of its Total Number of Issued Shares ("Proposed Renewal of Share Buy-Back Authority")

8. HISTORICAL SHARE PRICE OF THE COMPANY

The monthly highest and lowest closing price of shares as traded on Bursa Securities for the past twelve (12) months are as follows:

Year 2019/2020	High (RM)	Low (RM)
2019		
August	0.345	0.280
September	0.360	0.305
October	0.345	0.290
November	0.340	0.310
December	0.325	0.300
2020		
January	0.320	0.290
February	0.330	0.285
March	0.320	0.160
April	0.275	0.180
May	0.265	0.200
June	0.370	0.235
July	0.385	0.275

(Source : Bursa Malaysia Securities Berhad)

The last transacted price of shares on 19 August 2020 being the latest practicable date prior to the printing of this Statement was RM0.570.

9. IMPLICATIONS OF THE MALAYSIAN CODE ON TAKE-OVERS AND MERGERS 2016

Under the Malaysian Code on Take-Overs and Mergers 2016 ("the Code"), a director and any person acting in concert with him or a relevant shareholder will be required to make a mandatory general offer for the remaining ordinary shares of the Company not already owned by him/them if his/their stake in the Company is increased to beyond 33% or if his/their existing shareholdings is between 33% and 50% and increases by another 2% in any subsequent 6 months' period.

Notwithstanding the above, such person and any person acting in concert may make an application to the Securities Commission for an exemption from a mandatory general offer under Paragraph 24.1 of Practice Note 9 of the Code.

STATEMENT TO SHAREHOLDERS (CONT'D)

In Relation to the Proposed Renewal for Share Buy-Back Authority by the Company of up to ten per centum (10%) of its Total Number of Issued Shares ("Proposed Renewal of Share Buy-Back Authority")

9. IMPLICATIONS OF THE MALAYSIAN CODE ON TAKE-OVERS AND MERGERS 2016 (CONT'D)

As at the date of this Statement, the Company has yet to decide on the percentage of its own shares to be purchased pursuant to the Proposed Renewal of Share Buy-Back Authority. In any case, it is not the intention of the Company to cause any shareholder to trigger an obligation to undertake a mandatory general offer under the Code and the Company will be mindful of the above implications of the Code in making any purchase of its own shares under the Proposed Renewal of Share Buy-Back Authority.

10. PURCHASE, RESALE AND CANCELLATION OF SHARES MADE IN THE LAST TWELVE MONTHS

The Company did not purchase its own shares previously and as such, there were no resale or cancellation of any treasury shares in the past twelve (12) months preceding the date of this Statement.

11. PUBLIC SHAREHOLDING SPREAD

As at 30 July 2020, the public shareholding spread of the Company was approximately 67.73%. The public shareholding spread is expected to be reduced to approximately 64.15% assuming the Proposed Renewal of Share Buy-Back Authority is implemented in full and all the shares so purchased are cancelled. In this regard, the Board undertakes that the purchase of shares will be conducted in compliance with the 25% public shareholding spread as required by the Main Market Listing Requirement.

12. APPROVAL REQUIRED

The Proposed Renewal of Share Buy-Back Authority is subject to the approval of the shareholders of Company at the forthcoming AGM of the Company to be convened or at any adjournment thereof. Save for the approval of the shareholders of the Company, there are no other approvals required.

13. DIRECTORS' RECOMMENDATION

The Directors, having considered all aspects of the Proposed Renewal of Share Buy-Back Authority, are of the opinion that the Proposed Renewal of Share Buy-Back Authority Renewal of is in the best interest of the Company. Accordingly, the Directors recommend that the shareholders vote in favour of the Ordinary Resolution pertaining to the Proposed Renewal of Share Buy-Back Authority to be tabled at the forthcoming AGM of the Company.

14. FURTHER INFORMATION

Shareholders are advised to refer to Appendix I of this Statement for further information.

STATEMENT TO SHAREHOLDERS (CONT'D)

In Relation to the Proposed Renewal for Share Buy-Back Authority by the Company of up to ten per centum (10%) of its Total Number of Issued Shares ("Proposed Renewal of Share Buy-Back Authority")

APPENDIX I

FURTHER INFORMATION

1. DIRECTORS' RESPONSIBILITY STATEMENT

This Statement has been seen and approved by the Directors of the Company and they collectively and individually accept full responsibility for the accuracy of the information given in this Statement and confirm that after having made all reasonable enquiries and to the best of their knowledge, information and belief, there are no other facts the omission of which would make any statement in this Statement misleading.

2. DOCUMENTS AVAILABLE FOR INSPECTION

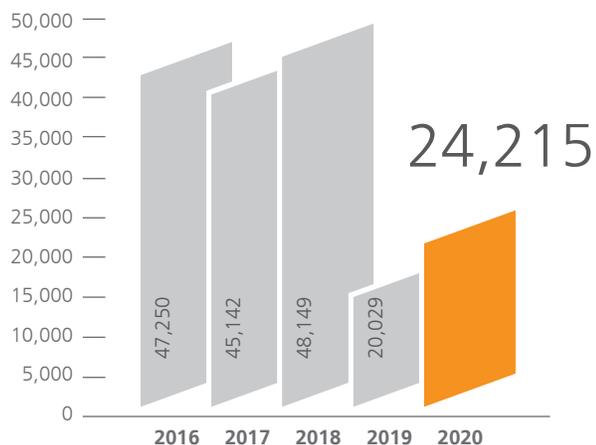
Copies of the following documents are available for inspection at the Registered Office of the Company, during normal business hours on any week day (except public holidays) from the date of this Statement up to and including the date of the forthcoming AGM:

- (a) The Constitution of the Company; and
- (b) Audited financial statements of the Company for the two (2) financial years ended 31 March 2019 and 31 March 2020 and the unaudited quarterly results for the 1st quarter ended 30 June 2020.

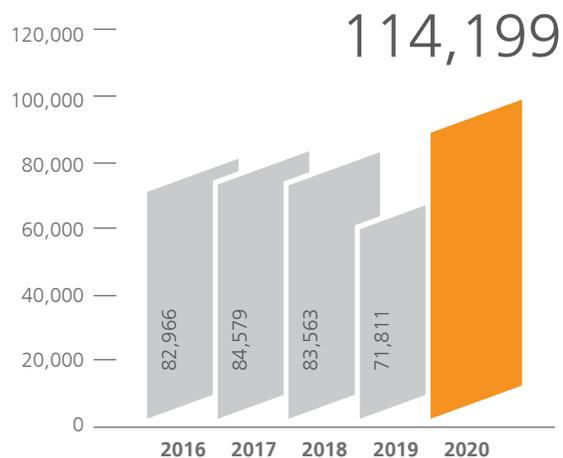
FINANCIAL HIGHLIGHTS

The Group's Five Year Financial Highlights

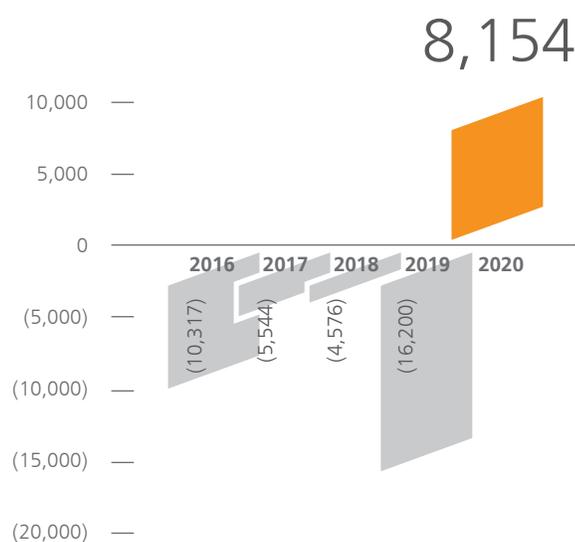
TURNOVER (RM'000)



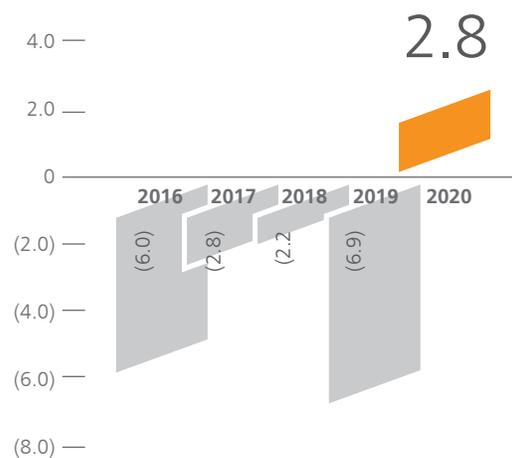
SHAREHOLDERS' EQUITY (RM'000)



PROFIT/(LOSS) BEFORE TAXATION (RM'000)



EARNINGS/(LOSS) PER SHARE (sen)



CORPORATE INFORMATION

BOARD OF DIRECTORS

DATO' Ir ZAINURIN BIN KARMAN

Chairman / Independent Non-Executive Director
(Appointed on 26/08/2005)

DATO' TAN KEAN TET

Managing Director
(Appointed on 23/04/2019;
(Appointed as MD on 30/08/2019)

DATO' CHUA TIONG MOON

Managing Director
(Appointed on 23/02/2001;
Resigned 30/08/2019)

MR TAN CHO CHIA

Executive Director
(Appointed on 09/01/2019)

MS TAN SEOK YING

Executive Director
(Appointed on 23/09/2019)

MR JASON CHUNG WEI CHIUN

Executive Director
(Appointed on 28/05/2020)

MR LIM THIAN LOONG

Independent Non-Executive Director
(Appointed on 08/12/2010)

MR LEOW CHAN KHIANG

Independent Non-Executive Director
(Appointed on 15/03/2019)

MS ONG LAY SEE

Independent Non-Executive Director
(Appointed on 18/11/2019)

AUDIT COMMITTEE**Chairman**

LIM THIAN LOONG

Members

DATO' Ir ZAINURIN BIN KARMAN
LEOW CHAN KHIANG
ONG LAY SEE (Ms)

COMPANY SECRETARIES

CHEW SIEW CHENG (Ms)
(MAICSA 7019191)
(SSM PC NO. 202008001179)

LIM CHOO TAN (Ms)
(LS 0008888)
(SSM PC NO. 202008000713)

AUDITORS

BDO PLT
(LLP0018825-LCA & AF 0206)
Chartered Accountants
51-21-F MENARA BHL
JALAN SULTAN AHMAD SHAH
10050 PENANG

NOMINATION COMMITTEE**Chairman**

DATO' Ir ZAINURIN BIN KARMAN

Members

LIM THIAN LOONG
LEOW CHAN KHIANG
ONG LAY SEE (Ms)

REGISTERED OFFICE

NO. 1-2, JALAN ICON CITY
ICON CITY
14000 BUKIT MERTAJAM
PENANG
TEL : 604-5040 588 / 604-3903 699
FAX : 604-5041 599 / 604-3903 636

PRINCIPAL BANKERS

MALAYAN BANKING BERHAD

REMUNERATION COMMITTEE**Chairman**

DATO' Ir ZAINURIN BIN KARMAN

Members

LIM THIAN LOONG
LEOW CHAN KHIANG
ONG LAY SEE (Ms)

SHARE REGISTRAR

TRICOR INVESTOR & ISSUING HOUSE
SERVICES SDN BHD
(197101000970) (11324-H)
UNIT 32-01, LEVEL 32, TOWER A
VERTICAL BUSINESS SUITE
AVENUE 3, BANGSAR SOUTH
NO. 8, JALAN KERINCHI
59200 KUALA LUMPUR
TEL : 603-2783 9299
FAX : 603-2783 9222

STOCK EXCHANGE LISTING

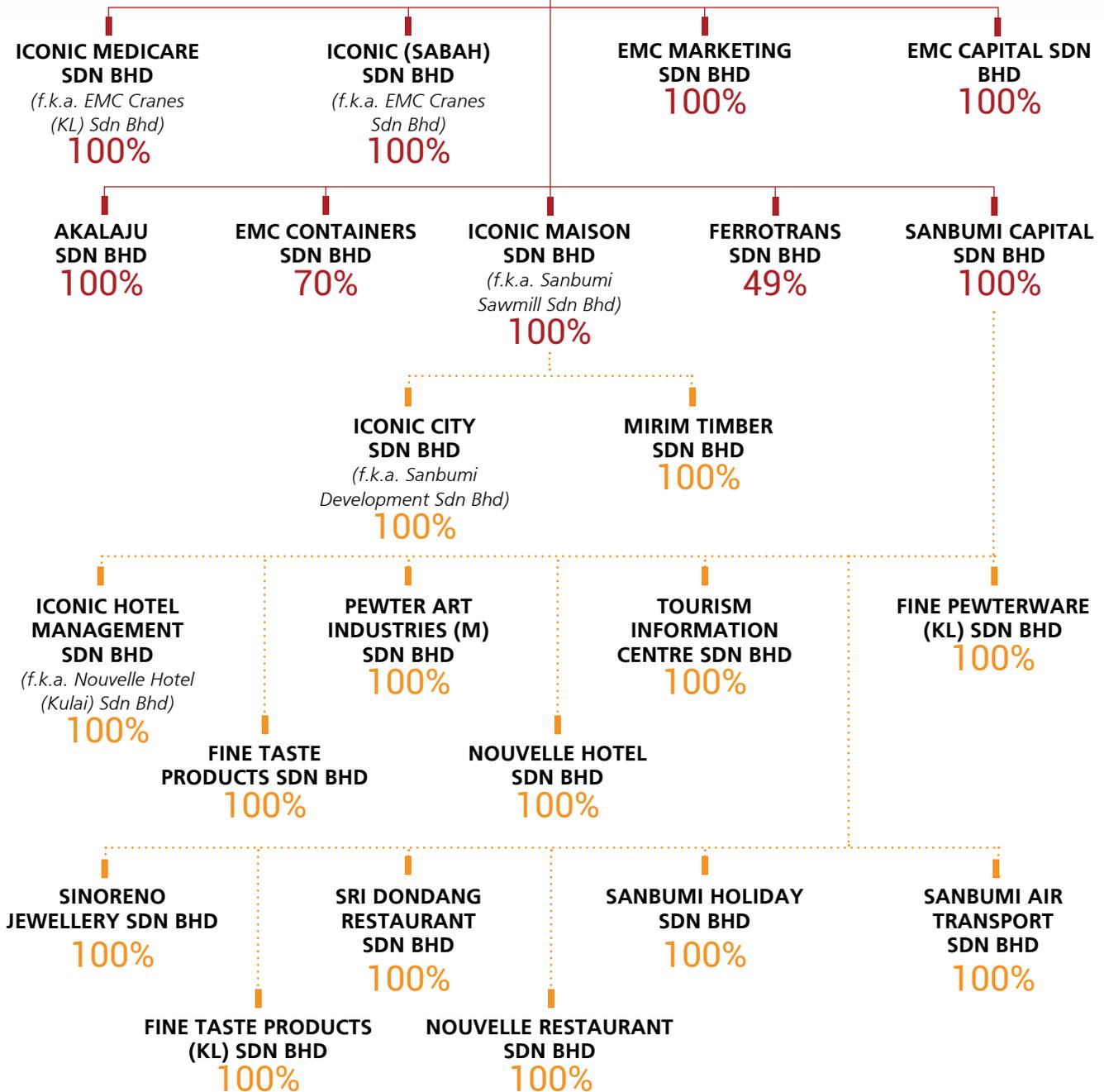
MAIN MARKET OF BURSA MALAYSIA
SECURITIES BERHAD
STOCK NAME : ICONIC
STOCK CODE : 9113

CORPORATE STRUCTURE

As at 30 July 2020



ICONIC WORLDWIDE BERHAD
(f.k.a. Sanbumi Holdings Berhad)



BOARD OF DIRECTORS



1 DATO' Ir ZAINURIN BIN KARMAN
Chairman / Independent Non-Executive Director

2 DATO' TAN KEAN TET
Managing Director

3 MR TAN CHO CHIA
Executive Director

4 MS TAN SEOK YING
Executive Director

5 MR JASON CHUNG WEI CHIUN
Executive Director

6 MR LIM THIAN LOONG
Independent Non-Executive Director

7 MR LEOW CHAN KHIANG
Independent Non-Executive Director

8 MS ONG LAY SEE
Independent Non-Executive Director



PROFILE OF THE BOARD OF DIRECTORS

DATO' Ir ZAINURIN BIN KARMAN *Chairman/Independent Non-Executive Director*



Age: 56

Male

Malaysian

Dato' Ir. Zainurin bin Karman is a qualified Professional Civil Engineer graduated from Syracuse University of New York, USA. He is registered as a Professional Engineer with the Board of Engineers, Malaysia, a member of the Institution of Engineers Malaysia and also a member of the Malaysian Water Association. He is currently the Managing Director of RE Consultant Sdn Bhd.

Dato Ir. Zainurin bin Karman does not hold any directorship in other public companies but sits on the Board of several other private limited companies. He has no family relationship with any director and/or major shareholders of the Company. He has no conflict of interest with the Company and has no conviction for any offences within the past five (5) years other than traffic offences, if any.

PROFILE OF THE BOARD OF DIRECTORS (CONT'D)

DATO' TAN KEAN TET *Managing Director*



Age: 58

Male

Malaysian

Dato' Tan Kean Tet is the visionary founder and chairman of Iconic Group Sdn Bhd ("IGSB") and its subsidiary companies as well as related companies (collectively referred as "Iconic Group"), a property development group of companies based in Penang.

Dato' Tat Kean Tet started his career in 1991 as a consultant with Penshrimp Sdn Bhd, an aquaculture company incorporated on 22 March 1991. Subsequently, he acquired Penshrimp Sdn Bhd and was appointed as the chairman and director of Penshrimp Sdn Bhd on 19 May 1993, a position which he held until January 2015. On 14 February 1997, 23 July 2002 and 22 August 2013, he incorporated Penshrimp Hatchery Sdn Bhd, Penshrimp Aquaculture Sdn Bhd and Penshrimp Fishery Sdn Bhd respectively, all of which are principally involved in breeding marine fishes for export.

After 20 years of experience in running his own aquaculture companies, he ventured into property development through the incorporation of IGSB in 2011 and subsequently expanded the business into Iconic Group which also included a venture into the hospitality sector in 2016. He has successfully led Iconic Group in completing property development projects worth approximately RM600 million in gross development value. Among the notable projects completed by Iconic Group are Icon City, Iconic Skies and Iconic Vue.

As the founder and chairman of Iconic Group, Dato' Tan Kean Tet is responsible for the overall management and strategic planning of Iconic Group's corporate activities and projects. To date, he has accumulated more than nine (9) years of experience in property development sector which includes development and management of hotel, commercial and residential development projects.

Dato' Tan Kean Tet does not hold any directorship in other public companies but he sits on the Board of several other private limited companies. He has no conviction for any offences within the past five (5) years other than traffic offences, if any.

Dato' Tan Kean Tet is the father of Tan Cho Chia and Tan Seok Ying and the father-in-law of Jason Chung Wei Chiun, all of whom are Executive Directors of the Company. He has no family relationship with other directors and/or major shareholders of the Company.

PROFILE OF THE BOARD OF DIRECTORS (CONT'D)

TAN CHO CHIA *Executive Director*



Age: 29

Male

Malaysian

Tan Cho Chia obtained his Bachelor of Engineering (Honours) from University of Manchester, United Kingdom in 2013 and completed his Master of Science in Civil Engineering with distinction from University College London, United Kingdom in 2014.

Tan Cho Chia began his career as a Project Manager in Iconic Development Sdn Bhd ("IDSB") in 2014. In 2018, he was promoted to Project Director of IDSB. He is responsible for managing the construction activities of the various development projects undertaken by IDSB, where he had been involved from the design, construction and handover stages of these projects.

Tan Cho Chia gained vast experience in the construction and development sector with direct involvement in various commercial, hotel and residential development projects mainly in Penang that includes Icon City, Iconic Hotel, Iconic Skies and Iconic Vue. Currently, he is responsible in leading the development team for the Iconic Point project and other new property development projects in Penang. Apart from this, he is also actively involved in the management of Iconic Hotel, a 4-star Business Class hotel in Icon City, Penang.

Tan Cho Chia does not hold any directorship in other public companies but he sits on the Board of several other private limited companies. He has no conviction for any offences within the past five (5) years other than traffic offences, if any.

Tan Cho Chia is the son of Dato' Tan Kean Tet, the Managing Director and substantial shareholder of the Company. He is also the brother of Tan Seok Ying and the brother-in-law of Jason Chung Wei Chiun who are Executive Directors of the Company. He has no family relationship with other directors and/or major shareholders of the Company.

PROFILE OF THE BOARD OF DIRECTORS (CONT'D)

TAN SEOK YING *Executive Director*



Age: 36

Female

Malaysian

Tan Seok Ying obtained her Bachelor of Accounting from Murdoch University, Perth, Australia in 2008. She began her career as the Executive Director and Co-Founder of Iconic Group Sdn Bhd and its subsidiary companies ("IGSB Group"), a property development group of companies based in Penang in 2011. She is also the Human Resource, Accounting & Marketing Director of IGSB Group.

Tan Seok Ying has accumulated more than nine (9) years of experience in the property development sector with direct involvement in various commercial, hotel and residential development projects mainly in Penang that includes Icon City, Iconic Hotel, Iconic Skies and Iconic Vue. Apart from this, she is also actively involved in the management of Iconic Hotel, a 4-star Business Class hotel in Icon City, Penang.

Tan Seok Ying does not hold any directorship in other public companies but she sits on the Board of several other private limited companies. She has no conviction for any offences within the past five (5) years other than traffic offences, if any.

Tan Seok Ying is the daughter of Dato' Tan Kean Tet, the Managing Director and substantial shareholder of the Company. She is also the sister of Tan Cho Chia and the spouse of Jason Chung Wei Chiun who are Executive Directors of the Company. She has no family relationship with other directors and/or major shareholders of the Company.

PROFILE OF THE BOARD OF DIRECTORS (CONT'D)

JASON CHUNG WEI CHIUN *Executive Director*



Age: 41

Male

Malaysian

Jason Chung Wei Chiun began his career as Executive Director and Co-Founder of Iconic Group Sdn Bhd and its subsidiary companies ("IGSB Group"), a property development group of companies based in Penang in 2011. He is currently the Sales & Marketing Director of Iconic Maison Sdn Bhd (formerly known as Sanbumi Sawmill Sdn Bhd), a wholly-owned subsidiary of Iconic Worldwide Berhad (formerly known as Sanbumi Holdings Berhad).

Jason Chung Wei Chiun has accumulated more than nine (9) years of experience in the property development sector with direct involvement in various commercial, hotel and residential development projects mainly in Penang that includes Icon City, Iconic Hotel, Iconic Skies and Iconic Vue. Apart from this, he is also actively involved in the management of Iconic Hotel, a 4-star Business Class hotel in Icon City, Penang.

Jason Chung Wei Chiun does not hold any directorship in other public companies but he sits on the Boards of several other private limited companies. He has no conviction for any offences within the past five (5) years other than traffic offences, if any.

Jason Chung Wei Chiun is the spouse of Tan Seok Ying, an Executive Director of the Company. He is also the son-in-law of Dato' Tan Kean Tet, the Managing Director and substantial shareholder of the Company and brother-in-law of Tan Cho Chia, an Executive Director of the Company. He has no family relationship with other directors and/or major shareholders of the Company.

PROFILE OF THE BOARD OF DIRECTORS (CONT'D)

LIM THIAN LOONG *Independent Non-Executive Director*



Age: 56

Male

Malaysian

Lim Thian Loong is an accountant by profession. He is a graduate member of the Chartered Institute of Management Accountants (CIMA), London. He is also a member of the Chartered Global Management Accountants (CGMA), Malaysian Institute of Accountants (MIA) and the Chartered Tax Institute of Malaysia (CTIM). He has over 15 years of experience in accounting, auditing and taxation and has been practising as a sole practitioner under his own firm since 2002.

Presently, he also sits on the Boards of Grand Central Enterprises Berhad and Eduspec Holdings Berhad, both of which are listed on Bursa Malaysia Securities Berhad and Hotel Grand Central Limited, a company listed on the Singapore Stock Exchange. He also sits on the Board of several other private limited companies.

Lim Thian Loong has no family relationship with any director and/or major shareholders of the Company. He has no conflict of interest with the Company and has no conviction for any offences within the past five (5) years other than traffic offences, if any.

PROFILE OF THE BOARD OF DIRECTORS (CONT'D)

LEOW CHAN KHIANG *Independent Non-Executive Director*



Age: 53

Male

Malaysian

Leow Chan Kiang is a Chartered Accountant and a member of the Malaysian Institute of Accountants (“MIA”) and a Fellow member of the Association of Chartered Certified Accountants, United Kingdom (“FCCA”). He also holds a Master Degree in Business Administration from Northern University of Malaysia and a Bachelor Degree in Economics from University of Malaya.

Leow Chan Kiang began his career in 1991 as corporate banking executive in Hong Leong Bank Berhad and resigned in 1996 to join Malaysian International Merchant Bankers Berhad (MIMB”). In MIMB, he was responsible for various corporate debts and fund-raising exercises as well as general advisory works. In 2001, he resigned from his position as an assistant manager of MIMB and joined a local logistic company for a short stint of one year. In 2002, he joined CAB Cakaran Sdn Bhd as a director of corporate finance and subsequently in 2003 appointed to the board of CAB Cakaran Corporation Berhad (“CAB”) as an executive director where he was responsible for corporate planning, accounting and tax as well as joint ventures matters. In 2007, he resigned from CAB and was subsequently appointed to the board of SLP Resources Berhad as a non-independent non-executive director.

Presently, he is a non-independent non-executive director of SLP Resources Berhad and an independent non-executive director of Ni Hsin Resources Berhad, Salutica Berhad and Tek Seng Holdings Berhad, all of which are listed on Bursa Malaysia Securities Berhad. He is also a director and shareholder of a few private limited companies involved in corporate and financial services, food and confectionery.

Leow Chan Kiang has no family relationship with any director and/or major shareholders of the Company. He has no conflict of interest with the Company and has no conviction for any offences within the past five (5) years other than traffic offences, if any.

PROFILE OF THE BOARD OF DIRECTORS (CONT'D)

ONG LAY SEE *Independent Non-Executive Director*



Age: 60

Female

Malaysian

Ong Lay See is a Chartered Marketer by profession. She obtained her Post Graduate Diploma in Marketing from The Chartered Institute in Marketing (CIM), Harriot-Watt University. She is also a Certified Credit Professional (CCP), a qualification under the Modular Programme for Banking Professionals and Credit Management from Institute of Bankers Malaysia (IBBM).

Ong Lay See is an established banker with extensive experience in the banking and financial industry. She spent forty (40) years of her career with the Maybank Group, namely Maybank Finance Bhd and Maybank Bhd. She has held supervisory and leadership roles in various capacities ranging from operations, customer service, marketing and credit management. Her last designation was Vice President / Head of Maybank Mega Branch, Penang which is the biggest branch in the northern region that comprises the states of Penang, Kedah and Perlis. As Head of Mega Branch, she was responsible for the strategic planning, compliance, business development and relationship management apart from ensuring growth in lending, deposits and fee-based income from the retail and commercial banking businesses.

Ong Lay See does not hold any directorship in other public companies and she does not sit on the Board of any private limited companies. She has no family relationship with any director and/or major shareholders of the Company. She has no conflict of interest with the Company and has no conviction for any offences within the past five (5) years other than traffic offences, if any.

PROFILE OF KEY SENIOR MANAGEMENT

WOON YEAT POR

Project Director, Property Development

Age: 55 | Male | Malaysian

Woon Yeat Por, is the Project Director of Iconic Maison Sdn Bhd, a wholly-owned subsidiary company of Iconic Worldwide Berhad. He joined the company on 2 May 2019. He holds a Bachelor of Science (Housing, Building & Planning) Degree with Honours and a Master of Business Administration Degree from University Science Malaysia.

He is responsible for the planning, budgeting and execution of all development projects for the IWB Group. He has 30 years of working experience in the construction and property development industry particularly in the east coast and northern region of Malaysia.

He started his career as a site Quantity Surveyor in Ho Hup Construction Sdn Bhd in 1990, Mudajaya Construction Sdn Bhd in 1991 and in Bridgecon Engineering Sdn Bhd in 1993. In his 5 years tenure with these companies he was involved in the North-South Interurban Expressway projects and a high rise residential development project. He subsequently joined the property division of Ban Hin Lee Group in 1995 before moving to Malvest Group in 1997 where he continued to work until 2015. He has vast experience being involved in the development of various commercial, residential and hypermarket development projects in Penang as well as in Kelantan during his tenure with Malvest Group.

He joined Iconic Development Sdn Bhd in 2015 as the General Manager and was responsible for the overall business operations of its group of companies. During his 3 years tenure there he had successfully led the team in completing the development and construction of a 4-star Business Class hotel now known as Iconic Hotel in 2016 and a luxury condominium project now known as Iconic Skies in Relau, Penang in 2017.

He does not hold any directorship in public companies. He has no family relationship with any Director and/or major shareholders of the Company. He has no conflict of interest with the Company and has no record of convictions for any offences within the past five (5) years other than traffic offences, if any.

SELVAKUMARAN P SATHASIVAM

Senior Manager, Finance and Administration

Age: 51 | Male | Malaysian

Selvakumaran P Sathasivam, is the Senior Manager, Finance and Administration of Iconic Worldwide Berhad. He has been with the company for over 20 years and is primarily responsible in assisting the Managing Director in the financial management and administration of the IWB Group. He is also primarily responsible for the preparation and reporting of all financial as well as non-financial related matters for the purpose of submissions to regulatory authorities, stakeholders and other relevant parties or authorities for the IWB Group.

He started his career in finance in 1989 when joined one of the big four audit firms as an audit assistant and worked his way up to become an assistant audit manager before joining IWB Group in the year 2000. During his tenure in the field of auditing, he gained vast exposure and experiences being involved in audits, tax, liquidation, audit investigations, the development and implementation of internal control systems, accounting as well as corporate advisory work. His portfolio of clients ranged from medium sized local trading and manufacturing companies to large multi-national manufacturing companies, public listed companies, finance companies, government agencies, property developers and stockbrokers.

He does not hold any directorship in public companies. He has no family relationship with any Director and/or major shareholders of the Company. He has no conflict of interest with the Company and has no record of convictions for any offences within the past five (5) years other than traffic offences, if any.

PROFILE OF KEY SENIOR MANAGEMENT (CONT'D)

KEVIN CHEAH UI MUN

General Manager, Hotel

Age: 44

Male

Malaysian

Kevin Cheah Ui Mun joined Iconic Hotel Management Sdn Bhd, a wholly-owned subsidiary company of Iconic Worldwide Berhad on 1 April 2019 and is currently the General Manager in charge of Iconic Hotel Penang. He brings more than 20 years of hospitality experience to the hotel which includes leadership positions with award winning independent hotels and international chains such as Shangri-la International Hotels & Resorts and Millennium Hotels & Resorts. Additionally, he plays an active role in Penang travel industry by being the Exco member of Malaysia Association of Hotels (Penang Chapter).

He is a double Diploma graduate in Hotel & Travel Management from Reliance College. Having worked locally and abroad, he has extensive experience of driving revenues from both international and domestic markets while maintaining the high service level of hospitality.

He started his career with Penang Mutiara Resort (a member of Leading Hotels of the world) as Event Coordinator and worked his way up his career. His last posting was with G Hotel Penang as Executive Asst Manager and successfully positioning the hotel as the leading hotel in the region. He has also pre-opening experience and was responsible in the area of Sales & marketing for G Hotel Kelawai, Penang.

He does not hold any directorship in public companies. He has no family relationship with any director and/or major shareholders of the Company. He has no conflict of interest with the Company and has no conviction for any offences within the past five (5) years other than traffic offences, if any.



MANAGEMENT DISCUSSION AND ANALYSIS

Iconic Worldwide Berhad (“IWB”), formerly known as Sanbumi Holdings Berhad, is a Bursa Malaysia listed company that is primarily involved in tourism and property development businesses. IWB and its subsidiary companies (“IWB Group”) is currently expanding to transform into a major property player in the Northern Region of Malaysia with future plans of making strong inroads nationwide. IWB Group has also recently kick-started its venture into the manufacturing segment with a business venture into face mask manufacturing.

On 29 August 2019, Sanbumi Holdings Berhad changed its name to Iconic Worldwide Berhad. The name change was approved by shareholders during their Extraordinary General Meeting (“EGM”), to better reflect the new corporate identity image and business direction of the IWB Group. The EGM also saw other resolutions being approved including the proposed joint venture with Iconic Development Sdn Bhd in relation to a mixed development project known as “Iconic Point” worth approximately RM127.81 million in Gross Development Value (“GDV”).

Iconic Point, which is IWB Group’s maiden property development project, recorded a 100 per cent take-up rate during its soft launch on 7 & 8 September 2019. Within ten minutes into the two-day soft launch, 70 per cent of the units offered were already sold out.

Located at Simpang Ampat, Seberang Perai, Penang, Iconic Point comprises 49 units of modern semi-detached and detached shop offices. Priced from RM2 million, the units come with a private lift. There will also be three drive-through food and beverage outlets with tenants such as Starbucks and McDonald’s, the first of its kind in Seberang Perai city. The freehold development is expected to be completed by the end of 2021.

Despite the setbacks felt by the tourism segment as a result of the reorganisation exercises and the effects of the Covid-19 pandemic, IWB Group has successfully managed a turnaround of the company’s performance by registering a full-year profit for the financial year ended 31 March 2020. This is the first profitable financial year for the company in 15 years since 2005. The profit was boosted by the significant contributions from the property development segment.

IWB Group will continue to aim for improved performances and results in the upcoming financial years with property development as its main driver, supported by its tourism and followed closely by the new venture in the manufacturing segment.

REVIEW OF FINANCIAL PERFORMANCE

FY2020 was a year of numerous successes for IWB Group as it marked a significant corporate milestone by embarking into its first property development project. After 15 consecutive years of losses, the IWB Group successfully staged a turnaround in FY2020 with a new revenue stream that is also partly recurring in nature namely, the property development business, being added. Operating cash flow has turned positive, while the net cash position has strengthened substantially. In addition, the IWB Group’s gross margin (“GP”) grew to double digit, representing a sharp improvement from the preceding financial year. Meanwhile, with major impairments on certain assets duly completed in the previous financial year in accordance with accounting standards, IWB Group’s balance sheet has been further improved.

In FY2020, the Group’s revenue increased by RM4.19 million or 20.9% year-on-year (“y-o-y”) to RM24.22 million as compared to RM20.03 million in the preceding financial year. The stronger revenue was mainly attributable to the recognition of the progressive revenue from the property development segment, which had commenced construction works in December 2019.

Revenue



Profit Before Tax



Net Assets



MANAGEMENT DISCUSSION AND ANALYSIS (CONT'D)

Nonetheless, the higher contribution from the property development business segment was partially offset by the decline in revenue of the tourism segment. As a result of lower volume of tourist arrivals in the financial year under review, the tourism segment's revenue fell by RM11.98 million or 61.5% y-o-y to RM7.50 million as compared to RM19.48 million in FY2019. IWB Group's tourism business segment had been, since its inception, almost entirely designed and structured to specifically cater for inbound tourists from China. However, the internal reorganisation exercise undertaken by IWB Group since FY2018 to help create a more efficient and leaner operating structure led to the decline in its tourist arrival volume and coupled with the devastating impact of the Covid-19 pandemic to the world and regional tourism industry, the IWB Group's tourism segment's overall business performance took a significant beating. The pandemic has in fact affected the entire tourism industry domestically and globally as many nations imposed cross border travel restrictions to contain the outbreak. In the case of Malaysia, the Movement Control Order that took effect since 18 March 2020 brought the businesses in the tourism industry to a standstill.

In FY2020, IWB Group's property development segment contributed a total of RM16.12 million or 66.6% of the total revenue, while RM7.50 million or 31.0% was contributed by the tourism segment. It is noteworthy that despite the decline in revenue contribution from the tourism segment, the said business segment staged a turnaround in FY2020 after making losses for the past several years.

The property development segment contributed a Profit Before Tax ("PBT") of RM8.57 million in FY2020, while the tourism segment delivered RM2.06 million in PBT. In total, the IWB Group's PBT for the financial year stood at RM8.15 million as compared to a loss before tax of RM15.74 million in FY2019. This was in line with IWB Group's stronger revenue performance in FY2020 coupled with the effects of lower operating costs, particularly in the tourism segment and the absence of major impairment losses.

For the financial year under review, IWB Group recorded a GP of RM11.33 million (FY2019: RM0.55 million), representing a GP margin of 46.8% (FY2019: 2.7%).

In addition to the improvement in its financial performance during the financial year under review, IWB Group is pleased to report that its sturdy financial position signals the IWB Group's preparedness to withstand the impact

of any potential external vulnerabilities on its operation in the future.

IWB Group's net assets as of end FY2020 stood at RM114.20 million, translating to net tangible assets ("NTA") per share of 35.3 cents. In comparison, the net assets in FY2019 was RM71.81 million, with a NTA per share of 28.8 cents. The Group's current ratio, which is a liquidity indicator that measures its ability to pay short-term obligations, has improved to about 14.06 times, up from 7.39 times in FY2019.

As of end FY2020, the IWB Group sits comfortably on a net cash position of RM7.96 million, with its cash and cash equivalents worth RM23.89 million and total borrowings of RM3.30 million. In FY2019, the net cash position was smaller at RM3.73 million.

MOVING FORWARD

On 10 June 2020, IWB Group announced that it was venturing into face mask manufacturing under its wholly-owned subsidiary Iconic Medicare Sdn Bhd ("IMED") (formerly known as EMC Cranes (KL) Sdn Bhd). Currently, the manufacturing facility located at Juru, Penang is capable of producing face masks at a rate of 100 pcs/min and with potentials of producing approximately two to three million 3-ply disposable face masks a month. Subject to demand, IMED is prepared to increase the production capacity to approximately 5 million 3-ply disposable face masks and 1 million N95 grade disposable face masks a month.

IMED is also in the process of obtaining necessary ISO certification, CE endorsement and EN14683 medical grade face mask quality certifications that will be required for its plans to export the product. IMED has engaged professionals to assist in the submission of all necessary applications and they are currently working on the schedule for the submissions.

The management opines that this venture is IWB Group's initial steps in diversifying into the manufacturing business segment, as it sees a need to adapt to the new normal of venturing into new and relevant businesses to remain competitive. The face mask business will start to contribute towards IWB Group's financial performances with effect from the financial year ending 31 March 2021. This move is also to help cushion the expected unfavourable impact to the property development and tourism businesses, which may or has significantly been affected by the adverse impact of the Covid-19 pandemic.

SUSTAINABILITY REPORT

1. Introduction

The Iconic Worldwide Berhad ("Iconic" or "the Group") (formerly known as Sanbumi Holdings Berhad) Sustainability Report has been prepared in accordance with the Practice Note 9 of the Listing Requirements of Bursa Malaysia Securities Berhad ("Bursa Malaysia") using the Bursa Malaysia Sustainability Reporting Guide 2018 (Second Edition).

The report focuses on the Group's sustainability initiatives for the period of 1st April 2019 to 31st March 2020 and covers the most active subsidiaries under Iconic as listed below:-

- Iconic Maison Sdn Bhd (formerly known as Sanbumi Sawmill Sdn Bhd) (focusing on property development)
- Iconic Hotel Management Sdn Bhd (formerly known as Nouvelle Hotel (Kulai) Sdn Bhd) (focusing on hotel management)

The sustainability initiatives of the remaining subsidiaries were excluded from this report due to insignificance / inactivity.

2. Managing Sustainability

The Group strives to ensure that sustainability values are created economically, environmentally and socially by emphasising their core principles throughout the organisation.

Group Vision

To embrace a trans-disciplinary ethos – bringing together exquisite design, lifestyle technology and environmental artistry to shape a vibrant society that invests, lives and works within a sustainable, cultural and healthy environment.

Group Mission

To create a self-sustained urban destination to empower businesses, families and individuals to grow and prosper.

Sustainability Strategy and Core Focus Areas

- **Governance**
 - To ensure responsible business practices and continuous adherence to the relevant rules and regulations.
- **Economic**
 - To ensure that the business model prioritises sustainability and add value to stakeholders apart from optimising returns.
- **Environment**
 - To ensure business decisions minimise negative environmental impact apart from preserving sustainability.
- **Social**
 - To ensure that social engagements by the Group are diverse, fair and free from discrimination.

SUSTAINABILITY REPORT (CONT'D)

3. Sustainability Governance

The Group demonstrates its commitment to ensure sustainable practices by having proper oversight by the Board of Directors ("BOD") and they are assisted by the Sustainability Committee ("SC"), whose duties and responsibilities are outlined in their respective Terms of Reference.

The SC drives and monitors the progress and improvements to achieve the Group's overall sustainability objectives.

Where required, the BOD and SC will discuss highlights of the sustainability matters to ensure that the goals are met through effective implementation and monitoring.

Standard Operating Procedures

To ensure continuous compliance, the Group has established key standard operating procedures to govern daily processes and encourage best management practices in its operations.

Risk Management

The Group reviews the risks that are significant to the key operations and take necessary on-going actions to mitigate the risks in its Risk Register.

In addition, validation of controls is performed by the appointed outsourced Internal Auditors.

Whistleblowing Management

The Group has in place a Whistleblowing Policy that outlines the procedures and appropriate whistleblowing channels.

During the financial year, there were no whistleblowing incidents reported through the available channels to the Group.

Other Committees

Apart from the BOD and SC, the Group has various committees in place to ensure proper oversight and the existence of an effective control environment:-

- Audit Committee.
- Nomination Committee.
- Remuneration Committee.

The committees above have also undertaken their duties with respect to their terms of reference.

SUSTAINABILITY REPORT (CONT'D)

4. Stakeholder Engagement

The Group sees the importance of having a balanced level of communication with internal and external stakeholders to ensure effectiveness to the organisation.

Throughout the financial year, the key stakeholders, along with the objectives and the relevant methods of engagement are summarised below:-

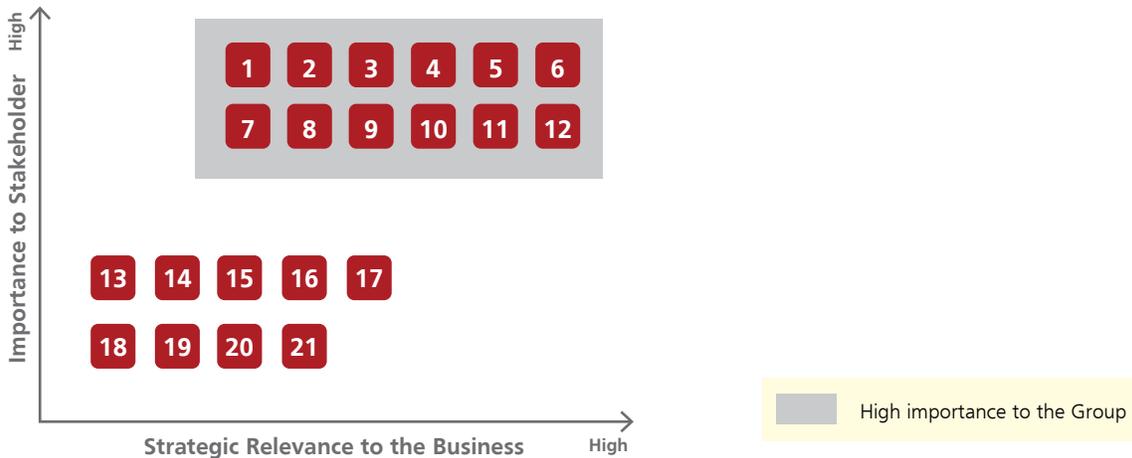
Stakeholders	Objectives	Methods of Engagement
Regulatory Agencies & Statutory Bodies	<ul style="list-style-type: none"> To ensure continuous compliance with the relevant laws, rules and regulations 	<ul style="list-style-type: none"> Continuously be up-to-date with regulations to ensure continuous compliance. Connect with regulators as and when required.
Investors	<ul style="list-style-type: none"> To ensure continuous support 	<ul style="list-style-type: none"> Annual General Meeting / Report. Updates via Group website. Press releases. Circular updates. Media hosting events.
Customers / Guests	<ul style="list-style-type: none"> To ensure customer satisfaction is maintained at all times 	<ul style="list-style-type: none"> Feedback management system. Regular visits to key entities to ensure standards are maintained. Updates via Group website. Promotional events / Customer engagement events
Employees	<ul style="list-style-type: none"> To ensure employee satisfaction is maintained To ensure employee competency is enhanced at all times 	<ul style="list-style-type: none"> Periodic internal meetings / reviews to discuss performance / career development. Briefing / orientation for new staff. Training and development. Company events / Team-building activities
Suppliers / Contractors	<ul style="list-style-type: none"> To ensure sustainable and continuous supply of quality services and materials 	<ul style="list-style-type: none"> Fair and transparent procurement process in accordance to established policies and procedures.
Communities	<ul style="list-style-type: none"> To ensure harmonious relationship is sustained 	<ul style="list-style-type: none"> Corporate social investments with charitable organisations; i.e. donations / financial aid. Verbal engagement with surrounding communities for input.

SUSTAINABILITY REPORT (CONT'D)

5. Materiality Assessment

For this financial year, a materiality assessment was conducted to ensure that the previously identified material matters / indicators from an Economic, Environment, Social and Governance (“EESG”) perspective were relevant to the transformed business strategy of the Group today.

The results of the materiality assessment are as below:-



No	Material EESG matters / indicators
1	PROCUREMENT PRACTICES (VALUE CHAIN)
2	COMPLIANCE (ENVIRONMENT)
3	COMPLIANCE (SOCIAL)
4	OCCUPATIONAL SAFETY & HEALTH
5	ENERGY
6	WATER
7	PRODUCT & SERVICES RESPONSIBILITY (ENVIRONMENT)
8	LABOUR PRACTICES
9	HUMAN RIGHTS
10	COMMUNITY INVESTMENT
11	DIVERSITY
12	WASTE & EFFLUENT
13	PRODUCT & SERVICES RESPONSIBILITY (SOCIAL)
14	INDIRECT ECONOMIC IMPACT
15	ANTI-CORRUPTION
16	SUPPLY CHAIN (SOCIAL)
17	SUPPLY CHAIN (ENVIRONMENT)
18	EMISSIONS
19	ANTI-COMPETITIVE BEHAVIOUR
20	LAND REMEDIATIONS, CONTAMINATIONS, OR DEGRADATION
21	BIODIVERSITY

SUSTAINABILITY REPORT (CONT'D)

6. Sustainability Pillars

The sustainability strategy of the Group continues to uphold the following established pillars:-



With the Group's continuous commitment to the established pillars and the identified material matters / indicators that are of high importance, the subsequent sections of this report details the initiatives performed by the Group to achieve their sustainability strategy.

7. Economic Sustainability

Financial Performance

With the transformed business entity, the table below shows the growth of the Group's overall financial performance:-

Item	FYE 31 st March 2020	FYE 31 st March 2019
Revenue (RM '000)	24,215	20,029
Profit / (Loss) Before Tax (RM'000)	8,154	(16,200)
Earnings / (Loss) Per Share (RM)	2.76	(6.93)

SUSTAINABILITY REPORT (CONT'D)

7. Economic Sustainability (Cont'd)

Property Development and Hotel Management

As part of the transformed business strategy, the Group currently focuses on the property development and hotel management sector. For property development, the Group strives to be one of the most recognised property developers in the Northern Region of Malaysia. Where hotel management is concerned, the Group is managing the Iconic Hotel located in the Icon City. Some of the notable projects include:-

- A joint-venture project between Iconic's wholly-owned unit Iconic Maison Sdn Bhd (f.k.a. Sanbumi Sawmill Sdn Bhd) with Iconic Development Sdn Bhd to develop a key commercial centre and landmark in Penang named Iconic Point.
- A hotel management agreement between Iconic's wholly-owned unit Iconic Hotel Management Sdn Bhd (f.k.a. Nouvelle Hotel (Kulai) Sdn Bhd) with Lucky 888 Sdn Bhd, a related company to the Group for the provision of services to Iconic Hotel.

Procurement / Supply Chain Management

The Group emphasises on establishing the best practices when engaging with the relevant stakeholders across the supply chain by establishing ethical and transparent practices when dealing with suppliers to obtain maximum benefit.

The suppliers and contractors that are engaged with Iconic and its subsidiaries go through an evaluation process in accordance with the established standard operating procedures to ensure fairness and transparency.

To date, a majority of the suppliers and contractors engaged and transacted with the Group are locally based as an effort to support the home-grown economy.

8. Environment Sustainability

Energy Management

The Group strives to ensure that energy consumption for the operations are efficient and produce positive results ecologically and financially. As at March 2020, the total energy consumed by the Iconic Hotel, managed by Iconic Hotel Management Sdn Bhd is at 2,853,853kWh, averaging to approximately 237,821kWh per month.

A number of energy and cost-saving initiatives were taken by the subsidiary such as:-

- Lighting of public areas operating on 'timer' mode.
- Temperature of guest corridors and rooms set to 24°C as the optimal temperature for the body and proven energy savings.
- Usage of light-emitting diode ("LED") lights and inverter systems for better energy consumption.
- Usage of photocell; i.e. cell- timer at common areas such as car parks and drive-ways.

Moving forward, the Group intends to explore options for the installation of solar panel systems at the rooftop of the hotel building to enhance overall energy management.

Water Management

The Group continuously monitors the levels of water consumption for the Iconic Hotel. As at March 2020, the total water consumption by the Iconic Hotel is at 8,430m³, averaging to approximately 703m³ per month.

The Group is currently exploring ways to recycle water; e.g. using air-conditioner water for plant-watering and recycling hot water for the Cooling Tower system.

SUSTAINABILITY REPORT (CONT'D)

8. Environment Sustainability (Cont'd)

Product and Services

As a hotel aiming to emphasise on sustainability, the Iconic Hotel offers products that are environmental-friendly, such as:-

- Eco-friendly and biodegradable amenity solutions for guests.
- Usage of paper straws / recycled bags / reusable utensils.
- Provision of recycle bins in guest rooms to encourage self-segregation recycling.

Waste Management

The Group is currently exploring ways to improve their waste management practices and reduce waste disposal costs.

Some of the current methods explored are to recycle oil collected from the grease traps to be sent to a licensed 3rd party company for better disposal / re-processing options and recycling of paper, plastic and metal.

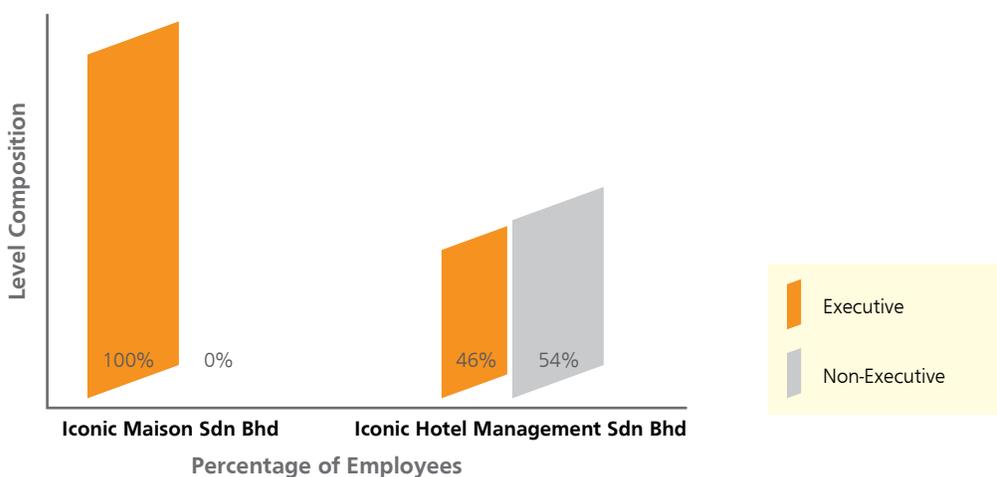
9. Social Sustainability

Employee Profile

The Group strives for a culture that respects and balances the diversity of our employees to create equal opportunities for all employees regardless of the demographic status.

To date, the composition of the active subsidiaries are as follows:-

Employee Level Composition

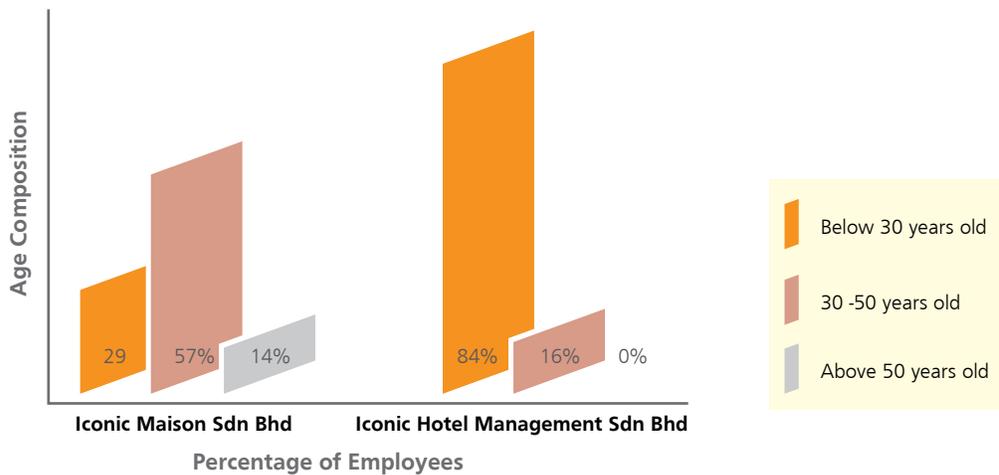


SUSTAINABILITY REPORT (CONT'D)

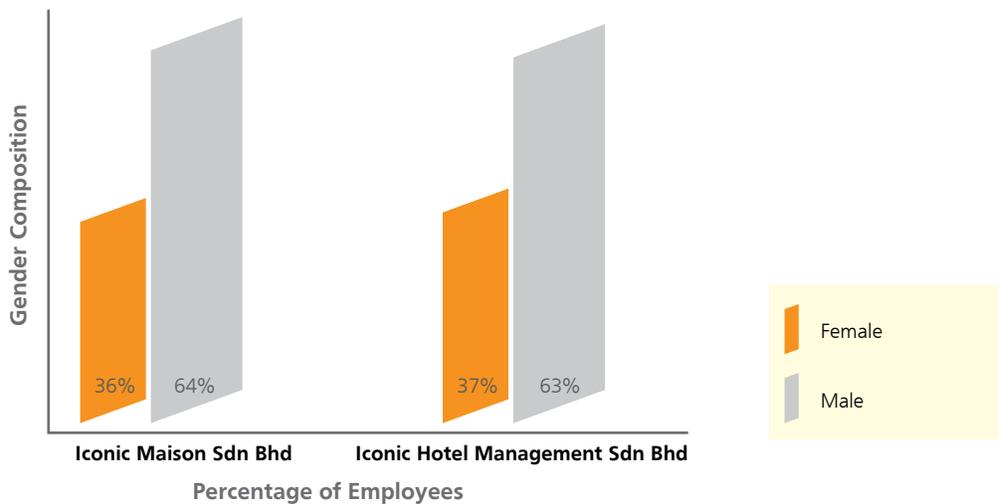
9. Social Sustainability (Cont'd)

Employee Profile (Cont'd)

Employee Age Composition



Employee Gender Composition



Employee Training

The Group emphasises on personal development to all levels of employees to enhance individual knowledge base. During the financial year, various trainings were held such as:-

- Occupational First and Cardiopulmonary resuscitation (“CPR”)
- Food Handler Course
- Recurrent Related Party Transaction & Malaysia Anti-Corruption Commission Training
- Staff Orientations / Briefings

SUSTAINABILITY REPORT (CONT'D)

9. Social Sustainability (Cont'd)

Employee Welfare & Rights

By recognising the importance of social sustainability, the Group also prioritises its employees by ensuring they are provided with benefits such as leave entitlement, public holidays, claims, annual increments, healthcare benefits and employee recognition. The employees are also encouraged to promote a harmonious cooperative culture by having team-building activities. The table below shows the activities held for the employees throughout the year:-

Month	Event
April 2019	<ul style="list-style-type: none"> • Combat Gel Ball War Game • Associate Gathering for Quarter 1, 2019
May 2019	<ul style="list-style-type: none"> • Mother's Day – distribution of chocolates to all mother employees • Selamat Hari Raya – distribution of Raya packets of RM20 KFC Vouchers to all employees
June 2019	<ul style="list-style-type: none"> • Terrarium Workshop • Visit to Iconic Durian Farm at Balik Pulau • Iconic Durian Stall • Post-Ramadhan <i>gotong-royong</i> at Iconic Hotel • Father's Day – distribution of Nescafe can drinks to all father employees • Head of Departments Cooking Competition
July 2019	<ul style="list-style-type: none"> • Starbucks Store <i>gotong-royong</i> • Durian Party • Marshmallow Workshop • Kedah Culinary Competition • Super Golden Bull Award (Iconic Group)
August 2019	<ul style="list-style-type: none"> • Celebration of highest occupancy and revenue for month of July • Iconic Durian Festival Appreciation Dinner
September 2019	<ul style="list-style-type: none"> • Iconic Hotel 3rd Anniversary Party • Food Hotel Malaysia 2019 • Housekeeping Day
October 2019	<ul style="list-style-type: none"> • Happy Deepavali – drawing of 'kolam' • Retro Night – Associate Staff Party 2019
December 2019	<ul style="list-style-type: none"> • Associate Gathering for Quarter 4, 2019 • Iconic Group Christmas Year End Gathering • <i>Gotong-royong</i>
January 2020	<ul style="list-style-type: none"> • Iconic Group 8th Annual Dinner • Chinese New Year "Angpau" Giving
February 2020	<ul style="list-style-type: none"> • Chinese New Year "Yee Sang" Gathering • Valentine's Day – distribution of flowers to female employees & Starbucks Gift Card to male employees

SUSTAINABILITY REPORT (CONT'D)

9. Social Sustainability (Cont'd)

Employee Welfare & Rights (Cont'd)



 *Team paintball activity*



 *Starbucks Store Gotong-Royong*



 *Retro Night-Associate Staff Party 2019*

SUSTAINABILITY REPORT (CONT'D)

9. Social Sustainability (Cont'd)

Occupational Health & Safety

With the renewed focus on property development and hotel management, the Group continues to enforce strict compliance to safety protocols to ensure a safe environment such as the emphasis of utilising personal protective equipment, obtaining valid building permits and conducting regular inspections.

At the construction sites for property development, the following measures are taken to maintain a safe environment:-

- Use of quality personal protective equipment for workers on-site.
- Valid building permits and regular inspections are conducted to prohibit unauthorised personnel / trespassers.
- The machineries at the construction sites are certified by the Jabatan Keselamatan Dan Kesihatan Pekerjaan Malaysia.
- Proper signages for health and safety measures.
- Designated Safety Officer to ensure continuous compliance to the health and safety protocols.

Apart from the practice fire drills, the Group has an Emergency Response Team to manage and handle emergency crisis at the active subsidiaries to ensure that a safe environment for the employees.

To date, the Group is proud to operate in a 'Zero Accident' environment.

Corporate Social Responsibility

The Group strongly promotes the participation in contributing to the local economy by various community engagement initiatives by providing time, resources and effort. Below are the lists of meaningful initiatives throughout the year:-

Month	Event
April 2019	<ul style="list-style-type: none"> • Easter Brunch and flower arrangement workshop with Pertubuhan Penyayang Chi Yun
May 2019	<ul style="list-style-type: none"> • First day of Ramadhan buffet dinner with Pusat Jagaan Darul Hanan at Cita Rasa Warisan • Buffet dinner with Pusat Jagaan Permata Kasih at Cita Rasa Warisan
June 2019	<ul style="list-style-type: none"> • Superfamily Charity Run event organised by Melody Group Event to accumulate funding for the school and road building project of Orang Asli Community in Kampung Laba Sungai Papan, Grik • Monetary donation of RM3,000 to Pusat Jagaan Darul Hanan from the buffet dinner event
October 2019	<ul style="list-style-type: none"> • Monetary donation of RM900 and contribution of pet foods, dental chews and grooming brush for SPCA
November 2019	<ul style="list-style-type: none"> • Monetary donation of RM10,000 to Sekolah Kebangsaan Sungai Nibong for their school library expansion • Monetary donation of RM88,000 to SJK(C) Keng Koon in Simpang Ampat and attending the graduation of the Primary 6 students
December 2019	<ul style="list-style-type: none"> • Christmas Tree Lighting Ceremony with the Salvation Army Children's Home and buffet dinner at Iconic Seafood • Christmas Charity Sales
February 2020	<ul style="list-style-type: none"> • Monetary donation of RM5,000 to Rumah Sejahtera Permatang Tinggi and Pusat Kebajikan Pertubuhan Penyayang Chi Yun respectively

SUSTAINABILITY REPORT (CONT'D)

9. Social Sustainability (Cont'd)

Corporate Social Responsibility (Cont'd)



 Monetary donation to SJK(C) Keng Koon in Simpang Ampat



 Monetary donation to Sekolah Kebangsaan Sungai Nibong

SUSTAINABILITY REPORT (CONT'D)

9. Social Sustainability (Cont'd)

Corporate Social Responsibility (Cont'd)



 Monetary donation to Pusat Kebajikan Pertubuhan Penyayang Chi Yun



 Christmas Tree Lighting Ceremony with the Salvation Army Children's Home

CORPORATE GOVERNANCE OVERVIEW STATEMENT

The Board of Directors is committed to maintain high standards of corporate governance and strives to ensure that it is practised throughout the Company and its subsidiaries (“the IWB Group”) as a fundamental part of discharging its responsibilities in order to protect and enhance shareholders’ value and raise the performance of the IWB Group.

COMPLIANCE WITH THE MALAYSIAN CODE ON CORPORATE GOVERNANCE 2017

In this Statement, the Board reports on the manner the IWB Group has adopted and applied the principles and best practices as set out in the Malaysian Code on Corporate Governance 2017 (“the Code”) and the governance standards prescribed in the Main Market Listing Requirements of Bursa Malaysia Securities Berhad (“Listing Requirements”) throughout the year under review. This Statement is to be read together with the CG Report 2020 of the Company which is available on the Company’s website at www.iconicworldwide.com.my.

PRINCIPLE A - ESTABLISH CLEAR ROLES AND RESPONSIBILITIES

I. BOARD RESPONSIBILITIES

The Company is led and managed by an experienced Board, comprising members who have a wide range of experience in fields such as management, finance, engineering, property development, construction and banking to successfully direct and supervise the IWB Group’s business activities. A brief profile of each Director is presented on pages 22 to 29 of the Annual Report.

The Board will continue to retain full and effective control of the IWB Group. This includes responsibility for reviewing and adopting a strategic plan for the Company and overseeing the conduct of the Company’s business.

Key decisions relating to acquisitions and disposals, material agreements, major capital expenditure, budgets, short term and long term business planning and succession planning for top management is the prerogative of the Board.

The Board delegates the responsibility of implementing the IWB Group’s strategies, business plans, policies and decisions to the Management which is led by the Group Managing Director.

The Board will always act in the best interests of the Company and has a duty of confidentiality in relation to the Company’s confidential information.

The Board has three Board Committees namely the Nomination Committee, the Audit Committee and the Remuneration Committee, to assist the Board and each committee is governed by their Terms of Reference.

The roles of the Chairman and Group Managing Director are distinct and separated to ensure a balance of power and authority.

CORPORATE GOVERNANCE OVERVIEW STATEMENT (CONT'D)

PRINCIPLE A - ESTABLISH CLEAR ROLES AND RESPONSIBILITIES (CONT'D)

I. BOARD RESPONSIBILITIES (CONT'D)

The Chairman is responsible for the overall leadership and efficient functioning of the Board. The key roles of the Chairman, amongst others, are as follows:-

- (i) ensure that the Board functions effectively, cohesively and independently of Management;
- (ii) leading the Board in establishing and monitoring good corporate governance practices in the Company and IWB Group;
- (iii) leading the Board, including presiding over Board meetings and Company meetings and directing Board discussions to effectively address the critical issues facing the Company, in addition to encouraging active participation from Board members;
- (iv) promoting constructive and respectful relationship between board members and between board members and management; and
- (v) ensure that there is effective communication between the Company and/or the IWB Group and its shareholders and relevant stakeholders.

The Group Managing Director is responsible to the Board for the day-to-day management of the IWB Group. The Board gives direction and exercises judgement in setting the Company's objectives and overseeing their implementation. The key roles of the Group Managing Director, amongst others, are as follows:-

- (i) developing the strategic direction of the IWB Group;
- (ii) ensure that the Company and/or the IWB Group's business is properly and efficiently managed by ensuring that the executive team implements the policies and strategies adopted by the Board and its Committees;
- (iii) ensuring an effective management team below the level of the Managing Director and to develop an active succession plan;
- (iv) ensure that the objectives and standards of performance are understood by the Management and employees;
- (v) ensure that the operational planning and control systems are in place;
- (vi) monitoring performance results against plans; and
- (vii) taking remedial action, where necessary.

The Group Managing Director also provides assistance whenever appropriate and works with the Board and the Board Committees in discharging their duties. He will report on the performance and activities of the IWB Group for the period under review, including explanations when there are changes or significant fluctuations.

CORPORATE GOVERNANCE OVERVIEW STATEMENT (CONT'D)

PRINCIPLE A - ESTABLISH CLEAR ROLES AND RESPONSIBILITIES (CONT'D)

I. BOARD RESPONSIBILITIES (CONT'D)

The Company is supported by two (2) qualified named Company Secretaries who possess the requisite qualification and are qualified to act as Company Secretaries under section 235(2) of the Companies Act 2016. They play a supportive role by ensuring adherence to the Company's Constitution, Board's policies and procedures and compliance with the relevant regulatory requirements, codes or guidance and legislations from time to time. The Company Secretaries monitor corporate governance developments and assist the Board in applying governance practices to meet the Board's needs and stakeholders' expectations.

The Company has in place a Board Charter that sets out, among others, the responsibilities, authorities, procedures, evaluations and structures of the Board and Board Committees, as well as the relationship between the Board with its management and shareholders. The Board Charter is reviewed by the Board, with Nomination Committee's recommendation, annually and updated in accordance with the needs of the Company and any new regulations that may have an impact on the discharge of the Board's responsibilities.

The Board Charter is made available for reference in the Company's website at www.iconicworldwide.com.my.

The Board Charter was last reviewed on 11 August 2020.

The Directors are expected to conduct themselves with the highest ethical standards. All Directors and employees of the Company are expected to behave ethically and professionally at all times and thereby protect and promote the reputation and performance of the Company.

The Code of Ethics was adopted by the Board on 2 July 2018 and is made available for reference on the Company's website, www.iconicworldwide.com.my.

During the financial year ended 31 March 2020, seven (7) Board Meetings were held. Details of the attendance of Directors at the Board Meetings are as follows:-

Name	Position	Attendance
Dato' Ir. Zainurin bin Karman	Independent Non-Executive Chairman	6/7
Dato' Chua Tiong Moon (Resigned on 30 August 2019)	Managing Director	3/4
Dato' Tan Kean Tet (Appointed on 23 April 2019)	Managing Director	6/6
Tan Cho Chia	Executive Director	7/7
Tan Seok Ying (Appointed on 23 September 2019)	Executive Director	1/2
Lim Thian Loong	Independent Non-Executive Director	7/7
Leow Chan Kiang	Independent Non-Executive Director	7/7
Ong Lay See (Appointed on 18 November 2019)	Independent Non-Executive Director	2/2

CORPORATE GOVERNANCE OVERVIEW STATEMENT (CONT'D)

PRINCIPLE A - ESTABLISH CLEAR ROLES AND RESPONSIBILITIES (CONT'D)

I. BOARD RESPONSIBILITIES (CONT'D)

Based on the above, all Directors have complied with the minimum 50% attendance requirement in respect of the Board Meetings as stipulated in paragraph 15.05 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad.

The Board is satisfied with the level of time commitment given by the Directors of the Company towards fulfilling their duties and responsibilities. This is evidenced by the attendance record of the Directors as set out above.

All the Directors have attended the Directors' Mandatory Accreditation Programme. The Directors will continue to attend various professional programmes necessary to enhance their professionalism in the discharge of their duties.

During the financial year ended 31 March 2020, the Board has undertaken an assessment of the training needs of each director. The trainings that the Directors have attended for the financial year are as follows:-

Dato' Tan Kean Tet

- Related/Recurrent Party Transactions and General Understanding of Section 17A, Malaysian Anti-Corruption Commission Act 2009 7 January 2020

Dato' Ir. Zainurin bin Karman

- Related/Recurrent Party Transactions and General Understanding of Section 17A, Malaysian Anti-Corruption Commission Act 2009 7 January 2020

Tan Cho Chia

- Related/Recurrent Party Transactions and General Understanding of Section 17A, Malaysian Anti-Corruption Commission Act 2009 7 January 2020

Tan Seok Ying

- Related/Recurrent Party Transactions and General Understanding of Section 17A, Malaysian Anti-Corruption Commission Act 2009 7 January 2020
- Mandatory Accreditation Programme for Directors of Public Listed Companies 13-14 January 2020

Lim Thian Loong

- Cyber Security in the Boardroom 27 June 2019
- Introduction to Companies Act 2016 7 August 2019
- Related/Recurrent Party Transactions and General Understanding of Section 17A, Malaysian Anti-Corruption Commission Act 2009 7 January 2020

Leow Chan Khiang

- Related/Recurrent Party Transactions and General Understanding of Section 17A, Malaysian Anti-Corruption Commission Act 2009 7 January 2020

Ong Lay See

- Related/Recurrent Party Transactions and General Understanding of Section 17A, Malaysian Anti-Corruption Commission Act 2009 7 January 2020
- Mandatory Accreditation Programme for Directors of Public Listed Companies 13-14 January 2020

CORPORATE GOVERNANCE OVERVIEW STATEMENT (CONT'D)

PRINCIPLE A - ESTABLISH CLEAR ROLES AND RESPONSIBILITIES (CONT'D)

II. BOARD COMPOSITION

The current Board is made up of eight (8) members comprising one (1) Independent Non-Executive Chairman, four (4) Executive Directors and three (3) Independent Non-Executive Directors. The composition of the Board complies with paragraph 15.02 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad. In view of their diversified background and extensive experience, they bring a wide range of technical skills and expertise to the Group and have contributed significantly towards performance monitoring, control as well as governance.

All directors of the Company do not hold more than 5 directorships under paragraph 15.06 of the Main Market Listing Requirements.

The Board believes that the current composition is appropriate given the collective skills and experiences of the Directors and the IWB Group's current size and nature of business. The Board will continue to monitor and review the Board's size and composition as may be needed. If there is a need to appoint additional Board member, the Company will consider utilizing the pool of directors from independent sources.

The Board is aware of the tenure of an Independent Director which should not exceed a cumulative term of nine (9) years and upon completion of the nine years, an independent director may continue to serve on the board as a non-independent director.

If the Board intends to retain an independent director beyond nine years, it should justify and seek annual shareholders' approval.

If the Board continues to retain the independent director after the twelfth year, the Board should seek annual shareholders' approval through a two-tier voting process.

Presently, there is an Independent Director of the Company, namely Dato' Ir. Zainurin bin Karman whose tenure has exceeded a cumulative term of twelve (12) years and another Independent Director of the Company, namely Mr Lim Thian Loong whose tenure has exceeded a cumulative terms of nine (9) years.

Letters of support from the Managing Director recommending Dato' Ir. Zainurin bin Karman and Mr Lim Thian Loong who have served on the Board as Independent Non-Executive Directors of the Company to be retained as Independent Non-Executive Directors of the Company were tabled at the Nomination Committee Meeting held on 28 May 2020. The Nomination Committee members reviewed the letters of support and were satisfied that Dato' Ir. Zainurin bin Karman and Mr Lim Thian Loong still maintain independence despite their extended long services to the Company and recommended to the Board to seek for shareholders' approval at the Annual General Meeting held on 28 September 2020.

As recommended by the MCCG, the Board has recommended Dato' Ir. Zainurin bin Karman who has served as an Independent Non-Executive Director for a cumulative term of more than 12 years, to continue to act as an Independent Non-Executive Director of the Company subject to the shareholders' approval through a two-tier voting process at the Fifty-First Annual General Meeting of the Company to be held on 28 September 2020.

The IWB Group does not practice any form of gender, ethnicity and age group discrimination as the IWB Group is an equal opportunity employer with all appointments and employments are strictly based on merits and suitability. The Board does not have any target date or measure to meet the 30% women directorship and is supportive of the gender boardroom diversity recommended by the Code and will strive towards introducing more female Board members when it reviews its board composition.

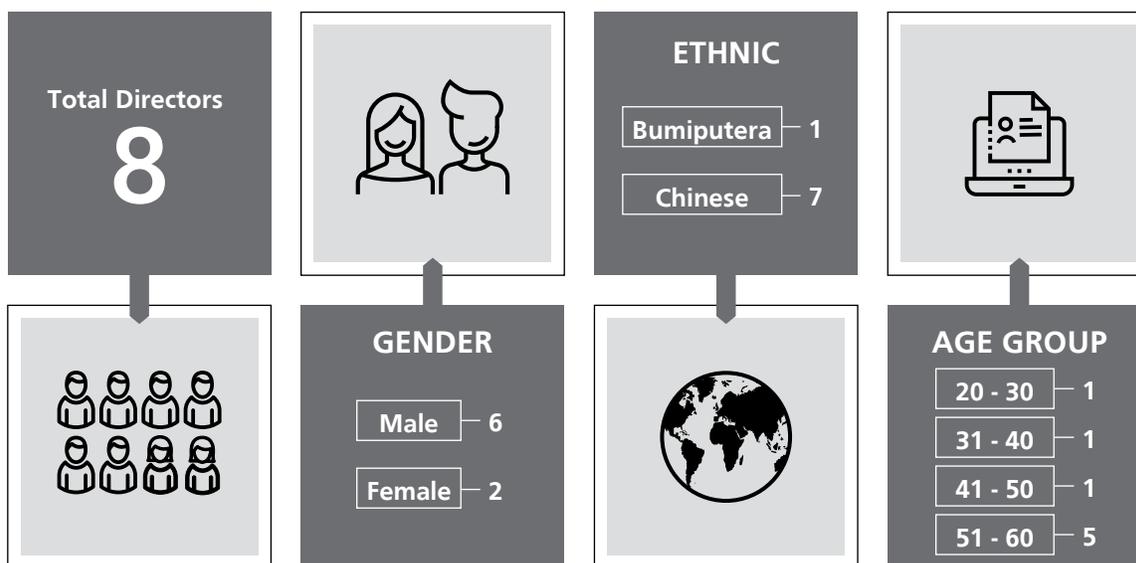
CORPORATE GOVERNANCE OVERVIEW STATEMENT (CONT'D)

PRINCIPLE A - ESTABLISH CLEAR ROLES AND RESPONSIBILITIES (CONT'D)

II. BOARD COMPOSITION (CONT'D)

The Boardroom Diversity Policy is made available for reference in the Company's website at www.iconicworldwide.com.my.

The age and gender diversity of the Board at the end of the financial year are as follows:-



The Board through the Nomination Committee periodically reviews its required mix of skills and experience and other qualities, including core competencies that Non-Executive Directors should bring to the Board. The Nomination Committee will carry out its duties and responsibilities as set out in its Terms of Reference which can be viewed on the Company's website. The Nomination Committee will convene its meeting at least once a year and they may invite other Board members, officers of the Company, employees and any other external parties to attend meetings or part thereof as and when necessary. Through its Chairman, the Nomination Committee reports to the Board on matters discussed at the next Board of Directors' Meeting after each meeting. The Company Secretary is the Secretary to the Nomination Committee.

The re-election of the Board is also done in accordance with the Constitution of the Company whereby one-third (1/3) of the Directors for the time being or, if their number is not a multiple of three (3), the number nearest to one-third (1/3), shall retire from office at the conclusion of the AGM in every year provided always that all Directors shall retire from office once at least in every three (3) years but shall be eligible for re-election.

Newly appointed directors shall hold office only until the next annual general meeting and shall be eligible for re-election.

The election of each director is voted on separately. To assist shareholders in their decision, sufficient information such as personal profile, meetings attendance and their shareholdings in the IWB Group of each Director standing for election are furnished in the Annual Report accompanying the Notice of Annual General Meeting ("AGM").

CORPORATE GOVERNANCE OVERVIEW STATEMENT (CONT'D)

PRINCIPLE A - ESTABLISH CLEAR ROLES AND RESPONSIBILITIES (CONT'D)

II. BOARD COMPOSITION (CONT'D)

The Nomination Committee is also responsible for recommending to the Board those Directors who are eligible to stand for re-election/re-appointment. The Nomination Committee assessed and being satisfied made recommendations to the Board for the re-election of the five (5) directors, namely Dato' Ir Zainurin Bin Karman, Mr Tan Cho Chia, Ms Tan Seok Ying, Ms Ong Lay See and Mr Jason Chung Wei Chiun who are due for retirement but shall be eligible for re-election at the forthcoming AGM to be held on 28 September 2020.

During the financial year, the Nomination Committee had assisted the Board on the following functions:

- (1) reviewed its terms of reference;
- (2) reviewed the structure, size and composition of the Board and made recommendation to the Board as regards any changes that may, in their view, be beneficial to the Company;
- (3) reviewed the required mix of skills, experience and core competencies which Non-Executive Directors bring to the Board;
- (4) implemented a process, assessed the effectiveness of the Board as a whole, committees of the Board and the contribution of individual directors;
- (5) recommended to the Board directors who retired to be put forward for re-election;
- (6) recommended to the Board the appointment and resignation of Directors;
- (7) reviewed and recommended to the Board to seek shareholders' approval at the forthcoming AGM for Directors who have served as Independent Non-Executive Directors of the Company for a cumulative term of more than nine years to continue to be Independent Non-Executive Directors;
- (8) assessed the independence of each of the existing Independent Directors with each director abstaining from deliberation on his own assessment; and
- (9) reviewed the terms of office and performance of the Audit Committee and each of its members.

During the financial year ended 31 March 2020, the Nomination Committee had five (5) meetings. Details of the attendance of Directors at the Nomination Committee Meetings are as follows:-

Name	Position	Attendance
Dato' Ir Zainurin bin Karman	Chairman	5/5
Lim Thian Loong	Member	5/5
Leow Chan Kiang (<i>Appointed on 2 April 2019</i>)	Member	4/4
Ong Lay See (<i>Appointed on 25 February 2020</i>)	Member	-

The Board also recognises the importance of independence and objectivity in the decision-making process. The Board is committed to ensure that the independent directors are capable to exercise independent judgment and act in the best interests of the IWB Group.

The Independent Directors of the Company fulfill the criteria of "Independence". They act independently of management and are not involved in any other relationship with the IWB Group that may impair their independent judgment and decision making.

CORPORATE GOVERNANCE OVERVIEW STATEMENT (CONT'D)

PRINCIPLE A - ESTABLISH CLEAR ROLES AND RESPONSIBILITIES (CONT'D)

II. BOARD COMPOSITION (CONT'D)

Each Director has a continuing responsibility to determine whether he has a potential or actual conflict of interest in relation to any material transactions. Such a situation may arise from external associations, interests or personal relationships.

The Director is required to immediately disclose to the Board and to abstain from participating in discussions, deliberations and decisions of the Board on the respective matters.

The Nomination Committee carried out the assessment of the Independent Directors at its meeting on 28 May 2020. Each independent director abstained from deliberation on his/her own assessment. The Nomination Committee was satisfied that the Independent Directors still maintain their independence.

The Nomination Committee has based on the guidelines set out in the Listing Requirements to assess the independence of candidate for directors and existing directors. The Directors are also required to confirm their independence by completing the independence checklist on an annual basis.

The Nomination Committee last reviewed its Terms of Reference on 25 February 2020.

III. REMUNERATION

The Remuneration Committee, comprises only independent directors, will recommend to the Board the remuneration packages of the Directors to ensure that the Company attracts and retains directors needed to run the Company. The Remuneration Committee is responsible for recommending to the Board the policy framework on terms of employment and on all elements of the remuneration of Executive Directors.

The Board has in place a Remuneration Policy & Procedures to determine the remuneration of Directors and Senior Management. This Policy will be periodically reviewed and is made available on the Company's website at www.iconicworldwide.com.my.

During the financial year ended 31 March 2020, the Remuneration Committee had three (3) meetings. Details of the attendance of Directors at the Remuneration Committee Meetings are as follows:-

Name	Position	Attendance
Dato' Ir Zainurin bin Karman	Chairman	3/3
Lim Tian Loong	Member	3/3
Leow Chan Kiang (<i>Appointed on 2 April 2019</i>)	Member	3/3
Ong Lay See (<i>Appointed on 25 February 2020</i>)	Member	-

The Directors' fees and emoluments are subject to endorsement of the Board and approval of the shareholders. Directors who are shareholders will abstain from voting at general meetings to approve their fees. Executive Directors also will not be involved in deciding their own remuneration.

CORPORATE GOVERNANCE OVERVIEW STATEMENT (CONT'D)

PRINCIPLE A - ESTABLISH CLEAR ROLES AND RESPONSIBILITIES (CONT'D)

III. REMUNERATION (CONT'D)

Details of the Directors' Remuneration for the financial year ended 31 March 2020 in IWB Group are as follows:-

	ZK	CTM	DTKT	TCC	TSY	LTL	LCK	OLS
Director's Fees	36,000	15,000	36,000	36,000	18,000	36,000	36,000	15,000
Salaries	-	125,000	90,000	120,000	60,000	-	-	-
Other emoluments	-	21,635	11,262	15,323	7,662	-	-	-
Bonus	-	-	-	-	-	-	-	-
Benefit-In-Kind	-	-	-	-	-	-	-	-
Total	36,000	161,635	137,262	171,323	85,662	36,000	36,000	15,000

Band (RM)	Company		Group	
	Executive Directors	Non-Executive Directors	Executive Directors	Non-Executive Directors
RM50,000 and below	2	4	-	4
RM50,001 - RM100,000	-	-	1	-
RM100,001 - RM150,000	1	-	1	-
RM150,001 - RM200,000	1	-	2	-
RM200,001 - RM250,000	-	-	-	-
RM250,001 - RM300,000	-	-	-	-
RM300,001 - RM350,000	-	-	-	-
RM350,001 - RM400,000	-	-	-	-
RM400,001 - RM450,000	-	-	-	-
Total	4	4	4	4

Note:

- ZK** - Dato' Ir. Zainurin bin Karman
- CTM** - Dato' Chua Tiong Moon
- DTKT** - Dato' Tan Kean Tet
- TCC** - Tan Cho Chia
- TSY** - Tan Seok Ying
- LTL** - Lim Thian Loong
- LCK** - Leow Chan Khiang
- OLS** - Ong Lay See

CORPORATE GOVERNANCE OVERVIEW STATEMENT (CONT'D)

PRINCIPLE A - ESTABLISH CLEAR ROLES AND RESPONSIBILITIES (CONT'D)

III. REMUNERATION (CONT'D)

Remuneration of Senior Management

The Company has three (3) Senior Management staff. Details of remuneration received by the Senior Management on named basis are not disclosed in this report.

The Company seriously considered but had chosen to depart from Practices 7.2 and 7.3 of the MCCG 2017 to avoid any adverse effects, including dissatisfaction and animosity among employees in the event the Company disclosed the details on salaries, bonuses, benefit-in-kind and other emoluments of Senior Management on named basis.

The aggregate remuneration paid to the staff including the Senior Management are disclosed in Note 22 to the Financial Statements.

PRINCIPLE B - EFFECTIVE AUDIT AND RISK MANAGEMENT

I. AUDIT COMMITTEE

The Audit Committee comprises 4 Independent Directors. The Chairman of the Audit Committee is not the Chairman of the Board. The Audit Committee has a policy that requires a former key audit partner to observe a cooling-off period of at least two (2) years before being appointed as a member of the Audit Committee. The Audit Committee has assessed the suitability, objectivity and independence of the external auditors. The Company adopted the External Auditors Assessment Policy on 2 July 2018 and the Policy is available at the Company's website.

During the financial year, the amount of audit fee and non-audit fee paid to the External Auditors by the Company and the Group for the financial year ended 31 March 2020 were as follows:-

	Group (RM)	Company (RM)
Audit Fees	156,000	60,000
Non-Audit Fees	5,000	5,000

The non-audit fees were in respect of annual review of the Risk Management and Internal Control Statement.

In considering the nature and scope of non-audit fees, the Audit Committee was satisfied that they were not likely to create any conflict or impair the independence and objectivity of the External Auditors.

The Audit Committee and the Board are satisfied with the performance, competence and independence of the external auditors and the Board had recommended their re-appointment for shareholders' approval at the forthcoming Annual General Meeting.

The key features underlying the relationship of the Audit Committee with external auditors are included in the Audit Committee's terms of reference as detailed in Audit Committee section of this Annual Report.

CORPORATE GOVERNANCE OVERVIEW STATEMENT (CONT'D)

PRINCIPLE B - EFFECTIVE AUDIT AND RISK MANAGEMENT (CONT'D)

II. RISK MANAGEMENT AND INTERNAL CONTROL FRAMEWORK

The Board has ultimate responsibility for reviewing the Company's risks, approving the risk management framework and policy and overseeing the Company's strategic risk management and internal control framework to achieve its objectives within an acceptable risk profile as well as safeguarding the interest of stakeholders and shareholders and the IWB Group's assets.

The Risk Management Working Committee ("RMWC") was established on 20 November 2019. The RMWC is chaired by an Executive Director and comprises of 3 other members representing the key management team of the respective business segments. The responsibilities of the RMWC are:

- (a) Overseeing the establishment and implementation of an adequate and appropriate risk management framework;
- (b) Monitoring the Group's strategic direction and management of all associated significant business risks identified;
- (c) Reviewing the effectiveness of the risk management framework in identifying and managing risks;
- (d) Reviewing the adequacy of the risk management policy and internal control processes which are in place to address risks; and
- (e) Reviewing the adequacy and appropriateness of the infrastructure made available to facilitate the implementation for risk management and risk mitigation action plans.

The IWB Group's internal audit function is outsourced to a professional services firm, IBDC (Malaysia) Sdn. Bhd. to assist the Board and Audit Committee in providing an independent assessment on the adequacy, efficiency and effectiveness of the IWB Group's internal control systems.

The key features of the Risk Management Framework are presented in the Statement on Risk Management and Internal Control of the Company as set out on pages 64 to 65 of this Annual Report. The Terms of Reference of the RMWC is made available on the Company's website at www.iconicworldwide.com.my.

The Sustainability Committee was established in 2019. This Committee is headed by an Executive Director and assisted by members of key management team of the respective business segments. The responsibilities of the Sustainability Committee are:-

- (a) To manage sustainability matters for the IWB Group;
- (b) To review and approve the sustainability strategy and direction of the IWB Group;
- (c) To oversee management and advise the Board regarding sustainability matters;
- (d) To review and evaluate the effectiveness and competence of the sustainability strategy; and
- (e) To review the sustainability report prior to the approval from the Board.

The Terms of Reference of the Sustainability Committee is made available on the Company's website at www.iconicworldwide.com.my.

CORPORATE GOVERNANCE OVERVIEW STATEMENT (CONT'D)

PRINCIPLE C – INTEGRITY IN CORPORATE REPORTING AND MEANINGFUL RELATIONSHIP WITH STAKEHOLDERS

I. COMMUNICATION WITH STAKEHOLDERS

The Company recognises the importance of timely and thorough dissemination of information on all material business and corporate developments to shareholders and investors.

The Company keeps shareholders informed by announcements and timely release of quarterly financial results through Bursa Link, press releases, annual report and circular to shareholders.

Any query and concern regarding the Group may be conveyed to the following person:-

Dato' Ir. Zainurin bin Karman : Senior Independent Non-Executive Director
Telephone number : 04-504 0588 / 04-390 3699
Facsimile number : 04-504 1599 / 04-390 3636

The Company encourages all employees and stakeholders to report any improper conduct on the part of employees, management, directors and vendors in particular with respect of their obligation to the Company's interest. Employees and stakeholders who have been aggrieved or have concerns to raise can raise them through the grievance procedure or to the Audit Committee Chairman.

The Anti-Bribery and Anti-Corruption Handbook and the Whistle Blowing Policy are made available on the Company's website, www.iconicworldwide.com.my.

The Company maintains a website, www.iconicworldwide.com.my that allows the shareholders, investors and members of the public to gain access to information and new events relating to the Group.

II. CONDUCT OF GENERAL MEETINGS

Through the Company's general meetings, it provides shareholders with the opportunity to engage in candid dialogue and to seek and clarify and issues and to have a better understanding of the Group's performance. The Board encourages shareholders' active participation at such meetings and members of the Board and the external auditors will be present to address any queries raised during the meetings. The Company will also ensure that the notice for AGM will be given to its shareholders at least 28 days prior to the meeting.

All resolutions set out in the notice of general meetings will be carried out by poll voting. The Board makes an announcement of the detailed results showing the number of votes cast for and against each resolution at general meetings for shareholders' information.

The Statement was approved by the Board of Directors on 11 August 2020.

ADDITIONAL COMPLIANCE INFORMATION

a) Utilisation of proceeds raised from Corporate Proposals

On 9 January 2019, the Company completed the 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 RM3,916,267.44 and the proceeds are to be allocated and utilised in accordance with the approved utilisation plan. As at 31 December 2019, the proceeds had been fully utilised as allocated and in accordance with the approved utilisation plan. The status of the utilisation as at 31 March 2020 was as follows:

Purpose	Utilisation		Intended Timeframe for Utilisation	Deviation	
	Proposed RM'000	Actual RM'000		RM'000	%
Expenses in relation to Proposed Placement	180	180	Within 12 months	-	-
Working capital and/or future business project(s)/investment(s)	3,736	3,736	Within 12 months	-	-
	3,916	3,916			

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 RM19,422,780.00 and the proceeds are to be allocated and utilised in accordance with the approved utilisation plan which shall lapse on 11 September 2021. The status of the utilisation as at 31 March 2020 was 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	4,000	Within 24 months	14,423	78.3
	19,423	5,000			

b) Non-audit fees

The fee payable by the Company to the external auditors for non-audit services provided during the financial year ended 31 March 2020 amounted to RM5,000. There were no fees payable by the Group to a company affiliated to the external auditors for non-audit services provided during the financial year ended 31 March 2020.

c) Material contracts

There were no contracts of the Company or its subsidiary companies, which are or may be material, involving directors and major shareholders' interest still subsisting as at the end of the financial year ended 31 March 2020.

d) 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 Extraordinary General Meeting held on 7 January 2020. Details of such transactions during the financial year are disclosed in Note 27 to the financial statements.

The said Mandate is subject to renewal at the forthcoming Annual General Meeting. Details of the Shareholders' Mandate to be sought will be furnished in the Circular to Shareholders dated 28 August 2020.

AUDIT COMMITTEE REPORT

Chairman

Lim Thian Loong
(Independent Non-Executive Director)

Members

Dato' Ir Zainurin bin Karman
(Independent Non-Executive Director)

Leow Chan Khiang (Appointed on 2 April 2019)
(Independent Non-Executive Director)

Ong Lay See (Appointed on 25 February 2020)
(Independent Non-Executive Director)

TERMS OF REFERENCE

The Terms of Reference of the Audit Committee are incorporated in the Board Charter and can be viewed in the Company's website at www.iconicworldwide.com.my.

DETAILS OF ATTENDANCE OF MEMBERS AT AUDIT COMMITTEE MEETINGS

During the financial year ended 31 March 2020, there were seven (7) Audit Committee Meetings held. Details of the attendance of Directors at the Audit Committee Meetings are as follows:-

Name	Position	Attendance
Lim Thian Loong	Chairman	7/7
Dato' Ir Zainurin bin Karman	Member	6/7
Leow Chan Khiang (Appointed on 2 April 2019)	Member	6/6
Ong Lay See (Appointed on 25 February 2020)	Member	-

SUMMARY OF WORK OF THE AUDIT COMMITTEE

In discharging its functions and duties in accordance with its Terms of Reference, the Audit Committee ("AC") had carried out the following work during the financial year ended 31 March 2020:-

1. The AC had two (2) private meetings with the representatives from Crowe Malaysia PLT ("Crowe"), the former external auditors of the Company, on 30 May 2019 and 9 July 2019 in the absence of the Executive Board Members to discuss on any significant audit issues which may have arisen in the course of their audit of the Group. The AC enquired the external auditors on the management's co-operation. The external auditors reported that most audit issues raised at the earlier meeting had been addressed and they had no issues with the management co-operation.
2. At their Meetings held on 2 April 2019 and 29 May 2019, the AC reviewed and discussed on the Corporate Proposals involving the Proposed Joint Venture via Joint Development Agreement, Proposed Issuance of Redeemable Convertible Preference Shares ("RCPS") to Iconic Development Sdn Bhd and Proposed Amendments to the Company's Constitution to facilitate the issuance of RCPS.

AUDIT COMMITTEE REPORT (CONT'D)

SUMMARY OF WORK OF THE AUDIT COMMITTEE (CONT'D)

3. At their Meeting held on 30 May 2019, the AC reviewed and discussed the following:-
 - a. The unaudited condensed interim financial report of the Group for the fourth financial quarter and the financial year ended 31 March 2019. The AC noted that the condensed interim financial report had been prepared in accordance with all applicable Malaysian Financial Reporting Standard (“MFRS”) 134: “Interim Financial Reporting” issued by the Malaysian Accounting Standards Board 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”) and were in compliance with the accounting standards and other legal requirements. There were no items or incidences of an unusual nature not otherwise dealt with which may or has substantially affect 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. After deliberation the AC agreed that recommendations are made to the Board of Directors for the approval of the unaudited condensed interim financial report of the Group for the fourth financial quarter and financial year ended 31 March 2019; and
 - b. The Audit Review Memorandum (ARM) dated 30 May 2019 presented by Crowe in respect of their audit of Iconic Worldwide Group for the financial year ended 31 March 2019. Crowe confirmed that they were and had been independent throughout the audit engagement in accordance with the terms of all relevant professional and regulatory requirements, including the By-laws (on Professional Ethics, Conducts and Practice) of the Malaysian Institute of Accountants. They further stated that they were not aware of any relationship between themselves and the Company or the Group that in their professional judgment, may reasonably be thought to impair their independence.
4. At their Meeting held on 9 July 2019, the AC reviewed the ARM (Closing Meeting) presented by Crowe setting out the status update on the ARM presented on 30 May 2019. Crowe confirmed that there was no material deviation between the audited results of the Group and the unaudited results announced previously for the financial year ended 31 March 2019. At the same meeting, the AC also:
 - a. reviewed and recommended to the Board of Directors the re-appointment and remuneration of the external auditors;
 - b. reviewed and approved the Audit Committee Report for inclusion in the 2019 Annual Report; and
 - c. reviewed the scope, function, competency and resources of the Internal Audit and concluded that the aforesaid were adequate.
5. At their Meeting held on 28 August 2019, the AC reviewed and discussed on the following:-
 - a. Group’s unaudited first quarter results for the financial year ended 31 March 2020 together with the relevant reports and made recommendations to the Board of Directors for approval. The condensed interim financial reports which were unaudited and had been prepared in accordance with all applicable Malaysian Financial Reporting Standard (“MFRS”) 134: “Interim Financial Reporting” issued by the Malaysian Accounting Standards Board and Paragraph 9.22 and Appendix 9B of Chapter 9 Part K of the of the MMLR of Bursa Securities were in compliance with the accounting standards and other legal requirements. There were no items or incidences 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;
 - b. The performance of the Group against the Budget for the financial year ended 31 March 2019; and
 - c. Business Plan and Budget for the financial year ending 31 March 2020 and recommended to the Board of Directors for approval.

AUDIT COMMITTEE REPORT (CONT'D)

SUMMARY OF WORK OF THE AUDIT COMMITTEE (CONT'D)

6. At their meetings held on 26 November 2019 and 25 February 2020, the AC reviewed and discussed the Group's unaudited second and third quarter results for the financial year ended 31 March 2020 together with the relevant reports and made recommendations to the Board of Directors for approval. The condensed interim financial reports which were unaudited and had been prepared in accordance with all applicable Malaysian Financial Reporting Standard ("MFRS") 134: "Interim Financial Reporting" issued by the Malaysian Accounting Standards Board and Paragraph 9.22 and Appendix 9B of Chapter 9 Part K of the of the MMLR of Bursa Securities were in compliance with the accounting standards and other legal requirements. There were no items or incidences 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 respective financial quarters under review and the financial period to date.
7. At their meeting held on 26 November 2019, the AC reviewed and discussed on the following:-
 - a. Circular to Shareholders in relation to the Proposed Shareholders' Mandate for Recurrent Related Party Transactions ("RRPT") of a revenue or trading nature and recommended it to the Board of Directors for approval;
 - b. Change of the external auditors and reviewed the profile of the new external auditors and recommended to the Board of Directors for approval; and
 - c. Reviewed the profiles of the internal auditors.
8. At their Meeting held on 25 February 2020, the AC received the External Audit Plan for the financial year ended 31 March 2020 from the external auditors as well as the internal audit report in relation to the review of the internal control systems of Iconic Worldwide Berhad and Iconic Hotel Management Sdn. Bhd. from the internal auditors. The AC reviewed the Terms of Reference of the Audit Committee, Terms of Reference of the Risk Management Working Committee ("RMWC") and conflict of interest situation, related party transactions and RRPTs.
9. Management also reported on the Group's risk management and internal control systems at every AC meetings. At every quarterly meeting, the schedule showing the advances made to the subsidiaries of the Company and the repayments from the subsidiaries are tabled to the AC for notation and discussion.
10. The AC receives and discusses the Internal Audit Reports containing the audit findings and recommendations made by the internal auditors on areas to be improved in the systems of internal control and the Management responses on those issues. The AC monitors the progress on the corrective actions taken by the Management on a quarterly basis until it is satisfied that the weaknesses identified had been adequately addressed.
11. The AC is kept abreast on the Group's compliance with the Bursa Malaysia Securities Berhad Main Market Listing Requirements, Financial Reporting Standards issued by the Malaysian Accounting Standards Board and other relevant legal and regulatory requirements through updates received from the external auditors and the company secretary.

AUDIT COMMITTEE REPORT (CONT'D)

SUMMARY OF WORK OF THE INTERNAL AUDIT FUNCTION

The Group has outsourced the Internal Audit function to IBDC (Malaysia) Sdn. Bhd. for the financial year ended 31 March 2020. The responsibility of the Internal Auditors is to review the Group's system of internal control and report its adequacy, effectiveness and efficiency to the AC. The Internal Auditors adopt a risk-based audit approach in auditing objectively to provide the assurance that risks were mitigated to acceptable levels. This approach draws the Internal Auditors' attention towards gaining an understanding of the Group's interaction with external forces, changes in the strength of the relationships during the period under audit, and the risk of potential future changes presented by the external forces. Their approach entails understanding on how the business risks translate to audit risks, and communicating value added input to the management through the audit process. Whenever required, the Internal Auditors would make reference to the Group's policies and procedures, established practices, listing requirements and recommended industry practices.

During the financial year ended 31 March 2020, the internal audit work carried out was the review of the internal control systems for Human Resource Management and Payroll System Function of Iconic Worldwide Berhad and Iconic Hotel Management Sdn. Bhd.

In the internal audit report, the findings arising from the audit field work were highlighted together with suitable recommendations for improvement to the management for review and further action where necessary. These findings were not limited to matters relating to the financial and accounting controls but also cover certain key operational and management control areas.

During the quarterly meetings, the Internal Auditors also go through with the AC the update status, if any, on the implementation of their recommendations by the Management.

The 2nd cycle of the internal audit work on the review of the related party transactions and recurrent related party transactions which was scheduled to commence in March and reported in May 2020 could not be carried out due to the Movement Control Order as a result of the Covid-19 outbreak.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to paragraph 15.26(a) of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad

The Directors are required to prepare financial statements for the financial year to give a true and fair view of the state of affairs of the Group and the Company in accordance with the Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act 2016. In preparing the financial statements, the Directors have:-

- adopted and used accounting policies consistently in dealing with items which are considered material in relation thereto;
- made appropriate accounting estimates where applicable that are prudent, just and reasonable;
- ensured accounting and other records are properly kept to enable the preparation of financial statements with reasonable accuracy;
- ensured that the Company and the Group have taken reasonable and appropriate steps to detect and/or prevent fraud and other irregularities; and
- ensured adequate system of internal control is in place to safeguard the interest of the Group through prevention and detection of fraud and other irregularities.

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

Pursuant to paragraph 15.26(b) of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad

1. Regulatory Framework

Iconic Worldwide Berhad (“IWB”) and its subsidiary companies (hereafter referred as “IWB Group”) are committed to embrace the Malaysian Code on Corporate Governance 2017 and the Main Market Listing Requirements of Bursa Malaysia Securities Berhad (“Bursa Securities”).

This Statement describes the risk management and internal control system practised throughout the business operations of IWB Group in general, and the processes that made up the framework in particular.

2. Accountability of the Board

The Board has overall responsibility for IWB Group’s system of risk management and internal control and for reviewing its adequacy and integrity.

In establishing the IWB Group’s system of risk management and internal control, the following key criteria are taken into consideration:-

- Systems can only be designed to manage rather than eliminate the risk of failure to achieve business objectives.
- The system, by its nature, can only provide reasonable but not absolute assurance against material misstatement or loss.
- The system is a continuous process for identifying, evaluating and managing significant risk exposures.

The Board has in place a Risk Management Working Committee (“RMWC”) comprising an Executive Director as Chairman and Senior Management staff from each business segment as its members to assist the Audit Committee (“AC”) to carry out periodical reviews of the risk management framework of the IWB Group. This ongoing process of identifying, evaluating and establishing mitigating procedures for new and significant risks identified within the operations as a result of the changes in business environment, new business ventures and regulatory requirements are periodically reviewed by the RMWC and subsequently reported to the AC and Board.

The Board delegates to the Senior Management, the implementation of the systems of risk management and internal control within an established framework throughout the IWB Group. The Management together with the RMWC periodically review and update the IWB Group’s Risk Management framework.

3. An Integrated Risk Management and Internal Control Framework

The main features of the IWB Group’s risk management and internal control system are as follows:-

- 3.1 Financial reports are presented to the Audit Committee and the Board on a quarterly basis for review and if necessary corrective action to be taken.
- 3.2 Budgets for all active operating units are prepared annually and periodic review is carried out together with the Management. The results are communicated to the Board on a timely basis.
- 3.3 A defined organisational and hierarchical structure outlining the line of reporting and job responsibilities at the operational level.
- 3.4 In ensuring that each operating unit is functioning efficiently, emphasis is placed on personnel employed where the integrity and competence of personnel are ensured through recruitment evaluation process.
- 3.5 The Board, AC and Senior Management reviews the internal audit reports and regularly monitor the status of the implementation of recommendations to address the internal control weaknesses identified, if any.
- 3.6 Regular reporting made to the Board at its meetings on corporate and accounting developments, in turn facilitates the prioritisation of risk related issues for the IWB Group to plan its resources and address the risk accordingly.

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL (CONT'D)

Pursuant to paragraph 15.26(b) of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad

4. Internal Audit

The Internal Audit function identifies and highlights issues to executive and operational management on areas for improvement and subsequently reviews the extent to which its recommendations have been implemented. The extent of compliance is reported to the AC on a periodic basis. The AC in turn reviews the adequacy and effectiveness of the system of risk management and internal control in operation and reports the findings thereon to the Board.

The Internal Audit function of the IWB Group is outsourced to IBDC (Malaysia) Sdn. Bhd. for the financial year ended 31 March 2020. Internal audits were conducted on the internal control systems applicable to the Human Resource Management and Payroll System of the holding company and a subsidiary company involved in the business of providing hospitality management services and the internal control systems applicable to Related Party Transactions and Recurrent Related Party Transactions of the IWB Group for the financial year ended 31 March 2020.

The cost incurred for the internal audit function in respect of the financial year ended 31 March 2020 was RM16,510.56.

5. Effectiveness Of The System Of Risk Management And Internal Control

The Board is of the view that the existing system of risk management and internal control is sound and adequate to safeguard the IWB Group's assets at the existing level of operations. Consequently, there were no material internal control aspects of any significance that had arisen during the financial year and up to the date of this report.

The Board has received assurance from the Group Managing Director and the Senior Finance and Administration Manager that the IWB Group's risk management and internal control system is operating adequately, in all material aspects, based on the risk management and internal control framework of the IWB Group.

6. Review Of The Statement By The External Auditors'

Pursuant to paragraph 15.23 of the Bursa Malaysia Securities Berhad's Main Market Listing Requirements, the External Auditors', BDO PLT, have reviewed this Statement on Risk Management and Internal Control for inclusion in the Annual Report 2020. Their limited assurance review was performed in accordance with Audit Assurance Practice Guide 3 ("AAPG 3") [formerly known as Recommended Practice Guide ("RPG") 5 (revised 2015)] issued by the Malaysian Institute of Accountants. Based on their review, nothing has come to their attention that causes them to believe that this statement is not prepared, in all material respect, in accordance with the disclosures required by paragraphs 41 and 42 of the Statement on Risk Management and Internal Control: Guidance for Directors of Listed Issuers to be set out, nor is factually inaccurate.

FINANCIAL REPORT

For The Financial Year Ended 31 March 2020

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DIRECTORS' REPORT

The Directors have pleasure in submitting their report and the audited financial statements of the Group and of the Company for the financial year ended 31 March 2020.

PRINCIPAL ACTIVITIES

The principal activity of the Company is investment holding. The principal activities and details of the subsidiaries are disclosed in Note 9 to the financial statements.

There have been no significant changes in the nature of these activities of the Group and of the Company during the financial year except for the principal activities of Iconic Medicare Sdn. Bhd. (formerly known as EMC Cranes (K.L.) Sdn. Bhd.) which has been changed to manufacturer, distributor and dealer of personal protective equipment products and related appliances.

CHANGE OF NAME

On 29 August 2019, the Company changed its name from Sanbumi Holdings Berhad to Iconic Worldwide Berhad.

RESULTS

	Group RM'000	Company RM'000
Profit for the financial year	<u>8,005</u>	<u>2</u>
Attributable to:		
Owners of the parent	8,007	2
Non-controlling interests	(2)	-
	<u>8,005</u>	<u>2</u>

DIVIDENDS

No dividend has been paid, declared or proposed by the Company since the end of the previous financial year.

The Directors do not recommend any payment of dividend for the current financial year.

DIRECTORS' REPORT (CONT'D)

RESERVES AND PROVISIONS

There were no material transfers to or from reserves or provisions during the financial year other than those presented in the statements of changes in equity.

ISSUE OF SHARES AND DEBENTURES

During the financial year, the issued and fully paid-up ordinary share capital of the Company was increased from 249,011,232 to 323,714,232 by way of allotment of 74,703,000 new ordinary shares at an issue price of RM0.26 each for cash.

The newly issued ordinary shares rank pari passu in all respects with the existing ordinary shares of the Company.

During the financial year, the Company issued 57,324,840 Redeemable Convertible Preference Shares ("RCPS") at an issue price of RM0.314 per RCPS.

There were no other issuance of shares and debentures during the financial year.

OPTIONS GRANTED OVER UNISSUED SHARES

No options were granted to any person to take up unissued ordinary shares of the Company during the financial year.

DIRECTORS

The Directors who have held office during the financial year and up to the date of this report are as follows:

Dato' Ir. Zainurin Bin Karman	
Lim Thian Loong	
Tan Cho Chia*	
Leow Chan Khiang	
Dato' Tan Kean Tet*	(Appointed on 23 April 2019)
Tan Seok Ying*	(Appointed on 23 September 2019)
Ong Lay See	(Appointed on 18 November 2019)
Jason Chung Wei Chiun	(Appointed on 28 May 2020)
Dato' Chua Tiong Moon*	(Resigned on 30 August 2019)

* These Directors are also the Directors of certain subsidiaries of the Company.

The Directors of subsidiaries who have held office during the financial year and up to the date of this report, not including those Directors listed above are:

Risaib Shah Bin Yusof Hamdan Diego	(Appointed on 5 March 2020)
Chai Kim Chong	(Resigned on 21 June 2019)
Chu Yoke Loong	(Resigned on 21 June 2019)
Lee Meow Soon	(Resigned on 21 June 2019)
Dato' Chua Tiong Moon	(Resigned on 1 October 2019)
Selvakumaran A/L P. Sathasivam	(Resigned on 31 October 2019)

DIRECTORS' REPORT (CONT'D)

DIRECTORS' INTERESTS

The Directors holding office at the end of the financial year and their beneficial interests in ordinary shares and options over ordinary shares of the Company and of its related corporations during the financial year ended 31 March 2020 as recorded in the Register of Directors' Shareholdings kept by the Company under Section 59 of the Companies Act 2016 in Malaysia were as follows:

	Number of Ordinary Shares			
	Balance as at 1.4.2019/ Date of Appointment	Bought	Sold	Balance as at 31.3.2020
Shares in the Company				
Direct Interests:				
Tan Cho Chia	-	1,300,000	-	1,300,000
Dato' Tan Kean Tet	-	50,639,154	-	50,639,154
Indirect Interests:				
Dato' Tan Kean Tet*	7,970,300	19,438,100	-	27,408,400
Tan Cho Chia*	7,970,300	19,438,100	-	27,408,400

* Deemed interested by virtue of shareholdings in Legacy 888 Sdn. Bhd. and a joint account via Citigroup Nominees (Tempatan) Sdn. Bhd. Exempt AN for Bank of Singapore Limited (Local) pursuant to Section 8 of the Companies Act 2016

	Number of Redeemable Convertible Preference Shares			
	Balance as at Date of Appointment	Bought	Sold	Balance as at 31.3.2020
Shares in the Company				
Indirect interests:				
Dato' Tan Kean Tet**	-	57,324,840	-	57,324,840

** Deemed interested by virtue of shareholdings in Iconic Development Sdn. Bhd. pursuant to Section 8 of the Companies Act 2016

By virtue of Dato' Tan Kean Tet's substantial interest in the shares of the Company, he is deemed to have interest in the shares of all the subsidiaries to the extent that the Company has an interest.

DIRECTORS' REPORT (CONT'D)

DIRECTORS' BENEFITS

Since the end of the previous financial year, none of the Directors have received or become entitled to receive any benefit (other than those benefits included in the aggregate amount of remuneration received or due and receivable by the Directors as shown in the financial statements) by reason of a contract made by the Company or a related corporation with the Director or with a firm of which the Director is a member, or with a company in which the Director has a substantial financial interest other than those remunerations received by certain Directors of the subsidiaries and those transactions entered into in the ordinary course of business with companies in which certain Directors of the Company have substantial interests as disclosed in Note 27 to the financial statements.

There were no arrangements made during and at the end of the financial year, to which the Company is a party, which had the object of enabling the Directors to acquire benefits by means of the acquisition of shares in or debentures of the Company or any other body corporate.

DIRECTORS' REMUNERATION

Benefits of the Directors who held office during the financial years ended 31 March 2020 and 31 March 2019 are as follows:

	Group		Company	
	2020 RM'000	2019 RM'000	2020 RM'000	2019 RM'000
Directors of the Company:				
Fees	228	216	228	216
Salaries and other emoluments	397	609	187	473
Contributions to defined contribution plans	54	83	28	71
	679	908	443	760

INDEMNITY AND INSURANCE FOR OFFICERS AND AUDITORS

The Group and the Company effected Directors' liability insurance during the financial year to protect the Directors of the Group and of the Company against potential costs and liabilities arising from claims brought against the Directors.

During the financial year, the total amount of indemnity coverage and insurance premium paid for the Directors and the officers of the Group and of the Company are RM5,000,000 and RM6,370 respectively.

There were no indemnity given to or insurance effected for the auditors of the Group and of the Company during the financial year.

DIRECTORS' REPORT (CONT'D)

OTHER STATUTORY INFORMATION REGARDING THE GROUP AND THE COMPANY

(I) AS AT THE END OF THE FINANCIAL YEAR

- (a) Before the financial statements of the Group and of the Company were prepared, the Directors took reasonable steps:
 - (i) to ascertain that proper action had been taken in relation to the writing off of bad debts and the making of provision for doubtful debts and have satisfied themselves that all known bad debts had been written off and that adequate provision have been made for doubtful debts; and
 - (ii) to ensure that any current assets other than debts, which were unlikely to realise their book values in the ordinary course of business had been written down to their estimated realisable values.
- (b) In the opinion of the Directors, the results of the operations of the Group and of the Company during the financial year have not been substantially affected by any item, transaction or event of a material and unusual nature.

(II) FROM THE END OF THE FINANCIAL YEAR TO THE DATE OF THIS REPORT

- (c) The Directors are not aware of any circumstances:
 - (i) which would render the amounts written off for bad debts or the amount of the provision for doubtful debts in the financial statements of the Group and of the Company inadequate to any material extent;
 - (ii) which would render the values attributed to current assets in the financial statements of the Group and of the Company misleading; and
 - (iii) which have arisen which would render adherence to the existing method of valuation of assets or liabilities of the Group and of the Company misleading or inappropriate.
- (d) In the opinion of the Directors:
 - (i) there has not arisen any item, transaction or event of a material and unusual nature likely to affect substantially the results of the operations of the Group and of the Company for the financial year in which this report is made; and
 - (ii) no contingent or other liability has become enforceable, or is likely to become enforceable, within the period of twelve (12) months after the end of the financial year which would or may affect the ability of the Group and of the Company to meet their obligations as and when they fall due.

DIRECTORS' REPORT (CONT'D)

OTHER STATUTORY INFORMATION REGARDING THE GROUP AND THE COMPANY (CONT'D)

(III) AS AT THE DATE OF THIS REPORT

- (e) There are no charges on the assets of the Group and of the Company which have arisen since the end of the financial year to secure the liabilities of any other person.
- (f) There are no contingent liabilities of the Group and of the Company which have arisen since the end of the financial year.
- (g) The Directors are not aware of any circumstances not otherwise dealt with in this report or the financial statements which would render any amount stated in the financial statements of the Group and of the Company misleading.

SIGNIFICANT EVENT DURING THE FINANCIAL YEAR

Significant event during the financial year is disclosed in Note 29 to the financial statements.

AUDITORS

The auditors, BDO PLT (LLP0018825-LCA & AF 0206), have expressed their willingness to continue in office.

Auditors' remuneration of the Group and of the Company for the financial year ended 31 March 2020 amounted to RM156,000 and RM60,000 respectively.

Signed on behalf of the Board in accordance with a resolution of the Directors.

Dato' Tan Kean Tet
Director

Penang
11 August 2020

Tan Cho Chia
Director

STATEMENT BY DIRECTORS

Pursuant to Section 251(2) of the Companies Act 2016

In the opinion of the Directors, the financial statements set out on pages 78 to 141 have been drawn up in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the provisions of the Companies Act 2016 in Malaysia so as to give a true and fair view of the financial position of the Group and of the Company as at 31 March 2020 and of the financial performance and cash flows of the Group and of the Company for the financial year then ended.

On behalf of the Board,

Dato' Tan Kean Tet

Director

Penang

11 August 2020

Tan Cho Chia

Director

STATUTORY DECLARATION

Pursuant to Section 251(1)(b) of the Companies Act 2016

I, Selvakumaran A/L P. Sathasivam, being the officer primarily responsible for the financial management of Iconic Worldwide Berhad (formerly known as Sanbumi Holdings Berhad), do solemnly and sincerely declare that the financial statements set out on page 78 to 141 are, to the best of my knowledge and belief, correct and I make this solemn declaration conscientiously believing the same to be true and by virtue of the provisions of the Statutory Declarations Act, 1960.

Subscribed and solemnly declared by
the abovenamed at Georgetown in
the State of Penang this 11 August 2020

Selvakumaran A/L P. Sathasivam

Before me

Haji Mohamed Yusoff Bin Ibrahim (No. P.156)

Commissioner for Oaths

INDEPENDENT AUDITORS' REPORT

To the Members of Iconic Worldwide Berhad (formerly known as Sanbumi Holdings Berhad)
(Incorporated in Malaysia) Registration No: 196901000067 (8386-P)

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

Opinion

We have audited the financial statements of Iconic Worldwide Berhad (formerly known as Sanbumi Holdings Berhad), which comprise the statements of financial position as at 31 March 2020 of the Group and of the Company, and the statements of profit or loss and other comprehensive income, statements of changes in equity and statements of cash flows of the Group and of the Company for the financial year then ended, and notes to the financial statements, including a summary of significant accounting policies, as set out on pages 78 to 141.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Group and of the Company as at 31 March 2020, and of their financial performance and their cash flows for the financial year then ended in accordance with Malaysian Financial Reporting Standards ("MFRSs"), International Financial Reporting Standards ("IFRSs") and the requirements of the Companies Act 2016 in Malaysia.

Basis for Opinion

We conducted our audit in accordance with approved standards on auditing in Malaysia and International Standards on Auditing ("ISAs"). Our responsibilities under those standards are further described in the *Auditors' Responsibilities for the Audit of the Financial Statements* section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence and Other Ethical Responsibilities

We are independent of the Group and of the Company in accordance with the *By-Laws (on Professional Ethics, Conduct and Practice)* of the Malaysian Institute of Accountants ("By-Laws") and the International Ethics Standards Board for Accountants' *International Code of Ethics for Professional Accountants (including International Independence Standards)* ("IESBA Code"), and we have fulfilled our other ethical responsibilities in accordance with the By-Laws and the IESBA Code.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the Group and of the Company for the current year. These matters were addressed in the context of our audit of the financial statements of the Group and of the Company as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Revenue recognition for property development activities

Revenue from property development activities during the financial year is RM16,123,600 as disclosed in Note 21 to the financial statements.

We determined this to be a key audit matter because it requires management to exercise significant judgements in estimating the progress towards complete satisfaction of performance obligations.

The progress towards complete satisfaction of performance obligations is measured using the output method, which is based on contract work certified to-date over estimated total contract sum.

INDEPENDENT AUDITORS' REPORT (CONT'D)

To the Members of Iconic Worldwide Berhad (formerly known as Sanbumi Holdings Berhad)
(Incorporated in Malaysia) Registration No: 196901000067 (8386-P)

Key Audit Matters (Cont'd)

Audit response

Our audit responses to address the assessed risk on revenue recognition for property development activities were as follows:

- (a) Inspected documentation to support the estimated total selling price from contract customers to corroborate key judgements applied by the management;
- (b) Inspected the documentation certified by professional consultants to support the contract work performed by the Group to-date; and
- (c) Recomputed the revenue recognised for property development, on a sample basis, by agreeing to the contracted selling price of the property development units and multiplied with their respective stage of completion.

We have determined that there are no key audit matters to communicate in our report in respect of the audit of the financial statements of the Company.

Information Other than the Financial Statements and Auditors' Report Thereon

The Directors of the Company are responsible for the other information. The other information comprises the information included in the annual report but does not include the financial statements of the Group and of the Company and our auditors' report thereon.

Our opinion on the financial statements of the Group and of the Company does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements of the Group and of the Company, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements of the Group and of the Company or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Directors for the Financial Statements

The Directors of the Company are responsible for the preparation of financial statements of the Group and of the Company that give a true and fair view in accordance with MFRSs, IFRSs, and the requirements of the Companies Act 2016 in Malaysia. The Directors are also responsible for such internal control as the Directors determine is necessary to enable the preparation of financial statements of the Group and of the Company that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements of the Group and of the Company, the Directors are responsible for assessing the ability of the Group and of the Company to continue as going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Directors either intend to liquidate the Group or the Company or to cease operations, or have no realistic alternative but to do so.

INDEPENDENT AUDITORS' REPORT (CONT'D)

To the Members of Iconic Worldwide Berhad (formerly known as Sanbumi Holdings Berhad)
(Incorporated in Malaysia) Registration No: 196901000067 (8386-P)

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements of the Group and of the Company as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with approved standards on auditing in Malaysia and ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with approved standards on auditing in Malaysia and ISAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- (a) Identify and assess the risks of material misstatement of the financial statements of the Group and of the Company, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- (b) Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of internal control of the Group and of the Company.
- (c) Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Directors.
- (d) Conclude on the appropriateness of the Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group and of the Company to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements of the Group and of the Company or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Group or the Company to cease to continue as a going concern.
- (e) Evaluate the overall presentation, structure and content of the financial statements of the Group and of the Company, including the disclosures, and whether the financial statements of the Group and of the Company represent the underlying transactions and events in a manner that achieves fair presentation.
- (f) Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the financial statements of the Group. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with the Directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the Directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

INDEPENDENT AUDITORS' REPORT (CONT'D)

To the Members of Iconic Worldwide Berhad (formerly known as Sanbumi Holdings Berhad)
(Incorporated in Malaysia) Registration No: 196901000067 (8386-P)

Auditors' Responsibilities for the Audit of the Financial Statements (Cont'd)

From the matters communicated with the Directors, we determine those matters that were of most significance in the audit of the financial statements of the Group and of the Company for the current year and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communications.

Report on Other Legal and Regulatory Requirements

In accordance with the requirements of the Companies Act 2016 in Malaysia, we report that the subsidiaries of which we have not acted as auditors, are disclosed in Note 9 to the financial statements.

Other Matters

- (a) The financial statements of the Group for the financial year ended 31 March 2019 were audited by another firm of Chartered Accountants whose report dated 9 July 2019 expressed an unqualified opinion on those statements.
- (b) This report is made solely to the members of the Company, as a body, in accordance with Section 266 of the Companies Act 2016 in Malaysia and for no other purpose. We do not assume responsibility to any other person for the content of this report.

BDO PLT
LLP0018825-LCA & AF 0206
Chartered Accountants

Penang
11 August 2020

Koay Theam Hock
02141/04/2021 J
Chartered Accountants

STATEMENTS OF FINANCIAL POSITION

As at 31 March 2020

	Note	Group		Company	
		2020 RM'000	2019 RM'000	2020 RM'000	2019 RM'000
ASSETS					
Non-current assets					
Property, plant and equipment	5	39,485	49,103	16,935	16,943
Right-of-use assets	6	11,137	-	-	-
Prepaid lease payments	7	-	-	-	-
Investment properties	8	7,150	7,150	7,150	7,150
Investments in subsidiaries	9	-	-	7,637	7,637
Investment in an associate	10	-	-	-	-
Other receivables	12	-	-	-	-
		57,772	56,253	31,722	31,730
Current assets					
Inventories	11	37,773	19,519	-	-
Trade and other receivables	12	9,681	2,115	44,407	19,772
Current tax assets		199	214	-	24
Cash and bank balances	13	23,885	4,881	16,191	3,320
		71,538	26,729	60,598	23,116
TOTAL ASSETS		129,310	82,982	92,320	54,846
EQUITY AND LIABILITIES					
Equity attributable to owners of the parent					
Ordinary share capital	14	65,102	45,679	65,102	45,679
Redeemable Convertible Preference Shares	15	14,958	-	14,958	-
Reserves	16	34,139	26,132	5,287	5,285
		114,199	71,811	85,347	50,964
Non-controlling interests		(117)	(115)	-	-
TOTAL EQUITY		114,082	71,696	85,347	50,964

STATEMENTS OF FINANCIAL POSITION (CONT'D)

As at 31 March 2020

	Note	Group		Company	
		2020 RM'000	2019 RM'000	2020 RM'000	2019 RM'000
LIABILITIES					
Non-current liabilities					
Redeemable Convertible Preference Shares	15	2,565	-	2,565	-
Borrowing	17	2,916	3,317	-	-
Lease liabilities	6	235	-	-	-
Deferred tax liabilities	18	4,423	4,352	1,036	1,039
		10,139	7,669	3,601	1,039
Current liabilities					
Trade and other payables	19	4,005	3,352	2,809	2,843
Redeemable Convertible Preference Shares	15	537	-	537	-
Borrowing	17	385	258	-	-
Lease liabilities	6	125	-	-	-
Current tax liabilities		37	7	26	-
		5,089	3,617	3,372	2,843
TOTAL LIABILITIES		15,228	11,286	6,973	3,882
TOTAL EQUITY AND LIABILITIES		129,310	82,982	92,320	54,846

The accompanying notes form an integral part of the financial statements.

STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the financial year ended 31 March 2020

	Note	Group		Company	
		2020 RM'000	2019 RM'000	2020 RM'000	2019 RM'000
Revenue	21	24,215	20,029	588	549
Cost of sales		(12,887)	(19,484)	-	-
Gross profit		11,328	545	588	549
Other income		9,305	970	2,476	512
Selling and distribution expenses		(505)	-	-	-
Administrative expenses		(11,619)	(17,383)	(2,931)	(28,896)
Finance costs		(355)	(332)	(60)	-
Profit/(Loss) before tax	23	8,154	(16,200)	73	(27,835)
Taxation	24	(149)	147	(71)	(15)
Profit/(Loss) for the financial year		8,005	(16,053)	2	(27,850)
Other comprehensive income, net of tax					
Item that will not be reclassified subsequently to profit or loss					
Revaluation surplus on property, plant and equipment, net of tax		-	736	-	875
Total comprehensive income/(loss)		8,005	(15,317)	2	(26,975)

STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME (CONT'D)

For the financial year ended 31 March 2020

	Note	Group		Company	
		2020 RM'000	2019 RM'000	2020 RM'000	2019 RM'000
Profit/(Loss) for the financial year attributable to:					
Owners of the parent		8,007	(16,051)	2	(27,850)
Non-controlling interests		(2)	(2)	-	-
		8,005	(16,053)	2	(27,850)
Total comprehensive income/(loss) attributable to:					
Owners of the parent		8,007	(15,315)	2	(26,975)
Non-controlling interests		(2)	(2)	-	-
		8,005	(15,317)	2	(26,975)
Earnings per ordinary share attributable to equity holders of the Company:					
Basic (Sen)	25(a)	2.76	(6.93)		
Diluted (Sen)	25(b)	2.75	(6.93)		

The accompanying notes form an integral part of the financial statements.

STATEMENTS OF CHANGES IN EQUITY

For the financial year ended 31 March 2020

	Non-distributable			Distributable			Total equity RM'000
	Ordinary share capital RM'000	Share premium RM'000	Capital reserve RM'000	Revaluation reserve RM'000	Capital redemption reserve RM'000	Retained earnings RM'000	
Balance at 1 April 2018	22,637	4,201	1,582	23,551	15,105	16,314	83,390
Loss for the financial year	-	-	-	-	-	(16,051)	(2)
Revaluation surplus on property, plant and equipment, net of tax	-	-	-	736	-	-	736
Total comprehensive loss	-	-	-	736	-	(16,051)	(2)
Transactions with owners:							
Issuance of ordinary shares	3,736	-	-	-	-	-	3,736
Transfer from share premium account pursuant to the Companies Act 2016	19,306	(4,201)	-	-	(15,105)	-	-
Total transactions with owners	23,042	(4,201)	-	-	(15,105)	-	3,736
Transfer due to crystallisation of revaluation reserve	-	-	-	(103)	-	103	-
Balance at 31 March 2019	45,679	-	1,582	24,184	-	366	71,811
							(115)
							71,696

STATEMENTS OF CHANGES IN EQUITY (CONT'D)

For the financial year ended 31 March 2020

Group	Note	Non-distributable				Distributable			Total equity RM'000
		Ordinary share capital RM'000	Redeemable Preference Shares RM'000	Capital reserve RM'000	Revaluation reserve RM'000	Retained earnings RM'000	Total attributable to owners of the parent RM'000	Non-controlling interests RM'000	
Balance at 1 April 2019		45,679	-	1,582	24,184	366	71,811	(115)	71,696
Profit for the financial year		-	-	-	-	8,007	8,007	(2)	8,005
Other comprehensive income, net of tax		-	-	-	-	-	-	-	-
Total comprehensive income		-	-	-	-	8,007	8,007	(2)	8,005
Transactions with owners:									
Issuance of ordinary shares	14	19,423	-	-	-	-	19,423	-	19,423
Issuance of Redeemable Convertible Preference Shares	15	-	14,958	-	-	-	14,958	-	14,958
Total transactions with owners		19,423	14,958	-	-	-	34,381	-	34,381
Balance at 31 March 2020		65,102	14,958	1,582	24,184	8,373	114,199	(117)	114,082

STATEMENTS OF CHANGES IN EQUITY (CONT'D)

For the financial year ended 31 March 2020

Company	Note	← Non-distributable →			Distributable		Total equity RM'000
		Ordinary share capital RM'000	Share premium RM'000	Revaluation reserve RM'000	Capital redemption reserve RM'000	Retained earnings/ (Accumulated losses) RM'000	
Balance at 1 April 2018		22,637	4,201	11,332	15,105	20,928	74,203
Loss for the financial year		-	-	-	-	(27,850)	(27,850)
Revaluation surplus on property, plant and equipment, net of tax		-	-	875	-	-	875
Total comprehensive loss		-	-	875	-	(27,850)	(26,975)
Transactions with owners:							
Issuance of ordinary shares	14	3,736	-	-	-	-	3,736
Transfer from share premium account pursuant to the Companies Act 2016	14	19,306	(4,201)	-	(15,105)	-	-
Total transactions with owners		23,042	(4,201)	-	(15,105)	-	3,736
Transfer due to crystallisation of revaluation reserve		-	-	(26)	-	26	-
Balance at 31 March 2019		45,679	-	12,181	-	(6,896)	50,964

STATEMENTS OF CHANGES IN EQUITY (CONT'D)

For the financial year ended 31 March 2020

Company	Note	← Non-distributable →			Distributable	
		Ordinary share capital RM'000	Redeemable Convertible Preference Shares RM'000	Revaluation reserve RM'000	Accumulated losses RM'000	Total equity RM'000
Balance at 1 April 2019		45,679	-	12,181	(6,896)	50,964
Profit for the financial year		-	-	-	2	2
Other comprehensive income, net of tax		-	-	-	-	-
Total comprehensive loss		-	-	-	2	2
Transactions with owners:						
Issuance of ordinary shares	14	19,423	-	-	-	19,423
Issuance of Redeemable Convertible Preference Shares	15	-	14,958	-	-	14,958
Total transactions with owners		19,423	14,958	-	-	34,381
Balance at 31 March 2020		65,102	14,958	12,181	(6,894)	85,347

The accompanying notes form an integral part of the financial statements.

STATEMENTS OF CASH FLOWS

For the financial year ended 31 March 2020

	Note	Group		Company	
		2020 RM'000	2019 RM'000	2020 RM'000	2019 RM'000
CASH FLOWS FROM OPERATING ACTIVITIES					
Profit/(Loss) before tax		8,154	(16,200)	73	(27,835)
Adjustments for:					
Amortisation of prepaid lease payments	7	-	233	-	-
Bad debts written off		65	-	-	-
Depreciation of property, plant and equipment	5	392	1,886	52	49
Depreciation of right-of-use assets	6	224	-	-	-
Development cost written down	11(a)	-	6,817	-	-
Impairment losses on:					
- investments in subsidiaries	9(f)	-	-	-	23,668
- trade and other receivables		7,275	2,413	-	3,503
- property, plant and equipment	5(g)	-	1,354	-	-
Inventories written down	11(b)	-	176	-	-
Interest income		(315)	(130)	(308)	(50)
Interest expense		355	328	60	-
Net gain from fair value adjustments on investment properties	8	-	(460)	-	(460)
Net gain on disposal of:					
- property, plant and equipment		(936)	(3)	(23)	-
- subsidiaries	9	(6,703)	-	-	-
Property, plant and equipment written off		-	44	-	-
Prepaid lease payments written off	7	-	274	-	-
Reversal of impairment loss on trade and other receivables		(1,537)	(199)	(2,143)	(20)
Reversal of inventories written down	11(b)	(42)	(11)	-	-
Operating profit/(loss) before changes in working capital		6,932	(3,478)	(2,289)	(1,145)
Changes in working capital:					
Inventories		(347)	1,230	-	-
Trade and other receivables		(13,441)	1,129	(4,492)	(136)
Trade and other payables		7,490	(5,471)	(34)	(57)
Cash generated from/(used in) operations		634	(6,590)	(6,815)	(1,338)
Interest received		38	130	31	50
Interest paid		(283)	(328)	-	-
Tax paid		(55)	(392)	(24)	-
Tax refunded		22	129	-	49
Net cash from/(used in) operating activities		356	(7,051)	(6,808)	(1,239)

STATEMENTS OF CASH FLOWS (CONT'D)

For the financial year ended 31 March 2020

	Note	Group		Company	
		2020 RM'000	2019 RM'000	2020 RM'000	2019 RM'000
CASH FLOWS FROM INVESTING ACTIVITIES					
Advances to subsidiaries		-	-	-	(1,683)
Placement of fixed deposits with maturity of more than three (3) months		(17,000)	-	(17,000)	-
Proceeds from disposal of:					
- property, plant and equipment		1,481	3	23	-
- subsidiaries, net of cash and cash equivalents disposed		127	-	-	-
Purchase of property, plant and equipment	5	(2,273)	-	(44)	-
Purchase of right-of-use assets	6(g)	(34)	-	-	-
Net changes in fixed deposits with maturity of more than three (3) months		-	1,417	-	500
Repayments from an associate		-	32	-	33
Withdrawal of fixed deposits with maturity of more than three (3) months		2,500	-	2,500	-
Net cash (used in)/from investing activities		(15,199)	1,452	(14,521)	(1,150)
CASH FLOWS FROM FINANCING ACTIVITIES					
Advances from subsidiaries		-	-	-	958
Proceeds from the issuance of ordinary shares	14	19,423	3,736	19,423	3,736
Repayments of borrowings		(274)	(240)	-	-
Repayments of lease liabilities	6	(79)	-	-	-
Net cash from financing activities		19,070	3,496	19,423	4,694
Net increase/(decrease) in cash and cash equivalents		4,227	(2,103)	(1,906)	2,305
Cash and cash equivalents at beginning of the financial year		3,731	5,834	2,320	15
Cash and cash equivalents at end of the financial year	13(b)	7,958	3,731	414	2,320

STATEMENTS OF CASH FLOWS (CONT'D)

For the financial year ended 31 March 2020

RECONCILIATION OF LIABILITIES ARISING FROM FINANCING ACTIVITIES

Group	Lease liabilities (Note 6) RM'000	Redeemable Convertible Preference Shares (Note 15) RM'000	Borrowing (Note 17) RM'000
At 1 April 2018	-	-	3,815
Cash flows	-	-	(240)
At 31 March 2019	-	-	3,575
At 1 April 2019	-	-	3,575
Cash flows	(79)	-	(274)
Non-cash flows:			
Additions	427	3,042	-
Unwinding of interest	12	60	-
At 31 March 2020	360	3,102	3,301
Company			Redeemable Convertible Preference Shares (Note 15) RM'000
At 1 April 2019			-
Cash flows			-
Non-cash flows:			
Additions			3,042
Unwinding of interest			60
At 31 March 2020			3,102

The accompanying notes form an integral part of the financial statements.

NOTES TO THE FINANCIAL STATEMENTS

31 March 2020

1. CORPORATE INFORMATION

The Company is a public limited liability company, incorporated and domiciled in Malaysia and is listed on the Main Market of Bursa Malaysia Securities Berhad.

The registered office and principal place of business of the Company is located at No. 1-2, Jalan Icon City, Icon City, 14000 Bukit Mertajam, Pulau Pinang, Malaysia.

The consolidated financial statements for the financial year ended 31 March 2020 comprise the Company and its subsidiaries and the interests of the Group in an associate. These financial statements are presented in Ringgit Malaysia ('RM'), which is also the functional currency of the Company. All financial information presented in RM has been rounded to the nearest thousand, unless otherwise stated.

The financial statements were authorised for issue in accordance with a resolution by the Board of Directors on 11 August 2020.

2. PRINCIPAL ACTIVITIES

The principal activity of the Company is investment holding. The principal activities and details of the subsidiaries are disclosed in Note 9 to the financial statements.

There have been no significant changes in the nature of these activities of the Group and of the Company during the financial year except for the principal activities of Iconic Medicare Sdn. Bhd. (formerly known as EMC Cranes (K.L.) Sdn. Bhd.) which has been changed to manufacturer, distributor and dealer of personal protective equipment products and related appliances.

3. BASIS OF PREPARATION

The financial statements of the Group and of the Company have been prepared in accordance with Malaysian Financial Reporting Standards ('MFRSs'), International Financial Reporting Standards ('IFRSs') and the provisions of the Companies Act 2016 in Malaysia.

The accounting policies adopted are consistent with those of the previous financial year except for the effects of adoption of new MFRSs during the financial year. The new MFRSs and Amendments to MFRSs adopted during the financial year are disclosed in Note 30.1 to the financial statements.

The Group and the Company applied MFRS 16 *Leases* for the first time during the current financial year, using the cumulative effect method as at 1 April 2019. Consequently, the comparative information were not restated and are not comparable to the financial information of the current financial year.

The financial statements of the Group and of the Company have been prepared under the historical cost convention except as otherwise stated in the financial statements.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

31 March 2020

4. OPERATING SEGMENTS

Operating segments are prepared in a manner consistent with the internal reporting provided to the Executive Directors as its chief operating decision maker in order to allocate resources to segments and to assess their performance. For management purposes, the Group is organised into business units based on their products and services provided.

The Group is organised into three (3) (2019: two (2)) reportable segments as follows:

- (i) Property development Construction and sale of commercial properties
- (ii) Tourism services Provision of inbound and outbound tours and ticketing services, transportation services, hospitality services and trading of souvenirs, pewterware, local cottage industry products and other tourism related products
- (iii) Others Comprises investment holding, trading, warehousing, mobile crane services, timber log trading, sawmilling and manufacturing of downstream timber products, neither of which are of a sufficient size to be reported separately

The Executive Directors assess the performance of the reportable segments based on their profit before taxation. The accounting policies of the reportable segments are the same as the accounting policies of the Group.

Each reportable segment assets is measured based on all assets of the segment other than investment in an associate and tax-related assets.

Each reportable segment liabilities is measured based on all liabilities of the segment other than tax-related liabilities.

Assets, liabilities and expenses which are common and cannot be meaningfully allocated to the reportable segments are presented under unallocated items. Unallocated items comprise mainly income taxes and related expenses.

Transactions between reportable segments are carried out on agreed terms between both parties. The effects of such inter-segment transactions are eliminated on consolidation.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

31 March 2020

4. OPERATING SEGMENTS (CONT'D)

	Property development RM'000	Tourism services RM'000	Others RM'000	Group RM'000
2020				
Total revenue	16,124	7,503	588	24,215
Inter-segment revenue	-	-	-	-
Revenue from external customers	16,124	7,503	588	24,215
Interest income	-	1	314	315
Finance costs	(12)	(283)	(60)	(355)
Net finance (costs)/income	(12)	(282)	254	(40)
Segment profit/(loss) before income tax	8,568	2,055	(2,469)	8,154
Other material non-cash items:				
- bad debts written off	-	(65)	-	(65)
- depreciation of property, plant and equipment	(22)	(299)	(71)	(392)
- depreciation of right-of-use assets	(79)	(145)	-	(224)
- gain on disposal of property, plant and equipment	-	913	23	936
- gain on disposal of subsidiaries	-	-	6,703	6,703
- impairment losses on trade and other receivables	(3)	(42)	(7,230)	(7,275)
- reversal of impairment losses on trade and other receivables	-	1,370	167	1,537
- reversal of inventories written down	-	42	-	42
Segment assets	53,789	28,227	47,095	129,111
Segment liabilities	3,381	3,752	3,635	10,768
Additional to non-current assets other than financial instruments:				
Property, plant and equipment	344	12	1,917	2,273
Right-of-use assets	461	-	-	461

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

31 March 2020

4. OPERATING SEGMENTS (CONT'D)

	Tourism services RM'000	Others RM'000	Group RM'000
2019			
Total revenue	19,477	552	20,029
Inter-segment revenue	-	-	-
Revenue from external customers	<u>19,477</u>	<u>552</u>	<u>20,029</u>
Interest income	39	91	130
Finance costs	<u>(328)</u>	<u>-</u>	<u>(328)</u>
Net finance (costs)/income	<u>(289)</u>	<u>91</u>	<u>(198)</u>
Segment loss before income tax	(8,593)	(7,142)	(15,735)
Other material non-cash items:			
- depreciation of property, plant and equipment	(1,657)	(229)	(1,886)
- development cost written down	-	(6,817)	(6,817)
- impairment losses on trade and other receivables	(2,207)	(206)	(2,413)
- inventories written down	(176)	-	(176)
- property, plant and equipment written off	(44)	-	(44)
- reversal of impairment losses on trade and other receivables	199	-	199
- reversal of inventories written down	11	-	11
- fair value gain on investment properties	<u>-</u>	<u>460</u>	<u>460</u>
Segment assets	<u>30,402</u>	<u>52,366</u>	<u>82,768</u>
Segment liabilities	<u>5,858</u>	<u>1,069</u>	<u>6,927</u>
Additional to non-current assets other than financial instruments:			
Property, plant and equipment	<u>-</u>	<u>-</u>	<u>-</u>

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

31 March 2020

4. OPERATING SEGMENTS (CONT'D)

Reconciliations of reportable segment profit or loss, assets and liabilities to the corresponding amounts of the Group are as follows:

	2020 RM'000	2019 RM'000
Profit/(Loss) for the financial year		
Total profit/(loss) for reportable segments	8,154	(15,735)
Unallocated amounts	-	(465)
Profit/(Loss) before tax	8,154	(16,200)
Taxation	(149)	147
Profit/(Loss) for the financial year per statements of profit or loss and other comprehensive income	8,005	(16,053)
Assets		
Total assets for reportable segments	129,111	82,768
Current tax assets	199	214
Group's assets per statements of financial position	129,310	82,982
Liabilities		
Total liabilities for reportable segments	10,768	6,927
Deferred tax liabilities	4,423	4,352
Current tax liabilities	37	7
Group's liabilities per statements of financial position	15,228	11,286

Geographical segments

The segmental financial information by geographical segments is not presented as the activities of the Group are carried out in Malaysia.

Major customers

There is no single external customers that the revenue generated from exceeded 10% of the revenue of the Group.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

31 March 2020

5. PROPERTY, PLANT AND EQUIPMENT

Group	Freehold land, at valuation RM'000	Buildings, at valuation RM'000	Leasehold land, at valuation RM'000	Motor vehicles, at cost RM'000	Office equipment, renovation, furniture and fittings, at cost RM'000	Total RM'000
2020						
At cost/At valuation						
Balance as at 1 April 2019	23,850	16,100	11,434	8,190	42,926	102,500
Effects of adoption of MFRS 16 (Note 30.1)	-	-	(11,434)	-	-	(11,434)
Additions	-	1,873	-	-	400	2,273
Disposals	-	-	-	(6,393)	-	(6,393)
Disposal of a subsidiary (Note 9(d))	-	-	-	-	(26,003)	(26,003)
Balance as at 31 March 2020	23,850	17,973	-	1,797	17,323	60,943
Accumulated depreciation						
Balance as at 1 April 2019	-	2,292	534	7,401	19,153	29,380
Effects of adoption of MFRS 16 (Note 30.1)	-	-	(534)	-	-	(534)
Current charge	-	336	-	-	56	392
Disposals	-	-	-	(5,848)	-	(5,848)
Disposal of a subsidiary (Note 9(d))	-	-	-	-	(12,115)	(12,115)
Balance as at 31 March 2020	-	2,628	-	1,553	7,094	11,275
Accumulated impairment losses						
Balance as at 1 April 2019	-	-	-	244	23,773	24,017
Disposal of a subsidiary (Note 9(d))	-	-	-	-	(13,834)	(13,834)
Balance as at 31 March 2020	-	-	-	244	9,939	10,183
Carrying amount						
Balance as at 31 March 2020	23,850	15,345	-	-	290	39,485

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

31 March 2020

5. PROPERTY, PLANT AND EQUIPMENT (CONT'D)

Group	Freehold land, at valuation RM'000	Buildings, at valuation RM'000	Leasehold land, at valuation RM'000	Motor vehicles, at cost RM'000	Office equipment, renovation, furniture and fittings, at cost RM'000	Total RM'000
2019						
At cost/At valuation						
Balance as at 1 April 2018	22,850	15,951	11,291	8,566	46,740	105,398
Revaluation	1,000	149	143	-	-	1,292
Written off	-	-	-	(376)	(3,814)	(4,190)
Balance as at 31 March 2019	23,850	16,100	11,434	8,190	42,926	102,500
Accumulated depreciation						
Balance as at 1 April 2018	-	1,977	391	7,297	21,975	31,640
Current charge	-	315	143	475	953	1,886
Written off	-	-	-	(371)	(3,775)	(4,146)
Balance as at 31 March 2019	-	2,292	534	7,401	19,153	29,380
Accumulated impairment losses						
Balance as at 1 April 2018	-	-	-	9	22,654	22,663
Current charge	-	-	-	235	1,119	1,354
Balance as at 31 March 2019	-	-	-	244	23,773	24,017
Carrying amount						
Balance as at 31 March 2019	23,850	13,808	10,900	545	-	49,103

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

31 March 2020

5. PROPERTY, PLANT AND EQUIPMENT (CONT'D)

Company	Freehold land, at valuation RM'000	Buildings, at valuation RM'000	Motor vehicles, at cost RM'000	Office equipment, renovation, furniture and fittings, at cost RM'000	Total RM'000
2020					
At cost/At valuation					
Balance as at 1 April 2019	15,250	2,708	125	787	18,870
Additions	-	-	-	44	44
Disposals	-	-	(125)	-	(125)
Balance as at 31 March 2020	15,250	2,708	-	831	18,789
Accumulated depreciation					
Balance as at 1 April 2019	-	1,029	125	773	1,927
Current charge	-	49	-	3	52
Disposals	-	-	(125)	-	(125)
Balance as at 31 March 2020	-	1,078	-	776	1,854
Carrying amount					
Balance as at 31 March 2020	15,250	1,630	-	55	16,935
2019					
At cost/At valuation					
Balance as at 1 April 2018	14,450	2,557	125	787	17,919
Revaluation	800	151	-	-	951
Balance as at 31 March 2019	15,250	2,708	125	787	18,870
Accumulated depreciation					
Balance as at 1 April 2018	-	982	125	771	1,878
Current charge	-	47	-	2	49
Balance as at 31 March 2019	-	1,029	125	773	1,927
Carrying amount					
Balance as at 31 March 2019	15,250	1,679	-	14	16,943

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

31 March 2020

5. PROPERTY, PLANT AND EQUIPMENT (CONT'D)

- (a) All items of property, plant and equipment are initially measured at cost. After initial recognition, property, plant and equipment except for freehold land and buildings and leasehold land are stated at cost less any accumulated depreciation and any accumulated impairment losses. Freehold land and buildings and leasehold land are stated at valuation, which is fair value at the date of revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

Freehold land and buildings and leasehold land are revalued periodically, at least once every five (5) years to ensure that the carrying amount does not differ materially from that which would be determined using fair value at the end of each reporting period. The surplus arising from such revaluations is credited to shareholders' equity as a revaluation reserve, net of deferred tax, if any, and any subsequent deficit is offset against such surplus to the extent of a previous increase for the same property. In all other cases, the deficit would be charged to profit or loss. For a revaluation increase subsequent to a revaluation deficit of the same asset, the surplus is recognised as income to the extent that it reverses the deficit previously recognised as an expense with the balance of increase credited to revaluation reserve.

Depreciation is calculated to write down the cost or valuations of the assets to their residual values on a straight line basis over their estimated useful lives. The principal depreciation period and rates used are as follows:

Buildings	2% - 10%
Leasehold land	78 years
Motor vehicles	10% - 20%
Office equipment, renovation, furniture and fittings	10% - 33%

Freehold land has unlimited useful life and is not depreciated.

- (b) Classification between investment properties and property, plant and equipment

The Group has developed certain criteria based on MFRS 140 *Investment Property* in making judgement whether a property qualifies as an investment property. Investment property is a property held to earn rentals or for capital appreciation or both.

Some properties comprise a portion that is held to earn rentals or for capital appreciation and another portion that is held for use in the production or supply of goods or services or for administrative purposes. If these portions could be sold separately (or leased out separately under a finance lease), the Group would account for the portions separately. If the portions could not be sold separately, the property is an investment property only if an insignificant portion is held for use in the production or supply of goods or services or for administrative purposes. Judgement is made on an individual property basis to determine whether ancillary services are so significant that a property does not qualify as investment property.

- (c) In the previous financial year, the Group had assessed and classified land use rights of the Group as finance leases based on the extent to which risks and rewards incidental to ownership of the land resides with the Group arising from the lease term. Consequently, the Group had classified the unamortised upfront payment for land use rights as finance leases in accordance with MFRS 117 *Leases*.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

31 March 2020

5. PROPERTY, PLANT AND EQUIPMENT (CONT'D)

- (d) The freehold land and buildings and leasehold land were revalued on 31 March 2020 based on valuations carried out by external independent valuer using comparison approach.

Had the revalued assets been carried at cost less accumulated depreciation, the carrying amounts would have been as follows:

	Group		Company	
	2020 RM'000	2019 RM'000	2020 RM'000	2019 RM'000
Freehold land	16,250	14,518	2,475	2,475
Buildings	968	968	2	3
Leasehold land	-	5,422	-	-
	17,218	20,908	2,477	2,478

- (e) The fair value of freehold land and buildings and leasehold land (at valuation) of the Group and of the Company are categorised as follows:

	Group		Company	
	2020 RM'000	2019 RM'000	2020 RM'000	2019 RM'000
Level 3				
Freehold land	23,850	23,850	15,250	15,250
Buildings	17,973	16,100	2,708	2,708
Leasehold land	-	11,434	-	-
	41,823	51,384	17,958	17,958

Level 3 fair value of freehold land and buildings and leasehold land (at valuation) was determined by external and independent property valuers, having appropriate recognised professional qualifications and recent experience in the location and category of property being valued. It has been derived from observable recent transacted prices of similar land and buildings in the local market. The fair value of freehold land and buildings and leasehold land was derived using comparison approach.

The freehold land and buildings and leasehold land are valued by reference to transactions of similar properties in close proximity with adjustments made for differences in location, size, accessibility, title and other relevant characteristics (if any) to arrive at market value.

The significant unobservable input into this valuation method is adjustment factors to prices of comparable assets. The estimated fair value would increase if the historical sales transaction prices were higher and vice versa.

The fair value measurements of the freehold land, leasehold land and buildings are based on the highest and best use which does not differ from their actual use.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

31 March 2020

5. PROPERTY, PLANT AND EQUIPMENT (CONT'D)

- (f) The freehold land and buildings with carrying amount of RM13,264,239 (2019: RM13,532,119) have been charged to banks for credit facilities granted to the Group as disclosed in Note 17 to the financial statements.
- (g) In the previous financial year, the Group had carried out a review of the recoverable amount of certain equipment because the Group has been persistently making losses. An impairment loss of RM1,353,655, representing the write-down of certain equipment to the recoverable amounts were recognised in the statements of profit or loss and other comprehensive income.

6. LEASES

The Group as lessee

Right-of-use assets

	Leasehold land, at valuation RM'000	Motor vehicles, at cost RM'000	Office, at cost RM'000	Total RM'000
At cost/At valuation				
Balance as at 1 April 2019	-	-	-	-
Effects of adoption of MFRS 16 (Note 30.1)	11,434	-	-	11,434
Additions	-	134	327	461
Balance as at 31 March 2020	11,434	134	327	11,895
Accumulated depreciation				
Balance as at 1 April 2019	-	-	-	-
Effects of adoption of MFRS 16 (Note 30.1)	534	-	-	534
Current charge	145	25	54	224
Balance as at 31 March 2020	679	25	54	758
Carrying amount				
Balance as at 31 March 2020	10,755	109	273	11,137

Lease liabilities

	Motor vehicles RM'000	Office RM'000	Total RM'000
Carrying amount			
Balance as at 1 April 2019	-	-	-
Additions	100	327	427
Lease payments	(19)	(60)	(79)
Interest expense	2	10	12
Balance as at 31 March 2020	83	277	360

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

31 March 2020

6. LEASES (CONT'D)

The Group as lessee (cont'd)

Lease liabilities (cont'd)

	2020 RM'000
Represented by:	
Current liabilities	125
Non-current liabilities	235
	<u>360</u>
Represented by:	
Lease liabilities owing to financial institutions	83
Lease liabilities owing to non-financial institutions	277
	<u>360</u>

- (a) The right-of-use assets are initially measured at cost, which comprise the initial amount of the lease liabilities adjusted for any lease payments made at or before the commencement date of the leases.

After initial recognition, right-of-use assets, except for leasehold land, are stated at cost less accumulated depreciation and any accumulated impairment losses, and adjusted for any re-measurement of the lease liabilities.

Leasehold land are revalued periodically, at least once every five (5) years to ensure that the carrying amount does not differ materially from that which would be determined using fair value at the end of each reporting period. The surplus arising from such revaluations is credited to shareholders' equity as are valuation reserve, net of deferred tax and any subsequent deficit is offset against such surplus to the extent of a previous increase for the same property. In all other cases, the deficit would be charged to profit or loss. For a revaluation increase subsequent to are valuation deficit of the same asset, the surplus is recognised as income to the extent that it reverses the deficit previously recognised as an expense with the balance of increase credited to revaluation reserve.

The right-of-use assets are depreciated on the straight-line basis from the commencement date to the earlier of the end of the estimated useful lives of the right-of-use assets or the end of the lease term. The depreciation periods of right-of-use assets are as follows:

Leasehold land	78 years
Motor vehicles	5 years
Offices	3 years

- (b) The Group has a low value leases of office equipment of RM20,000 and below. The Group applies the "lease of low-value assets" exemptions for this lease.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

31 March 2020

6. LEASES (CONT'D)

The Group as lessee (cont'd)

(c) The following are the amounts recognised in profit or loss:

	Group 2020 RM'000
Depreciation charge of right-of-use assets (included in administrative expenses)	224
Interest expense on lease liabilities (included in finance costs)	12
Expense relating to leases of low-value assets (included in administrative expenses)	2
	238

(d) The Group leases several lease contracts that include extension and termination options. These are used to maximise operational flexibility in terms of managing the assets used in the operations of the Group.

There are no potential future rental payments that are not included in the lease term.

(e) The following table sets out the carrying amounts, the incremental borrowing rate, effective interest rate and the remaining maturities of the lease liabilities of the Group that are exposed to interest rate risk:

Group 31 March 2020	Incremental borrowing rate per annum (%)	Within one (1) year RM'000	One (1) to two (2) years RM'000	Two (2) to five (5) years RM'000	Total RM'000
Lease liabilities					
Fixed rate	2.35-6.40	125	133	102	360

Sensitivity analysis for fixed rate lease liabilities at the end of the reporting period is not presented as it is not affected by changes in interest rates.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

31 March 2020

6. LEASES (CONT'D)

The Group as lessee (cont'd)

- (f) The table below summarises the maturity profile of the lease liabilities of the Group at the end of the reporting period based on contractual undiscounted repayment obligations as follows:

Group	On demand or within one (1) year RM'000	One (1) to five (5) years RM'000	Total RM'000
31 March 2020			
Lease liabilities	142	251	393

- (g) During the financial year, the Group made a cash payment of RM34,189 as part payment to acquire a motor vehicle classified under right-of-use assets.
- (h) The leasehold land were revalued on 31 March 2020 based on valuations carried out by external independent valuer using comparison approach.

Had the revalued assets been carried at cost less accumulated depreciation, the carrying amounts would have been:

	Group 2020 RM'000
Leasehold land	5,349

- (i) The fair value of leasehold land (at valuation) of the Group are categorised as follows:

	Group 2020 RM'000
Leasehold land	11,434

Level 3

Leasehold land

11,434

Level 3 fair value of leasehold land (at valuation) was determined by external and independent property valuers, having appropriate recognised professional qualifications and recent experience in the location and category of property being valued. It has been derived from observable recent transacted prices of similar land in the local market. The fair value of leasehold land was derived using comparison approach.

The leasehold land are valued by reference to transactions of similar properties in close proximity with adjustments made for differences in location, size, accessibility, title and other relevant characteristics (if any) to arrive at market value.

The significant unobservable input into this valuation method is adjustment factors to prices of comparable assets. The estimated fair value would increase if the historical sales transaction prices were higher and vice versa.

The fair value measurements of the leasehold land is based on the highest and best use which does not differ from their actual use.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

31 March 2020

6. LEASES (CONT'D)

The Group as lessor

The Group has entered into a non-cancellable lease agreement on certain property for terms of two (2) years and renewable at the end of the lease period. The monthly rental consists of a fixed base rent.

The Group has aggregate future minimum lease receivable as at the end of reporting period as follows:

	2020 RM'000	2019 RM'000
Less than one (1) year	462	420
One (1) to two (2) years	29	124
	<u>491</u>	<u>544</u>

7. PREPAID LEASE PAYMENTS

	Group 2019 RM'000
At cost	
Balance as at 1 April 2018	2,100
Written off	(2,100)
Balance as at 31 March 2019	<u>-</u>
Accumulated depreciation	
Balance as at 1 April 2018	1,593
Current charge	233
Written off	(1,826)
Balance as at 31 March 2019	<u>-</u>
Carrying amount	
Balance as at 31 March 2019	<u>-</u>

The prepaid lease payments of the Group represent lease payments to a third party to carry out trading business in the premises of the third party.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

31 March 2020

8. INVESTMENT PROPERTIES

	Group and Company	
	2020	2019
	RM'000	RM'000
Freehold land and buildings		
Balance as at 1 April 2019/2018	7,150	6,690
Gain on fair value adjustment	-	460
Balance as at 31 March	<u>7,150</u>	<u>7,150</u>

- (a) Investment properties are initially measured at cost, which includes transaction costs. After initial recognition, investment properties are stated at fair value which reflects market conditions at the end of the reporting period and change in fair value is recognised in profit or loss for the period in which it arises.
- (b) Fair values of investment properties are based on valuations by registered independent valuers with appropriate recognised professional qualification and have recent experience in the location and category of the investment properties being valued.

The carrying amounts of the investment properties were based on valuation carried out by external and independent property valuers on 31 March 2020. Fair value is determined primarily based on comparison approach. The fair value measurements of the investment properties are based on the highest and best use, which does not differ from their actual use.

Comparison method

The comparison/cost method of valuation entails separate valuations of the freehold land and buildings to arrive at the market value of the subject property.

Under the comparison method, fair value of a property is estimated based on comparable transactions. This approach is based upon the principle of substitution under which a potential buyer would not pay more for the property than it would cost to buy a comparable substitute property. In theory, the best comparable sale would be an exact duplicate of the subject property and would indicate, by the known selling price of the duplicate, the price for which the subject property could be sold.

The freehold land is valued by reference to transactions of similar lands in the surrounding area with adjustments made for differences in location, terrain, size and shape of the land, tenure, title restrictions, if any and other relevant characteristics. The estimated fair value would be higher if the differential rate is lower and vice versa.

Buildings are valued by reference to the current estimates on constructional costs to erect equivalent buildings, taking into consideration of similar accommodation in terms of size, construction, finishes contractors' overheads, fees and profits. Appropriate adjustments are then made for the factors of obsolescence and existing physical condition of the building. The estimated fair value would be higher if the estimated replacement cost is lower and vice versa.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

31 March 2020

8. INVESTMENT PROPERTIES (CONT'D)

- (c) The fair values of investment properties of the Group and of the Company are categorised as follows:

	Group and Company	
	2020	2019
	RM'000	RM'000
Level 3		
Freehold land and buildings	<u>7,150</u>	<u>7,150</u>

Investment properties at Level 3 fair value were determined by external and independent property valuers, having appropriate recognised professional qualifications and recent experience in the location and category of property being valued. The property valuers provide the fair value of the investment property portfolio of the Group every year. It has been derived from observable recent transacted prices of similar land and buildings in the local market.

- (d) Direct operating expenses arising from investment properties generating rental income during the financial year are as follows:

	Group and Company	
	2020	2019
	RM'000	RM'000
Quit rent and assessment	<u>68</u>	<u>63</u>

9. INVESTMENTS IN SUBSIDIARIES

	Company	
	2020	2019
	RM'000	RM'000
At cost		
Unquoted ordinary shares	136,340	136,340
Less: Impairment losses	<u>(128,703)</u>	<u>(128,703)</u>
	<u>7,637</u>	<u>7,637</u>

- (a) Investments in subsidiaries, which are eliminated on consolidation, are stated in the separate financial statements of the Company at cost less impairment losses, if any.

All components of non-controlling interests shall be measured at their acquisition-date fair values, unless another measurement basis is required by MFRSs. The choice of measurement basis is made on a combination-by-combination basis. Subsequent to initial recognition, the carrying amount of non-controlling interests is the amount of those interests at initial recognition plus the non-controlling interests' share of subsequent changes in equity.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

31 March 2020

9. INVESTMENTS IN SUBSIDIARIES (CONT'D)

- (b) Details of the subsidiaries, all of which are incorporated in Malaysia and having the principal place of business in Malaysia are as follows:

Name of Company	Effective interest in equity		Principal activities
	2020 %	2019 %	
Iconic Maison Sdn. Bhd.	100	100	Property development
Akalaju Sdn. Bhd.	100	100	Dormant
Iconic Sabah Sdn. Bhd. (f.k.a EMC Cranes Sdn. Bhd.)	100	100	Dormant
Iconic Medicare Sdn. Bhd. (f.k.a EMC Cranes (K.L.) Sdn. Bhd.)	100	100	Dormant
EMC Capital Sdn. Bhd.	100	100	Dormant
EMC Containers Sdn. Bhd.	70	70	Dormant
Sanbumi Capital Sdn. Bhd.	100	100	Investment holding
EMC Marketing Sdn. Bhd.	100	100	Dormant
<u>Subsidiaries of Iconic Maison Sdn. Bhd.</u>			
Iconic City Sdn. Bhd. (f.k.a Sanbumi Development Sdn. Bhd.)	100	100	Dormant
Mirim Timber Sdn. Bhd.	100	100	Dormant
<u>Subsidiaries of Sanbumi Capital Sdn. Bhd.</u>			
Sanbumi Holiday Sdn. Bhd.	100	100	Dormant
Sanbumi Air Transport Sdn. Bhd.	100	100	Dormant
Pewter Art Industries (M) Sdn. Bhd.	100	100	Dormant

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

31 March 2020

9. INVESTMENTS IN SUBSIDIARIES (CONT'D)

- (b) Details of the subsidiaries, all of which are incorporated in Malaysia and having the principal place of business in Malaysia are as follows (cont'd):

Name of Company	Effective interest in equity		Principal activities
	2020 %	2019 %	
<u>Subsidiaries of Sanbumi Capital Sdn. Bhd.</u> (cont'd)			
Tourism Information Centre Sdn. Bhd.	100	100	Dormant
Sri Dondang Restaurant Sdn. Bhd.	100	100	Dormant
Fine Taste Products (KL) Sdn. Bhd.	100	100	Dormant
Nouvelle Hotel Sdn. Bhd.	100	100	Dormant
Fine Taste Products Sdn. Bhd.	100	100	Dormant
Sinoreno Jewellery Sdn. Bhd.	100	100	Trading in costume jewellery primarily related to tourism industry
Tropiks Products Sdn. Bhd.	-	100	Trading in local cottage industry products related to tourism industry
Fine Pewterware (KL) Sdn. Bhd.	100	100	Dormant
Nouvelle Restaurant Sdn. Bhd.	100	100	Dormant
Nouvelle Hotel (KL) Sdn. Bhd.	-	100	Dormant
Iconic Hotel Management Sdn. Bhd.	100	100	Hotelier

All subsidiaries are audited by BDO PLT in Malaysia except for Tropiks Products Sdn. Bhd. and Nouvelle Hotel (KL) Sdn. Bhd. as the subsidiaries have been disposed off during the financial year.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

31 March 2020

9. INVESTMENTS IN SUBSIDIARIES (CONT'D)

- (c) On 3 September 2019, Sanbumi Capital Sdn. Bhd. ("SCSB"), a wholly owned subsidiary of the Company, has disposed its entire equity interest in Nouvelle Hotel (KL) Sdn. Bhd. ("NHKL"), a company incorporated in Malaysia, for a cash consideration of RM1. Accordingly, NHKL ceased to be a subsidiary of SCSB.

The details of the disposal of NHKL at the date of disposal was as follows:

	Group RM'000
Cost of investment	-
Trade and other receivables	65
Cash and bank balances	4
Trade and other payables	(6,822)
Total identifiable net assets disposed	(6,753)
Less: Net proceeds from disposal	-
Gain on disposal	(6,753)

The cash outflow are as follows:

Proceeds from disposal	-
Cash and cash equivalents of subsidiary disposed off	(4)
Net cash outflow on disposal	(4)

- (d) On 27 March 2020, SCSB disposed its entire equity interest in Tropiks Products Sdn. Bhd. ("TPSB"), a company incorporated in Malaysia, for a cash consideration of RM134,000. Accordingly, TPSB ceased to be a subsidiary of SCSB.

The details of the disposal of TPSB at the date of disposal was as follows:

	Note	Group RM'000
Cost of investment		-
Property, plant and equipment	5	54
Inventories		135
Trade and other receivables		7
Cash and bank balances		3
Trade and other payables		(15)
Total identifiable net assets disposed		184
Less: Net proceeds from disposal		(134)
Loss on disposal		50

The cash inflow are as follows:

Proceeds from disposal	134
Cash and cash equivalents of subsidiary disposed off	(3)
Net cash inflow on disposal	131

- (e) The non-controlling interests of EMC Containers Sdn. Bhd. is not material to the Group.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

31 March 2020

9. INVESTMENTS IN SUBSIDIARIES (CONT'D)

- (f) In previous financial year, the Company carried out its review of the recoverable amounts of its investments in certain subsidiaries that had been persistently making losses. A total impairment losses of RM23,668,052, representing the write down of the investments to their recoverable amounts, was recognised in statements of profit or loss and other comprehensive income.

10. INVESTMENT IN AN ASSOCIATE

	Group		Company	
	2020 RM'000	2019 RM'000	2020 RM'000	2019 RM'000
At cost				
Unquoted ordinary shares	637	637	637	637
Less: Impairment losses	-	-	(637)	(637)
	637	637	-	-
Share of post acquisition reserves	(637)	(637)	-	-
	-	-	-	-

- (a) Investment in an associate is stated at cost less accumulated impairment losses in the separate financial statements and it is accounted for using the equity method of accounting in the consolidated financial statements.
- (b) The details of an associate, which is a company incorporated in Malaysia and having the principal place of business in Malaysia are as follows:

Name of Company	Effective interest in equity		Principal activity
	2020	2019	
Ferrotrans Sdn. Bhd.	49%	49%	Dormant

Associate is audited by BDO PLT in Malaysia.

- (c) Significant influence

Significant influence is presumed to exist when the Group hold twenty percent (20%) or more of the voting rights of another entity, unless it can be clearly demonstrated otherwise. The Group holds a 49% (2019: 49%) equity interest in Ferrotrans Sdn. Bhd. for which the Group has determined that it has significant influence.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

31 March 2020

10. INVESTMENT IN AN ASSOCIATE (CONT'D)

(d) The summarised financial information of the associate is as follows:

	2020 RM'000	2019 RM'000
Assets and liabilities		
Current liabilities	<u>(1,383)</u>	<u>(1,375)</u>
Results		
Revenue	-	-
Loss for the financial year, representing total comprehensive loss	<u>(8)</u>	<u>(6)</u>
Cash flows used in operating activities	-	(6,919)
Cash flows from investing activity	-	56,403
Cash flows used in financing activity	-	<u>(51,232)</u>
Net decrease in cash and cash equivalents	<u>-</u>	<u>(1,748)</u>

(e) The Group has not recognised losses relating to Ferrotrans Sdn. Bhd., where its share of losses exceeded the interest of the Group in this associate. The cumulative share of the Group of unrecognised losses at the end of the reporting period was RM67,438 (2019: RM58,968). The Group has no obligation in respect of these losses.

11. INVENTORIES

	Group	
	2020 RM'000	2019 RM'000
At cost		
Property development costs	22,773	4,375
At net realisable value		
Property development costs	15,000	15,000
Trading inventories	-	144
	<u>37,773</u>	<u>19,519</u>

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

31 March 2020

11. INVENTORIES (CONT'D)

(a) Property development costs

Group	Freehold land, at net realisable value RM'000	Development costs RM'000	Total RM'000
2020			
Cumulative property development costs			
Balance as at 1 April 2019	15,000	4,375	19,375
Incurred during the financial year	-	21,874	21,874
Balance as at 31 March 2020	<u>15,000</u>	<u>26,249</u>	<u>41,249</u>
Cumulative costs recognised in the statement of profit or loss and other comprehensive income			
Balance as at 1 April 2019	-	-	-
Recognised during the financial year	-	(3,476)	(3,476)
Balance as at 31 March 2020	<u>-</u>	<u>(3,476)</u>	<u>(3,476)</u>
Property development costs as at 31 March 2020	<u>15,000</u>	<u>22,773</u>	<u>37,773</u>
2019			
Cumulative property development costs			
Balance as at 1 April 2018	22,253	3,764	26,017
Incurred during the financial year	-	611	611
Written down during the financial year	(7,253)	-	(7,253)
Balance as at 31 March 2019	<u>15,000</u>	<u>4,375</u>	<u>19,375</u>

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

31 March 2020

11. INVENTORIES (CONT'D)

(a) Property development costs (cont'd)

Property development costs are stated at the lower of cost and net realisable value. The cost includes cost of land, related development costs common to whole project and direct building costs less cumulative amounts recognised as cost of sales in the profit or loss.

Property development costs of unsold unit is transferred to completed development unit once the property is completed.

In the previous financial year, the Group has written down property development costs amounted to RM7,252,768 based on valuations carried out by independent valuers. As a result, RM435,632 was offset against revaluation surplus to the extent of a previous increase, and the remaining RM6,817,136 was charged to administrative expenses in the statements of profit or loss and other comprehensive income.

(b) Trading inventories

Inventories are stated at the lower of cost and net realisable value. Cost is determined using the first-in, first-out formula.

As at the end of each reporting period, the following are the amounts recognised in cost of sales:

	Group	
	2020	2019
	RM'000	RM'000
Cost of inventories	-	1,833
Inventories written down	-	176
Reversal of inventories written down	(42)	(11)

The Group reversed RM41,908 (2019: RM11,197) in respect of inventories written down in the previous financial years that was subsequently not required as the Group was able to sell those inventories above their carrying amounts.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

31 March 2020

12. TRADE AND OTHER RECEIVABLES

	Group		Company	
	2020 RM'000	2019 RM'000	2020 RM'000	2019 RM'000
<u>Non-current</u>				
Other receivables				
Amounts owing by subsidiaries	-	-	7,500	7,500
Less: Impairment losses	-	-	(7,500)	(7,500)
	-	-	-	-
<u>Current</u>				
Trade receivables				
Third parties	11,981	5,485	191	321
Amount owing by an associate	230	230	-	-
Less: Impairment losses	(4,372)	(5,567)	(149)	(317)
Total trade receivables	7,839	148	42	4
Other receivables				
Third parties	17,536	11,742	8,391	1,117
Amounts owing by subsidiaries	-	-	71,257	56,072
Amount owing by an associate	1,009	1,000	1,009	1,000
Deposits	566	638	32	32
	19,111	13,380	80,689	58,221
Less: Impairment losses				
- third parties	(17,029)	(11,276)	(8,179)	(961)
- subsidiaries	-	-	(27,349)	(36,542)
- associate	(1,000)	(1,000)	(1,000)	(1,000)
	(18,029)	(12,276)	(36,528)	(38,503)
Total other receivables	1,082	1,104	44,161	19,718
Total receivables	8,921	1,252	44,203	19,722
Prepayments	760	863	204	50
Total trade and other receivables	9,681	2,115	44,407	19,772

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

31 March 2020

12. TRADE AND OTHER RECEIVABLES (CONT'D)

- (a) Total receivables are classified as financial assets measured at amortised cost.
- (b) All trade and other receivables are denominated in RM.
- (c) Trade receivables are non-interest bearing and the normal trade credit terms granted by the Group and the Company ranged from cash terms to 90 days (2019: cash terms to 90 days) and 7 days (2019: 7 days) respectively. They are recognised at their original invoice amounts which represent their fair values on initial recognition.
- (d) Non-trade portion of amounts owing by subsidiaries represent advances and payments made on behalf, which are unsecured, interest-free and payable within one (1) year in cash and cash equivalents, except for an amount of RM7,500,000 (2019: RM7,500,000) which were not payable within the next one (1) year.
- (e) The non-trade portion of amount owing by an associate is unsecured, non-interest bearing and repayable within next twelve (12) months in cash and cash equivalents.
- (f) Impairment for trade receivables that do not contain a significant financing component are recognised based on the simplified approach using the lifetime expected credit losses ("ECL").

The Group uses an allowance matrix to measure the expected credit loss of trade receivables from individual customers. Expected loss rates are calculated using the roll rate method.

During this process, the probability of non-payment by the trade receivables is adjusted by forward looking information (consumer price index) and multiplied by the amount of the expected loss arising from default to determine the lifetime expected credit loss for the trade receivables. For trade receivables, which are reported net, such impairments are recorded in a separate impairment account with the loss being recognised within administrative expenses in the statements of profit or loss and other comprehensive income. On confirmation that the trade receivable would not be collectable, the gross carrying value of the asset would be written off against the associated impairment.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

31 March 2020

12. TRADE AND OTHER RECEIVABLES (CONT'D)

(f) (cont'd)

Expected loss provision for trade receivables are as follows:

Group	Expected loss rate	Gross carrying amount RM'000	Impairment RM'000
31 March 2020			
Current	0%	7,835	3
Past due:			
More than 90 days	77%	30	23
Credit impaired - Individually impaired	100%	4,346	4,346
Total		<u>12,211</u>	<u>4,372</u>

31 March 2019			
Current	0%	36	-
Past due:			
1 to 30 days	3%	39	1
31 to 60 days	33%	51	17
61 to 90 days	33%	34	11
More than 90 days	31%	24	7
Credit impaired - Individually impaired	100%	5,531	5,531
Total		<u>5,715</u>	<u>5,567</u>

Company	Expected loss rate	Gross carrying amount RM'000	Impairment RM'000
31 March 2020			
Current	0%	36	-
Past due:			
More than 90 days	0%	6	-
Credit impaired - Individually impaired	100%	149	149
Total		<u>191</u>	<u>149</u>

31 March 2019			
Current	0%	4	-
Credit impaired - Individually impaired	100%	317	317
Total		<u>321</u>	<u>317</u>

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

31 March 2020

12. TRADE AND OTHER RECEIVABLES (CONT'D)

(f) (cont'd)

During the financial year, the Group and the Company did not renegotiate the terms of any trade receivables.

Movements in the impairment allowance for trade receivables are as follows:

Group	Lifetime ECL allowance RM'000	Credit impaired RM'000	Total RM'000
Balance as at 1 April 2019	36	5,531	5,567
Disposal of subsidiaries during the financial year	(14)	(449)	(463)
Charge for the financial year	26	31	57
Reversal of impairment losses	(22)	(767)	(789)
Balance as at 31 March 2020	26	4,346	4,372
Balance as at 1 April 2018	-	4,883	4,883
Charge for the financial year	36	1,077	1,113
Reversal of impairment losses	-	(136)	(136)
Written off	-	(293)	(293)
Balance as at 31 March 2019	36	5,531	5,567
	Lifetime ECL allowance RM'000	Credit impaired RM'000	Total RM'000
	Company		
Balance as at 1 April 2019	-	317	317
Reversal of impairment losses	-	(168)	(168)
Balance as at 31 March 2020	-	149	149
Balance as at 1 April 2018	-	140	140
Charge for the financial year	-	177	177
Balance as at 31 March 2019	-	317	317

Credit impaired refers to individually determined debtors who have defaulted on payments and are in significant financial difficulties as at the end of the reporting period. The Group also considers any receivables having financial difficulty or with significant balances outstanding for more than 90 days overdue are deemed credit impaired.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

31 March 2020

12. TRADE AND OTHER RECEIVABLES (CONT'D)

- (g) Impairment for other receivables and amounts owing by subsidiaries and an associate are recognised based on the general approach within MFRS 9 *Financial Instruments* using the forward looking ECL model. The methodology used to determine the amount of the impairment is based on whether there has been a significant increase in credit risk since initial recognition of the financial asset. At the end of the reporting period, the Group and the Company assess whether there has been a significant increase in credit risk for financial assets by comparing the risk of default occurring over the expected life with the risk of default since initial recognition. For those in which the credit risk has not increased significantly since initial recognition of the financial asset, twelve (12)-month expected credit losses along with gross interest income are recognised. For those in which credit risk has increased significantly, lifetime expected credit losses along with the gross interest income are recognised. For those that are determined to be credit impaired, lifetime expected credit losses along with interest income on a net basis are recognised.

The Group defined significant increase in credit risk based on operating performance of the other receivables, subsidiaries and associate, change in contractual term, payment trends and past due information.

Movements in the impairment allowance for other receivables are as follows:

Group	Lifetime ECL allowance RM'000	Credit impaired RM'000	Total RM'000
Balance as at 1 April 2019	-	12,276	12,276
Disposal of subsidiaries during the financial year	-	(717)	(717)
Charge for the financial year	7,218	-	7,218
Reversal of impairment losses	-	(748)	(748)
Balance as at 31 March 2020	7,218	10,811	18,029
Balance as at 1 April 2018	-	11,426	11,426
Charge for the financial year	-	1,300	1,300
Written off	-	(387)	(387)
Reversal of impairment losses	-	(63)	(63)
Balance as at 31 March 2019	-	12,276	12,276

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

31 March 2020

12. TRADE AND OTHER RECEIVABLES (CONT'D)

(g) (cont'd)

Movements in the impairment allowance for other receivables are as follows (cont'd):

Company	Lifetime ECL allowance RM'000	Credit impaired RM'000	Total RM'000
Balance as at 1 April 2019	36,542	9,461	46,003
Reversal of impairment losses	(1,975)	-	(1,975)
Balance as at 31 March 2020	34,567	9,461	44,028
Balance as at 1 April 2018	33,216	9,481	42,697
Charge for the financial year	3,326	-	3,326
Reversal of impairment losses	-	(20)	(20)
Balance as at 31 March 2019	36,542	9,461	46,003

Credit impaired refers to individually determined debtors who have defaulted on payments and are in significant financial difficulties as at the end of the reporting period. The Group also considers any receivables having financial difficulty or with significant balances outstanding for more than 90 days overdue are deemed credit impaired.

(h) Credit risk concentration profile

The Group and the Company do not have any significant exposure to any individual customer or counterparty and do not have any major concentration of credit risk related to any financial instruments.

13. CASH AND BANK BALANCES

	Group		Company	
	2020 RM'000	2019 RM'000	2020 RM'000	2019 RM'000
Cash and bank balances	7,958	3,731	414	2,320
Deposits with licensed banks	15,927	1,150	15,777	1,000
	23,885	4,881	16,191	3,320

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

31 March 2020

13. CASH AND BANK BALANCES (CONT'D)

- (a) All cash and bank balances are denominated in RM.
- (b) For the purpose of the statements of cash flows, cash and cash equivalents comprise the following as at the end of the reporting period:

	Group		Company	
	2020 RM'000	2019 RM'000	2020 RM'000	2019 RM'000
Cash and bank balances	7,958	3,731	414	2,320
Fixed deposits with licensed banks	15,927	1,150	15,777	1,000
As reported in statements of financial position	23,885	4,881	16,191	3,320
Less: Fixed deposits with maturity of more than three (3) months	(15,927)	(1,150)	(15,777)	(1,000)
As reported in statements of cash flows	7,958	3,731	414	2,320

- (c) No expected credit losses were recognised arising from the cash and bank balances and deposits with financial institutions because the probability of default by these financial institutions were negligible.
- (d) Weighted average effective interest rate of deposits with licensed banks of the Group and of the Company as at the end of each reporting period are as follows:

	Group		Company	
	2020	2019	2020	2019
Fixed rate	2.84%	3.30%	2.84%	3.35%

Sensitivity analysis for fixed rate cash and bank balances at the end of the reporting period is not presented as it is not affected by changes in interest rates.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

31 March 2020

14. ORDINARY SHARE CAPITAL

	Group and Company			
	2020		2019	
	Number of ordinary shares '000 unit	Amount RM'000	Number of ordinary shares '000 unit	Amount RM'000
Issued and fully paid				
Balance as at 1 April 2019/2018	249,011	45,679	226,373	22,637
Issuance of ordinary shares	74,703	19,423	22,638	3,736
Transfer from share premium account pursuant to the Companies Act 2016	-	-	-	4,201
Capital redemption reserve	-	-	-	15,105
Balance as at 31 March	323,714	65,102	249,011	45,679

- (a) During the financial year, the issued and fully paid-up ordinary share capital of the Company was increased from 249,011,232 ordinary shares to 323,714,232 by way of allotment of 74,703,000 new ordinary shares at an issue price of RM0.26 each for cash.
- (b) In the previous financial year, the issued and paid-up ordinary share capital of the Company was increased from 226,373,848 to 249,011,232 by way of issuance of 22,637,384 new ordinary shares for a cash consideration of RM3,736,268 pursuant to the approved Corporate Proposals for purpose of private placement to approved individual.
- (c) The owners of the parent are entitled to receive dividends as and when declared by the Company and are entitled to one (1) vote per ordinary share at meetings of the Company. All ordinary shares rank pari passu with regard to the residual assets of the Company.

15. REDEEMABLE CONVERTIBLE PREFERENCE SHARES ("RCPS")

	Group and Company	
	2020	
	Number of RCPS '000 unit	Amount RM'000
Issued and fully paid		
Balance as at 1 April 2019	-	-
Issuance of RCPS	57,325	14,958
Balance as at 31 March 2020	57,325	14,958

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

31 March 2020

15. REDEEMABLE CONVERTIBLE PREFERENCE SHARES ("RCPS") (CONT'D)

The carrying amount of the RCPS as at the end of reporting period:

Group and Company	2020 RM'000
Nominal value of RCPS issued	18,000
Less: Equity component	(14,958)
Liability component on initial recognition	3,042
Liability component:	
At date of issuance	3,042
Unwinding of interest charged to profit or loss	60
At 31 March	3,102
Represented by:	
Non-current	2,565
Current	537
	3,102

On 10 March 2020, the date of issuance, RCPS are treated as a compound financial instrument based on the contractual terms of the RCPS. The financial liability component is determined as the present value of the future contractual cash flows, discounted at a market interest rate of interest for a similar liability that does not have an associated equity component. The interest expense is calculated using the effective interest method and recognised in profit or loss in each reporting period.

The equity component is calculated as the residual value, i.e. the difference between the proceeds from the issue of the RCPS less the financial liability component.

- (a) On 2 April 2019, Iconic Development Sdn. Bhd. ("IDSB"), Iconic Maison Sdn. Bhd. ("IMSB") and the Company entered into a Joint Venture Agreement ("Agreement") in connection with the development of the Iconic Point Project located at Simpang Ampat, Penang. In order to participate in the project, IMSB shall procure the Company to issue to IDSB 57,324,840 RCPS in the Company at an issue price of RM0.314 ("Issue Price") per RCPS.

Details of the Joint Venture Agreement is disclosed in Note 26 to the financial statements.

- (b) The salient terms of the RCPS are as follows:
- (i) Preferential dividends at the rate of 4% per annum based on Issue Price;
 - (ii) the tenure of the RCPS is five (5) years from issuance date and including the issuance date. The maturity date is on the market day falling five (5) years from issuance date. If the maturity date is not a market day, then it shall fall on the market day immediately preceding the said non-market day;
 - (iii) the RCPS shall be convertible at one (1) ordinary share for every one (1) RCPS held at the option of the holder, at any number and at any time after the issuance date and up to the maturity date without payment of consideration by the holder. Any RCPS not converted or redeemed prior to the maturity date shall be mandatorily converted into new ordinary shares of the Company on the maturity date. The holder will have the option to require the conversion of all or part of the RCPS it holds in exercising the conversion rights;

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

31 March 2020

15. REDEEMABLE CONVERTIBLE PREFERENCE SHARES ("RCPS") (CONT'D)

(b) The salient terms of the RCPS are as follows (cont'd):

- (iv) subject to the Companies Act 2016, the RCPS are redeemable at the option of the issuer at the issue price each at any time after the issuance date and up to the maturity date. All RCPS which are redeemed or purchased by the issuer shall be cancelled immediately and cannot be resold;
- (v) the RCPS shall rank pari passu among themselves and shall rank as to dividends and payment of capital up to the amount specified above in priority to the existing ordinary shares of the Company;
- (vi) the new ordinary shares of the Company to be issued pursuant to the conversion of the RCPS, if any, shall rank pari passu in all respects with the existing ordinary shares of the Company save and except that such new ordinary shares of the Company shall not be entitled to any dividends, rights, allotments, and/or other distributions on or prior to the relevant date of allotment of the new ordinary shares of the Company;
- (vii) the holder shall have the right to receive notices, reports and audited financial statements and attend meetings of the issuer, but shall not be entitled to vote in person or by proxy or by attorney in a general meeting of the issuer except at such meeting in each of the following circumstances:
 - (aa) on a proposal to reduce the issuer's share capital;
 - (ab) on a proposal for the disposal of the whole of the issuer's property, business and undertaking;
 - (ac) on a proposal that affects the rights attached to the RCPS;
 - (ad) on a proposal to wind up the issuer; and
 - (ae) during the winding up of the issuer.

Whenever the holder has the right to vote at a general meeting, the holder has the same right to vote as the holder of one (1) ordinary share for each RCPS held.

- (viii) in the event of liquidation, dissolution or winding up of the issuer, proceeds from liquidation shall, after payment to creditors (secured and unsecured) and persons otherwise required by law to be paid in priority, be paid in the following order of priority:
 - (aa) firstly, to the holder in respect of repayment of capital on each RCPS together with any arrears of any declared but unpaid dividends. If the issuer has insufficient assets to permit payment of the full amount, the assets shall be distributed to the holder equivalent to such amount that the holder would otherwise be entitled to receive; and
 - (ab) secondly, the remaining assets shall be distributed ratably to all the holders of the ordinary shares of the Company in proportion to the amount that each such holder of the ordinary shares of the Company would otherwise be entitled to receive.
- (ix) the RCPS will not be listed and admitted to the Official List of Bursa Malaysia Securities Berhad. The new ordinary shares of the Company arising from the conversion of the RCPS will be listed and quoted on the Main Market of Bursa Malaysia Securities Berhad.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

31 March 2020

15. REDEEMABLE CONVERTIBLE PREFERENCE SHARES ("RCPS") (CONT'D)

- (c) The following table sets out the carrying amounts, the effective interest rate and the remaining maturities of the RCPS of the Group and the Company that are exposed to interest rate risk:

Group and Company 31 March 2020	Effective interest rate (%)	Within one (1) year RM'000	One (1) to two (2) years RM'000	Two (2) to five (5) years RM'000	Total RM'000
Fixed rate	5.89	537	569	1,996	3,102

Sensitivity analysis for fixed rate of the RCPS at the end of the reporting period is not presented as it is not affected by changes in interest rates.

- (d) The table below summarises the maturity profile of the RCPS of the Group and of the Company at the end of the reporting period based on contractual undiscounted repayment obligations as follows:

Group and Company 31 March 2020	On demand or within one (1) year RM'000	One (1) to five (5) years RM'000	Total RM'000
RCPS	720	2,880	3,600

16. RESERVES

	Group		Company	
	2020	2019	2020	2019
	RM'000	RM'000	RM'000	RM'000
Non-distributable:				
Revaluation reserve	24,184	24,184	12,181	12,181
Capital reserve	1,582	1,582	-	-
	25,766	25,766	12,181	12,181
Distributable:				
Retained earnings/ (Accumulated losses)	8,373	366	(6,894)	(6,896)
	34,139	26,132	5,287	5,285

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

31 March 2020

16. RESERVES (CONT'D)

- (a) Revaluation reserve

Revaluation reserve represents the surplus arising on the revaluation of the freehold land, leasehold land and buildings of the Group and the Company.

- (b) Capital reserve

Capital reserve represents post acquisition profits in subsidiaries utilised for the issue of bonus shares by certain subsidiaries.

17. BORROWING

	Group	
	2020	2019
	RM'000	RM'000
<i>Term loan</i>		
Non-current	2,916	3,317
Current	385	258
	<u>3,301</u>	<u>3,575</u>

- (a) Borrowing is classified as financial liabilities measured at amortised cost.
- (b) Borrowing is denominated in RM.
- (c) The term loan is secured by the following:
- (i) legal charge over three (3) storey shop offices of the Group as disclosed in Notes 5(f) to the financial statements;
 - (ii) a legal assignment of rental proceeds; and
 - (iii) corporate guarantee by the Company.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

31 March 2020

17. BORROWING (CONT'D)

- (d) Effective interest rate of borrowing of the Group as at the end of each reporting period are as follows:

	Group	
	2020	2019
Floating rate	<u>5.89%</u>	<u>8.89%</u>

A sensitivity analysis has been performed based on the outstanding floating rate bank borrowings of the Group as at 31 March 2020. If interest rates were to increase or decrease by 50 basis points with all other variables held constant, the profit after tax of the Group would decrease or increase by RM12,543 (2019: RM13,589), as a result of higher or lower interest expense on these borrowings.

- (e) The maturity of the term loan is as follows:

	Group	
	2020	2019
	RM'000	RM'000
Not later than one (1) year	385	258
Later than one (1) year and not later than two (2) years	409	287
Later than two (2) years and not later than three (3) years	433	314
Later than three (3) years and not later than four (4) years	459	343
Later than four (4) years and not later than five (5) years	487	375
Later than five (5) years	<u>1,128</u>	<u>1,998</u>
	<u>3,301</u>	<u>3,575</u>

The term loan is repayable in 179 instalments of RM47,208 each and a final instalment of RM46,902, commencing from December 2011.

- (f) The maturity profile of borrowing at the end of the reporting period based on contractual undiscounted repayment obligations is summarised in the table below:

	On demand or within one (1) year RM'000	One (1) to five (5) years RM'000	More than five (5) years RM'000	Total RM'000
Group				
As at 31 March 2020				
Borrowing	<u>566</u>	<u>2,266</u>	<u>1,197</u>	<u>4,029</u>
As at 31 March 2019				
Borrowing	<u>566</u>	<u>2,832</u>	<u>2,438</u>	<u>5,836</u>

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

31 March 2020

18. DEFERRED TAX LIABILITIES

Group	Property, plant and equipment RM'000	Investment properties RM'000	Revaluation of land and buildings RM'000	Total RM'000
Balance as at 1 April 2019	-	67	4,285	4,352
Recognised in:				
- profit or loss (Note 24)	125	-	(54)	71
Balance as at 31 March 2020	125	67	4,231	4,423
Balance as at 1 April 2018	260	44	4,197	4,501
Recognised in:				
- profit or loss (Note 24)	(260)	23	(32)	(269)
- other comprehensive income	-	-	120	120
Balance as at 31 March 2019	-	67	4,285	4,352
Company		Investment properties RM'000	Revaluation of land and building RM'000	Total RM'000
Balance as at 1 April 2019		67	972	1,039
Recognised in:				
- profit or loss (Note 24)		-	(3)	(3)
Balance as at 31 March 2020		67	969	1,036
Balance as at 1 April 2018		44	904	948
Recognised in:				
- profit or loss (Note 24)		23	(8)	15
- other comprehensive income		-	76	76
Balance as at 31 March 2019		67	972	1,039

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

31 March 2020

19. TRADE AND OTHER PAYABLES

	Group		Company	
	2020 RM'000	2019 RM'000	2020 RM'000	2019 RM'000
Trade payables				
Third parties	105	652	-	-
Other payables				
Third parties	418	1,853	120	91
Amounts owing to subsidiaries	-	-	2,334	2,409
Amount owing to a joint operator	2,797	-	-	-
Deposits received	191	142	59	60
Accruals	494	705	296	283
	3,900	2,700	2,809	2,843
Total trade and other payables	4,005	3,352	2,809	2,843

- (a) Trade and other payables are classified as financial liabilities measured at amortised cost.
- (b) All trade and other payables are denominated in RM.
- (c) Trade payables are non-interest bearing and the normal trade credit terms granted to the Group are 90 days (2019: cash terms to 90 days).
- (d) Amount owing to subsidiaries and a joint operator are unsecured, non-interest bearing and repayable within one (1) year in cash and cash equivalents.
- (e) The maturity profile of the trade and other payables of the Group and of the Company at the end of the reporting date based on contractual undiscounted repayment obligations is repayable on demand or within one (1) year.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

31 March 2020

20. CONTINGENT LIABILITIES

	Company	
	2020 RM'000	2019 RM'000
<i>Unsecured</i>		
Corporate guarantee given to financial institution for credit facilities granted to a subsidiary	3,301	3,575

The corporate guarantee is given to financial institution as one of the securities in relation to banking facility granted to the subsidiary.

The Group designates corporate guarantee given to bank for credit facility granted to subsidiary as insurance contract as defined in MFRS 4 *Insurance Contracts*. The Group recognises this insurance contract as recognised insurance liability when there is a present obligation, legal or constructive, as a result of a past event, when it is probable that an outflow of resources embodying economic benefits would be required to settle the obligation and a reliable estimate can be made of the amount of obligation.

The Directors are of the view that the chances of the financial institution to call upon the corporate guarantee is remote. Accordingly, the Directors have estimated the financial impact of the guarantee as at 31 March 2020 to be insignificant.

21. REVENUE

	Group		Company	
	2020 RM'000	2019 RM'000	2020 RM'000	2019 RM'000
Revenue from contracts with customers:				
Property development	16,124	-	-	-
Sale of goods	3,861	14,461	-	-
Services rendered	3,642	2,713	-	-
	23,627	17,174	-	-
Other revenue:				
Rental income from investment properties	588	2,855	588	549
	24,215	20,029	588	549

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

31 March 2020

21. REVENUE (CONT'D)

Disaggregation of revenue from contracts with customers

Revenue from contracts with customers of the Group and of the Company are derived from Malaysia and disaggregated in the table below by timing of revenue recognition.

Group	Property development RM'000	Sale of goods RM'000	Services rendered RM'000	Total RM'000
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Timing of revenue recognition:

31 March 2020

Transferred over time	16,124	-	-	16,124
Transferred at a point in time	-	3,861	3,642	7,503
Revenue from external customers	16,124	3,861	3,642	23,627

31 March 2019

Transferred at a point in time	-	14,461	2,713	17,174
Revenue from external customers	-	14,461	2,713	17,174

(a) Revenue from property development

Contracts with customers include multiple promises to customers and therefore accounted for as separate performance obligations. In this case, the transaction price will be allocated to each performance obligation based on the stand-alone selling prices. When these are not directly observable, they are estimated based on expected cost plus margin.

Revenue from property development is measured at the fixed transaction price agreed under the agreement.

Revenue is recognised as and when control of the asset is transferred to the customer and it is probable that the Group would collect the consideration to which it will be entitled in exchange for the asset that would be transferred to the customer. Depending on the terms of the contract and the laws that apply to the contract, control of the asset may transfer over time or at a point in time. Control of the asset is transferred over time if the performance of the Group does not create an asset with an alternative use to the Group and the Group has an enforceable right to payment for performance completed to date.

The Group recognises revenue over time using output method, which based on contract work certified to date over estimated total contract sum. The output method recognises revenue on the basis of direct measurements of value of the work performed to-date relative to the remaining work promised under the contract.

Significant judgement is required in estimating the progress towards complete satisfaction of performance obligations. In making these judgements, the Group evaluates by relying on the work of specialists.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

31 March 2020

21. REVENUE (CONT'D)

- (b) Sale of goods and services rendered

Revenue from sale of goods and services rendered is recognised at a point in time when the goods have been transferred or the services have been rendered to the customer and coincides with the delivery of goods and services and acceptance by customers.

There is no right of return provided to the customers on the sale of goods and services rendered.

There is no significant financing component in the revenue arising from sale of goods and services rendered as the sales or services are made on the normal credit terms not exceeding twelve (12) months.

- (c) Rental income from investment properties

Rental income from investment properties is recognised on a straight-line basis over the lease term of an ongoing lease.

22. EMPLOYEE BENEFITS

	Group		Company	
	2020 RM'000	2019 RM'000	2020 RM'000	2019 RM'000
Directors' fee	228	216	228	216
Wages, salaries and bonuses	3,246	2,576	449	855
Contributions to defined contribution plans	352	260	55	115
Other benefits	275	94	8	25
	4,101	3,146	740	1,211

Included in the employee benefits of the Group and of the Company are Executive Directors' remuneration amounting to RM679,186 and RM442,600 (2019: RM908,166 and RM760,120) respectively.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

31 March 2020

23. PROFIT/(LOSS) BEFORE TAX

	Group		Company	
	2020 RM'000	2019 RM'000	2020 RM'000	2019 RM'000
Profit/(Loss) before tax is arrived at after charging:				
Amortisation of prepaid lease payments	-	233	-	-
Auditors' remuneration:				
- current financial year	156	188	60	55
- overprovision in prior years	(5)	(1)	(5)	-
Bad debts written off	65	-	-	-
Depreciation of property, plant and equipment	392	1,886	52	49
Depreciation of right-of-use assets	224	-	-	-
Directors' remuneration	679	908	443	760
Impairment losses on:				
- investments in subsidiaries	-	-	-	23,668
- trade and other receivables	7,275	2,413	-	3,503
- property, plant and equipment	-	1,354	-	-
Inventories written down	-	176	-	-
Interest expense:				
- lease liabilities	12	-	-	-
- redeemable convertible preference shares	60	-	60	-
- term loan	283	326	-	-
- others	-	2	-	-
Property, plant and equipment written off	-	44	-	-
Prepaid lease payments written off	-	274	-	-
and crediting:				
Interest income	315	130	308	50
Net gain from fair value adjustments on investment properties	-	460	-	460
Net gain on disposal of:				
- property, plant and equipment	936	3	23	-
- subsidiaries	6,703	-	-	-
Reversal of impairment loss on trade and other receivables	1,537	199	2,143	20
Reversal of inventories written down	42	11	-	-

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

31 March 2020

24. TAXATION

	Group		Company	
	2020 RM'000	2019 RM'000	2020 RM'000	2019 RM'000
Current tax expense based on profit for the financial year	75	6	74	-
Underprovision of tax in prior years	3	116	-	-
	78	122	74	-
Deferred tax (Note 18):				
- crystallisation of deferred tax liability on revaluation surplus	(54)	(32)	(3)	(8)
- relating to origination and reversal of temporary differences	(12)	23	-	23
- under/(over)provision in prior years	137	(260)	-	-
	149	(147)	71	15

- (a) The Malaysian income tax is calculated at the statutory tax rate of 24% (2019: 24%) of the estimated taxable profits for the fiscal year.
- (b) The numerical reconciliation between the taxation and the product of accounting profit/(loss) multiplied by the applicable tax rate of the Group and of the Company are as follows:

	Group		Company	
	2020 RM'000	2019 RM'000	2020 RM'000	2019 RM'000
Profit/(Loss) before tax	8,154	(16,200)	(73)	(27,835)
Tax at the applicable tax rate of 24% (2019: 24%)	1,957	(3,888)	(18)	(6,680)
Tax effects in respect of:				
Non-allowable expenses	1,985	490	237	83
Non-taxable income	(2,035)	-	(515)	-
Utilisation of previously unrecognised deferred tax assets	(2,256)	(32)	-	-
Deferred tax assets not recognised during the financial year	412	3,459	334	6,620
Annual crystallisation of deferred tax on revaluation surplus	(54)	(32)	(3)	(8)
Underprovision of tax in prior years	3	116	-	-
Under/(Over)provision of deferred tax in prior years	137	(260)	-	-
Taxation for the financial year	149	(147)	71	15

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

31 March 2020

24. TAXATION (CONT'D)

- (c) The estimated amount of net deferred tax assets, which are not recognised in the financial statements are as follows:

	Group		Company	
	2020 RM'000	2019 RM'000	2020 RM'000	2019 RM'000
Unabsorbed capital allowances	12,458	13,265	1,133	1,144
Unutilised tax losses				
- expires by 31 March 2026	39,545	48,178	2,244	2,244
- expires by 31 March 2027	1,756	-	1,406	-
	53,759	61,443	4,783	3,388

The Directors are of the opinion that deferred tax assets are not recognised in respect of these items as it is not probable that taxable profits of Group and of the Company would be available against the which the deductible temporary differences could be utilised.

- (d) Tax on each component of other comprehensive income is as follows:

	Before tax RM'000	Tax effect RM'000	After tax RM'000
Group			
31 March 2019			
Revaluation surplus on property, plant and equipment	856	(120)	736
Company			
31 March 2019			
Revaluation surplus on property, plant and equipment	951	(76)	875

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

31 March 2020

25. EARNINGS/(LOSS) PER ORDINARY SHARE

(a) Basic

Basic earnings/(loss) per ordinary share for the financial year is calculated by dividing the profit/(loss) for the financial year attributable to equity holders of the parent by the weighted average number of ordinary shares outstanding during the financial year.

	Group	
	2020	2019
Profit/(Loss) attributable to equity holders of the parent (RM'000)	<u>8,007</u>	<u>(16,051)</u>
Weighted average number of ordinary shares in issue ('000 unit)	<u>290,149</u>	<u>231,583</u>
Basic earnings/(loss) per ordinary share (sen)	<u>2.76</u>	<u>(6.93)</u>

(b) Diluted

Diluted earnings per ordinary share for the financial year is calculated by dividing the profit for the financial year attributable to equity holders of the parent by the weighted average number of ordinary shares outstanding during the financial year adjusted for the effects of dilutive potential ordinary shares. The adjusted weighted average number of ordinary shares in issue and issuable has been arrived at based on the assumption that full conversion of the remaining Redeemable Convertible Preference Shares ("RCPS") in issue in to ordinary shares as at the end of the reporting period.

	Group	
	2020	2019
Profit/(Loss) attributable to equity holders of the parent (RM'000)	<u>8,007</u>	<u>(16,051)</u>
Effect on earnings upon conversion of RCPS (RM'000)	<u>60</u>	<u>-</u>
	<u>8,067</u>	<u>(16,051)</u>
Weighted average number of ordinary shares in issue ('000 unit)	<u>290,149</u>	<u>231,583</u>
Effect of dilution from the full conversion of the remaining RCPS in issue ('000 unit)	<u>3,298</u>	<u>-</u>
	<u>293,447</u>	<u>231,583</u>
Diluted earnings/(loss) per ordinary share (sen)	<u>2.75</u>	<u>(6.93)</u>

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

31 March 2020

26. JOINT OPERATION

Joint venture agreement dated 2 April 2019 has been entered between Iconic Maison Sdn. Bhd., a wholly-owned subsidiary of the Company and Iconic Development Sdn. Bhd. ("IDSB") ("Joint Venture Agreement") in relation to the mixed development project comprising 48 units of 3-storey semi-detached shop office, 1 unit of 3-storey detached shop office, a 4-storey 48 rooms budget hotel and 3 units of 2-storey detached shop (collectively known as "Iconic Point" or "Development Project") on a piece of freehold land held under Lot No. 458, Mukim 14, Daerah Seberang Perai Selatan, Pulau Pinang held under Geran Mukim 85 ("Development Land") ("Proposed Joint Venture"). The Group has a 65% interest in the joint operation.

A joint operation is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the assets, and obligations for the liabilities, relating to the arrangement. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require unanimous consent of the parties sharing control.

In order to participate in the development of Iconic Point project, the Group paid an amount of RM16,857,000 (2019: Nil) to IDSB which is included in property development cost as disclosed in Note 11 to financial statements. The 35% of profit sharing which is due to the joint operator is disclosed in Note 19 in to the financial statements.

The Group recognises its direct right and share of any revenues and expenses of the joint operation in accordance with the MFRS applicable to the respective revenues and expenses.

27. RELATED PARTY DISCLOSURES

(a) Identities of related parties

Parties are considered to be related to the Group if the Group has the ability, directly or indirectly, to control the party or exercise significant influence over the party in making financial and operating decisions, or vice versa, or where the Group and the party are subject to common control or common significant influence. Related parties may be individuals or other parties.

The Company has controlling related party relationship with its direct and indirect subsidiaries. Related parties of the Group include:

- (i) Direct and indirect subsidiaries as disclosed in Note 9 to the financial statements;
- (ii) Associate as disclosed in Note 10 to the financial statements;
- (iii) Key management personnel, which comprises persons (including the Directors of the Company) having authority and responsibility for planning, directing and controlling the activities of the Group directly or indirectly; and
- (iv) Other related parties as follows:

Name of related party	Relationship
Lucky 888 Sdn. Bhd.	Company in which certain Directors of the Company has substantial financial interests.
Iconic Development Sdn. Bhd.	Company in which a Director of the Company has substantial financial interests.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

31 March 2020

27. RELATED PARTY DISCLOSURES (CONT'D)

- (b) In addition to the transactions and balances detailed elsewhere in the financial statements, the Group had the following transactions with related parties during the financial year:

	Group	
	2020	2019
	RM'000	RM'000
With a related party:		
Hotel management fees	<u>3,600</u>	<u>-</u>

The related party transactions described above were carried out on terms and conditions not materially different from those obtainable from transactions with unrelated parties.

- (c) Compensation of key management personnel

Key management personnel are those persons having the authority and responsibility for planning, directing and controlling the activities of the entity, directly and indirectly, including any Director (whether executive or otherwise) of the Group and of the Company.

There are no other key management personnel having the authority and responsible for planning, directing and controlling the activities of the Group other than the Directors.

The remuneration of Directors during the financial year was as follows:

	Group		Company	
	2020	2019	2020	2019
	RM'000	RM'000	RM'000	RM'000
Short term employee benefits	625	825	415	689
Contributions to defined contribution plans	<u>54</u>	<u>83</u>	<u>28</u>	<u>71</u>
	<u>679</u>	<u>908</u>	<u>443</u>	<u>760</u>

28. CAPITAL AND FINANCIAL RISK MANAGEMENT

- (a) Capital management

The primary objective of the capital management of the Group is to ensure that entities of the Group would be able to continue as going concerns whilst maximising return to shareholders through the optimisation of the debt and equity ratios. The overall strategy of the Group remains unchanged from that in the previous financial year.

The Group manages its capital structure and makes adjustments to it in response to changes in economic conditions. In order to maintain or adjust the capital structure, the Group may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. No changes were made in the objectives, policies or processes during the financial years ended 31 March 2020 and 31 March 2019.

The Group monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. The Group includes within net debt, borrowings, lease liabilities and Redeemable Convertible Preference Shares ("RCPS") less cash and bank balances. Capital represents equity attributable to the owners of the parent.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

31 March 2020

28. CAPITAL AND FINANCIAL RISK MANAGEMENT (CONT'D)

(a) Capital management (cont'd)

	Group		Company	
	2020 RM'000	2019 RM'000	2020 RM'000	2019 RM'000
Borrowings	3,301	3,575	-	-
Lease liabilities	360	-	-	-
RCPS	3,102	-	3,102	-
Less:				
Cash and bank balances	(23,885)	(4,881)	(16,191)	(3,320)
Net cash	(17,122)	(1,306)	(13,089)	(3,320)
Total capital	114,199	71,811	85,347	50,964
Net cash	(17,122)	(1,306)	(13,089)	(3,320)
Equity	97,077	70,505	72,258	47,644
Capital gearing ratio	*	*	*	*

* Capital gearing ratio is not presented as the Group and the Company are in net cash position.

Pursuant to the requirements of Practice Note No. 17/2005 of the Bursa Malaysia Securities, the Group is required to maintain a consolidated shareholders' equity equal to or not less than the twenty-five percent (25%) of the issued and paid-up capital (excluding treasury shares) and such shareholders' equity is not less than RM40.0 million. The Company has complied with this requirement for the financial year ended 31 March 2020.

The Group is not subject to any other externally imposed capital requirements.

(b) Financial risk management

The financial risk management objective of the Group is to optimise value creation for shareholders whilst minimising the potential adverse impact arising from the unpredictability of the financial markets.

The Group operates within an established risk management framework and clearly defined guidelines that are regularly reviewed by the Board of Directors and does not trade in derivative financial instruments. Financial risk management is carried out through internal control systems, insurance programmes and adherence to the Group financial risk management policies. The Group is exposed mainly to credit risk, liquidity and cash flow risk and interest rate risk. Information on the management of the related exposures is detailed below.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

31 March 2020

28. CAPITAL AND FINANCIAL RISK MANAGEMENT (CONT'D)

(b) Financial risk management (cont'd)

(i) Credit risk

Credit risk is the risk of loss that may arise on outstanding financial instruments should a counterparty default on its obligations. The exposure of the Group to credit risk arises primarily from trade receivables. For other financial assets, cash and bank balances, the Group minimise credit risk by dealing exclusively with high credit rating counterparties.

The objective of the Group is to seek continual revenue growth while minimising losses incurred due to increased credit risk exposure. Credit risk in the property development activity is negligible as sales are primarily to purchasers who obtain financing from financial institutions. As such, majority of the credit risk has been effectively transferred to the financial institutions as provided for in the sales and purchase agreements. For those sales on cash basis, which only forms an insignificant portion of sales amount, credit risk is also negligible as titles will only be surrendered after full payments have been made. This is the normal industry practice currently.

The credit risk concentration profile has been disclosed in Note 12 to the financial statements.

(ii) Liquidity and cash flow risk

Liquidity and cash flow risks are the risks that the Group and the Company will not be able to meet their financial obligations when they fall due. The exposure of the Group and of the Company to liquidity risk arises principally from their various payables, borrowings and lease liabilities.

The Group practices prudent risk management by maintaining sufficient cash balances and the availability of funding through certain committed credit facilities.

Owing to the nature of its businesses, the Group and the Company always maintain sufficient credit lines available to meet their liquidity requirements while ensuring an effective working capital management within the Group and the Company.

The analysis of financial instruments by remaining contractual maturities has been disclosed in Notes 6, 15, 17 and 19 to the financial statements.

(iii) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of the financial instruments of the Group and of the Company would fluctuate because of changes in market interest rates.

The primary interest rate risk of the Group relates to interest-earning deposits and interest-bearing borrowings from financial institutions.

As at the end of the reporting period, the Group and the Company do not engage any interest hedging instruments in respect of such interest rate fluctuations.

The interest rate profile and sensitivity analysis of interest rate risk have been disclosed in Notes 6, 13, 15 and 17 to the financial statements respectively.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

31 March 2020

29. SIGNIFICANT EVENT DURING THE FINANCIAL YEAR

The World Health Organisation declared the 2019 Novel Coronavirus infection ("COVID-19") a pandemic on 11 March 2020. This was followed by the Government of Malaysia issuing a Federal Government Gazette on 18 March 2020, imposing a Movement Control Order ("MCO") effective from 18 March 2020 to 31 March 2020 arising from COVID-19. The MCO was subsequently extended until 12 May 2020, followed by a Conditional MCO until 9 June 2020 and then, Recovery MCO until 31 August 2020.

The extent of the financial impact on the Group and the Company is difficult to assess at the date of authorisation of financial statements due to uncertainties arising from the pandemic. To mitigate its potential risks exposure, the Group and the Company have taken and will continue to take necessary steps to safeguard and preserve its financial condition, emphasising on liquidity management to meet its continuing financial commitments and liquidity needs of business operations.

Based on the assessment and information available at the date of authorisation of the financial statements, the Group has sufficient cash flows to meet its liquidity needs in the next twelve (12) months after the end of the reporting period. The Group does not anticipate significant supply disruptions and would continue to monitor its fund and operational needs.

30. ADOPTION OF NEW MFRSs AND AMENDMENTS TO MFRSs

30.1 New MFRSs adopted during the current financial year

The Group and the Company adopted the following Standards of the MFRS Framework that were issued by the Malaysian Accounting Standards Board ("MASB") during the financial year:

Title	Effective Date
MFRS 16 <i>Leases</i>	1 January 2019
IC Interpretation 23 <i>Uncertainty over Income Tax Treatments</i>	1 January 2019
Amendments to MFRS 128 <i>Long-term Interests in Associates and Joint Ventures</i>	1 January 2019
Amendments to MFRS 9 <i>Prepayment Features with Negative Compensation</i>	1 January 2019
Amendments to MFRS 3 <i>Annual Improvements to MFRS Standards 2015 - 2017 Cycle</i>	1 January 2019
Amendments to MFRS 11 <i>Annual Improvements to MFRS Standards 2015 - 2017 Cycle</i>	1 January 2019
Amendments to MFRS 112 <i>Annual Improvements to MFRS Standards 2015 - 2017 Cycle</i>	1 January 2019
Amendments to MFRS 123 <i>Annual Improvements to MFRS Standards 2015 - 2017 Cycle</i>	1 January 2019
Amendments to MFRS 119 <i>Plan Amendment, Curtailment or Settlement</i>	1 January 2019

Adoption of the above Standards did not have any material effect on the financial performance or position of the Group and of the Company except for the adoption of MFRS 16 as described in the following section.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

31 March 2020

30. ADOPTION OF NEW MFRSs AND AMENDMENTS TO MFRSs (CONT'D)

30.1 New MFRSs adopted during the current financial year (cont'd)

MFRS 16 Leases

MFRS 16 supersedes MFRS 117 *Leases*, IFRIC 4 *Determining whether an Arrangement contains a Lease*, SIC-15 *Operating Leases-Incentives* and SIC-27 *Evaluating the Substance of Transactions Involving the Legal Form of a Lease*. MFRS 16 sets out the principles for the recognition, measurement, presentation and disclosure of leases and requires lessees to recognise most leases on the financial statements.

Lessor accounting under MFRS 16 is substantially unchanged from MFRS 117. Lessors would continue to classify leases as either operating or finance leases using similar principles as in MFRS 117. Therefore, MFRS 16 does not have a material impact for leases for which the Group is the lessor.

The Group applied MFRS 16 using the modified retrospective approach, for which the cumulative effect of initial application is recognised in retained earnings as at 1 April 2019. Accordingly, the comparative information presented is not restated.

For leases previously classified as finance leases, the Group recognised the carrying amount of the lease asset and lease liability immediately before transition as the carrying amount of the right-of-use asset and the lease liability respectively at the date of initial application. The measurement principles of MFRS 16 are only applied after that date.

On transition to MFRS 16, the Group recognised right-of-use assets. The impact on transition is summarised below:

	As at 31 March 2019 RM'000	Impact RM'000	As at 1 April 2019 RM'000
Property, plant and equipment	10,900	(10,900)	-
Right-of-use assets	-	10,900	10,900

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

31 March 2020

30. ADOPTION OF NEW MFRSs AND AMENDMENTS TO MFRSs (CONT'D)

30.2 New MFRSs that have been issued, but only effective for annual periods beginning on or after 1 January 2020

<u>Title</u>	<u>Effective Date</u>
<i>Amendments to References to the Conceptual Framework in MFRS Standards</i>	1 January 2020
<i>Amendments to MFRS 3 Definition of a Business</i>	1 January 2020
<i>Amendments to MFRS 101 and MFRS 108 Definition of Material</i>	1 January 2020
<i>Amendments to MFRS 9, MFRS 139 and MFRS 7 Interest Rate Benchmark Reform</i>	1 January 2020
<i>Amendment to MFRS 16 Covid-19 - Related Rent Concessions</i>	1 June 2020
<i>MFRS 17 Insurance Contracts</i>	1 January 2021
<i>Amendments to MFRS 101 Classification of Liabilities as Current or Non-current</i>	1 January 2022
<i>Annual Improvements to MFRS Standards 2018 - 2020</i>	1 January 2022
<i>Amendments to MFRS 3 Reference to the Conceptual Framework</i>	1 January 2022
<i>Amendments to MFRS 116 Property, Plant and Equipment - Proceeds before Intended Use</i>	1 January 2022
<i>Amendments to MFRS 137 Onerous Contracts - Cost of Fulfilling a Contract</i>	1 January 2022
<i>Amendments to MFRS 10 and MFRS 128 Sale or Contribution of Assets between an Investor and its Associate or Joint Venture</i>	Deferred

The Group and the Company do not expect the adoption of the above Standards to have a significant impact on the financial statements.

31. FINANCIAL REPORTING UPDATES

IFRIC Agenda Decision - An assessment of the lease term (IFRS 16)

The IFRS Interpretations Committee ("IFRIC") issued a final agenda decision on 26 November 2019 regarding 'Lease term and useful life of leasehold improvements (IFRS 16 and IAS 16)'.

The submission to the IFRIC raised a question pertaining the determination of the lease term of a cancellable lease or a renewable lease based on the requirements of IFRS 16.B34.

Based on the final agenda decision, the IFRIC concluded that the determination of the enforceable period of a lease and the lease term itself shall include broad economic circumstances beyond purely commercial terms.

The Group has implemented the requirements of this final agenda decision during the financial year ended 31 March 2020.

SHAREHOLDINGS STATISTICS AND ANALYSIS

As at 30 July 2020

SHARE CAPITAL

Total number of issued shares	:	323,714,232 ordinary shares
Class of Shares	:	Ordinary shares
Voting Rights	:	One vote per ordinary share

SUBSTANTIAL SHAREHOLDERS

In accordance with the Register of Substantial Shareholders, the Substantial Shareholders and their shareholdings as at 30 July 2020 are as follows:-

Name of Substantial Shareholders	Direct		Indirect	
	No of shares	%	No of shares	%
Dato' Tan Kean Tet	50,639,154	15.64	28,208,400 ⁽¹⁾	8.71
Tan Cho Chia	1,300,000	0.40	28,208,400 ⁽¹⁾	8.71
Dato' Chua Tiong Moon	310,362	0.10	24,000,000 ⁽²⁾	7.41
Rangkaian Jiwa Sdn Bhd	24,000,000	7.41	-	-

⁽¹⁾ Deemed interested by virtue of his shareholdings in Legacy 888 Sdn Bhd and a joint account via Citigroup Nominees (Tempatan) Sdn Bhd Exempt AN for Bank of Singapore Limited (Local) pursuant to Section 8 of the Companies Act 2016

⁽²⁾ Deemed interested by virtue of his shareholdings in Rangkaian Jiwa Sdn Bhd pursuant to Section 8 of the Companies Act 2016

DIRECTORS' SHAREHOLDINGS

In accordance with the Register of Directors' Shareholdings, the Directors and their shareholdings as at 30 July 2020 are as follows:-

Name of Directors	Direct		Indirect	
	No. of shares	%	No. of shares	%
Dato' Tan Kean Tet	50,639,154	15.64	28,208,400 ⁽¹⁾	8.71
Tan Cho Chia	1,300,000	0.40	28,208,400 ⁽¹⁾	8.71
Tan Seok Ying	-	-	-	-
Jason Chung Wei Chiun	-	-	-	-
Dato' Ir. Zainurin bin Karman	-	-	-	-
Lim Thian Loong	-	-	-	-
Leow Chan Kiang	-	-	-	-
Ong Lay See	-	-	-	-

⁽¹⁾ Deemed interested by virtue of his shareholdings in Legacy 888 Sdn Bhd and a joint account via Citigroup Nominees (Tempatan) Sdn Bhd Exempt AN for Bank of Singapore Limited (Local) pursuant to Section 8 of the Companies Act 2016

SHAREHOLDINGS STATISTICS AND ANALYSIS (CONT'D)

As at 30 July 2020

ANALYSIS BY SIZE OF HOLDINGS

Size of Holdings	No. of Holders	%	No. of Shares	%
1 - 99	14	0.263	249	0.00
100 - 1,000	902	16.964	798,903	0.246
1,001 - 10,000	2,795	52.567	15,142,620	4.677
10,001 - 100,000	1,381	25.973	48,328,244	14.929
100,001 - 16,185,710 (*)	222	4.175	192,568,732	59.487
16,185,711 AND ABOVE (**)	3	0.056	66,875,484	20.658
TOTAL :	5,317	100.000	323,714,232	100.000

REMARKS : * - LESS THAN 5% OF ISSUED SHARES
 ** - 5% AND ABOVE OF ISSUED SHARES

LIST OF TOP 30 HOLDERS

(Without aggregating securities from different securities accounts belonging to the same registered holder)

No.	Name	Holdings	%
1	RANGKAIAN JIWA SDN. BHD.	24,000,000	7.413
2	TAN KEAN TET	22,637,384	6.993
3	CITIGROUP NOMINEES (TEMPATAN) SDN BHD EXEMPT AN FOR BANK OF SINGAPORE LIMITED (LOCAL)	20,238,100	6.251
4	MAKISA RIA SDN. BHD.	16,000,000	4.942
5	TAN KEAN TET	15,156,770	4.682
6	LEGACY 888 SDN. BHD.	7,970,300	2.462
7	TAN KEAN TET	7,845,000	2.423
8	M & A NOMINEE (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR GENTING UTAMA SDN BHD (M&A)	7,465,700	2.306
9	M & A NOMINEE (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT MAJESTIC SALUTE SDN BHD FOR CHOW DAI YING (M&A)	6,637,500	2.050
10	KENANGA NOMINEES (TEMPATAN) SDN BHD RAKUTEN TRADE SDN BHD FOR LIM LEIN SIM	5,924,000	1.830
11	AMSEC NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR TAN KEAN TET	5,000,000	1.544
12	EVERGREEN CITY HOLDINGS SDN. BHD.	4,779,200	1.476

SHAREHOLDINGS STATISTICS AND ANALYSIS (CONT'D)

As at 30 July 2020

LIST OF TOP 30 HOLDERS (CONT'D)

(Without aggregating securities from different securities accounts belonging to the same registered holder)

No.	Name	Holdings	%
13	FINE TASTE LOCAL PRODUCTS INDUSTRIES SDN. BHD.	4,326,000	1.336
14	AMSEC NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR FINE TASTE LOCAL PRODUCTS INDUSTRIES SDN BHD	4,261,900	1.316
15	AMSEC NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR LAI CHOON SEANG	4,123,700	1.273
16	CGS-CIMB NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR KHOO BENG CHUAN (PENANG-CL)	4,074,400	1.258
17	CHEW SENG TOOI	3,900,000	1.204
18	PUBLIC NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR WANG LING LING (E-BMM/SAT)	3,855,000	1.190
19	M & A NOMINEE (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR TAN LEE BENG (PNG)	3,428,800	1.059
20	BOEY TZE NIN	2,901,400	0.896
21	EVERGREEN 2000 SDN. BHD.	2,828,000	0.873
22	CHANG CHEE CHYUN	2,711,400	0.837
23	PUBLIC NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR CHEW SENG TOOI (E-BMM)	2,000,000	0.617
24	NG WING SHENG	1,900,000	0.586
25	PUBLIC NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR GOH WEI CHUAN (E-BMM/SAT)	1,838,000	0.567
26	GOH KHENG HOCK	1,736,000	0.536
27	PUBLIC NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR CHANG CHEE ANG (E-TSA/UTM)	1,613,000	0.498
28	AMSEC NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR NUMINA GEM SDN BHD	1,572,200	0.485
29	MAYBANK NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR MAN SINGH A/L SHAM SINGH	1,500,000	0.463
30	TAN PENG WAH	1,500,000	0.463
TOTAL		193,723,754	59.844

PARTICULARS OF PROPERTIES HELD

Summary of landed properties owned as at 31 March 2020.

Owner	Location	Tenure	Existing Use	Land area Sq.ft.	Approx. age of building (Years)	Carrying amount as at 31.3.20 RM'000	Last Revaluation
Iconic Worldwide Berhad ("IWB")	Lot 1620 Mukim 6 Seberang Prai Tengah, Pulau Pinang	Freehold	4 storey office building; and 1 storey workshop	84,419	41	11,830	2020
						720	2020
IWB	Part of Lot 3423 Mukim 6 Seberang Prai Tengah, Pulau Pinang	Freehold	Vacant land	55,626	N.A.	3,750	2020
IWB	Lot 1590, 1595 & 1598 Mukim 17 Sg. Lembu Seberang Prai Tengah, Pulau Pinang	Freehold	Vacant land	441,263	N.A.	5,050	2020
IWB	Lot 739 Section 16 Georgetown, Daerah Timur-Laut, Pulau Pinang	Freehold	2 storey shophouse	2,292	>50	2,680	2020
Iconic (Sabah) Sdn Bhd (f.k.a. EMC Cranes Sdn Bhd)	Lot 451 Mukim 17 Sg Lembu Seberang Prai Tengah, Pulau Pinang	Freehold	Vacant land	795,231	N.A.	4,200	2020
Iconic Hotel Management Sdn Bhd	H.S.(D) 51225-51238 & 51264-51276 Mukim Kulai, Daerah Kulaijaya, Johor	Freehold	14 lots of vacant land and 13 units of 3 storey shop offices	44,784	9	13,263	2020
Nouvelle Hotel Sdn Bhd	Lot 6057 to Lot 6080 Mukim Pasir Panjang Port Dickson, Negeri Sembilan	Freehold	24 lots of vacant land	51,817	N.A.	3,000	2020
Sanbumi Capital Sdn Bhd	Plot No.1A, Lot 20120, Mukim 13, Daerah Timur-Laut, Pulau Pinang	Freehold	3 storey semi-detached house			1,852	2020
Nouvelle Restaurant Sdn Bhd	Lot 61352, 61353 & 62417, Mukim Durian Tunggal, Daerah Alor Gajah, Melaka	Leasehold (to expire in 2094)	Vacant land	728,781	N.A.	10,755	2020

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ICONIC WORLDWIDE BERHAD
 (Formerly known as Sanbumi Holdings Berhad)
 (196901000067) (8386-P)
 (Incorporated in Malaysia)

PROXY FORM

CDS Account No.	
No. of shares held	

I/We _____ Tel: _____

[Full name in block, NRIC/Passport/Company No.]

of _____

being member(s) of **Iconic Worldwide Berhad (formerly known as Sanbumi Holdings Berhad)**, hereby appoint:

Full Name (in Block)	NRIC/Passport No.	Proportion of Shareholdings	
		No. of Shares	%
Address			

and / or* (*delete as appropriate)

Full Name (in Block)	NRIC/Passport No.	Proportion of Shareholdings	
		No. of Shares	%
Address			

or failing him, the Chairperson of the Meeting, as my/our proxy to vote for me/us and on my/our behalf at the Fifty-First Annual General Meeting of the Company to be held at the Function Room, Level 7 Iconic Hotel at 71, Jalan Icon City, Bukit Tengah, 14000 Bukit Mertajam, Penang on Monday, 28 September 2020 at 10.30 a.m. or any adjournment thereof, and to vote as indicated below:

Description of Resolution	Resolution	For	Against
Re-election of Dato' Ir Zainurin bin Karman	Ordinary Resolution 1		
Re-election of Mr Tan Cho Chia	Ordinary Resolution 2		
Re-election of Ms Tan Seok Ying	Ordinary Resolution 3		
Re-election of Ms Ong Lay See	Ordinary Resolution 4		
Re-election of Mr Jason Chung Wei Chiun	Ordinary Resolution 5		
Re-appointment of BDO PLT as Auditors and to authorise the Directors to fix their remuneration	Ordinary Resolution 6		
Approval of Directors' fees	Ordinary Resolution 7		
Approval of Directors' Benefits	Ordinary Resolution 8		
Continuing in office for Dato' Ir. Zainurin bin Karman	Ordinary Resolution 9		
Continuing in office for Mr Lim Thian Loong	Ordinary Resolution 10		
Authority to Issue Shares	Ordinary Resolution 11		
Proposed Renewal of Share Buy-Back Authority	Ordinary Resolution 12		
Proposed Renewal of shareholders' mandate for recurrent related party transactions of a revenue or trading nature	Ordinary Resolution 13		

Please indicate with an "X" in the space provided whether you wish your votes to be cast for or against the resolutions. In the absence of specific direction, your proxy will vote or abstain as he thinks fit.

Signed this _____ day of _____ 2020.

Signature*
Member

* Manner of execution:

- If you are an individual member, please sign where indicated.
- If you are a corporate member which has a common seal, this proxy form should be executed under seal in accordance with the constitution of your corporation.
- If you are a corporate member which does not have a common seal, this proxy form should be affixed with the rubber stamp of your company (if any) and executed by:
 - at least two (2) authorised officers, of whom one shall be a director; or
 - any director and/or authorised officers in accordance with the laws of the country under which your corporation is incorporated.

Notes:

- For the purpose of determining who shall be entitled to attend this General Meeting, the Company shall be requesting Bursa Malaysia Depository Sdn Bhd to make available to the Company, a Record of Depositors as at 18 September 2020. Only a member whose name appears on this Record of Depositors shall be entitled to attend this General Meeting or appoint a proxy to attend, speak and vote on his/her/its behalf.

- A member entitled to attend and vote at this General Meeting is entitled to appoint a proxy or attorney or in the case of a corporation, to appoint a duly authorised representative to attend, participate, speak and vote in his place. A proxy may but need not be a member of the Company.
- A member of the Company who is entitled to attend and vote at a General Meeting of the Company may appoint not more than two (2) proxies to attend, participate, speak and vote instead of the member at the General Meeting.
- If two (2) proxies are appointed, the entitlement of those proxies to vote on a show of hands shall be in accordance with the listing requirements of the stock exchange.
- Where a member of the Company is an authorised nominee as defined in the Central Depositories Act, it may appoint not more than two (2) proxies in respect of each securities account it holds in ordinary shares of the Company standing to the credit of the said securities account.

Notes: (Cont'd)

6. Where a member of the Company is an exempt authorised nominee which holds ordinary shares in the Company for multiple beneficial owners in one securities account ("omnibus account"), there is no limit to the number of proxies which the exempt authorised nominee may appoint in respect of each omnibus account it holds. An exempt authorised nominee refers to an authorised nominee defined under the Securities Industry (Central Depositories) Act 1991 ("Central Depositories Act") which is exempted from compliance with the provisions of Section 25A(1) of the Central Depositories Act.
7. Where a member appoints more than one (1) proxy, the proportion of shareholdings to be represented by each proxy must be specified in the instrument appointing the proxies.
8. The appointment of a proxy may be made in a hard copy form or by electronic means in the following manner and must be received by the Company not less than forty-eight (48) hours before the time appointed for holding the General Meeting or adjourned General Meeting at which the person named in the appointment proposes to vote:
 - (i) In hard copy form
In the case of an appointment made in hard copy form, this proxy form must be deposited at the registered office of the Company situated at No. 1-2, Jalan Icon City, Icon City, 14000 Bukit Mertajam, Penang.
 - (ii) By electronic means
The proxy form can be electronically lodged with the Share Registrar of the Company via TIH Online at <https://tjh.online> (applicable to individual shareholders only). Please refer to the Annexure to the proxy form on the procedures for electronic lodgement of proxy form via TIH Online.
9. Any authority pursuant to which such an appointment is made by a power of attorney must be deposited at the registered office of the Company situated at No. 1-2, Jalan Icon City, Icon City, 14000 Bukit Mertajam, Penang not less than forty-eight (48) hours before the time appointed for holding the General Meeting or adjourned General Meeting at which the person named in the appointment proposes to vote. A copy of the power of attorney may be accepted provided that it is certified notarially and/ or in accordance with the applicable legal requirements in the relevant jurisdiction in which it is executed.
10. Please ensure ALL the particulars as required in this proxy form are completed, signed and dated accordingly.
11. Last date and time for lodging this proxy form is 10.30 a.m. on 26 September 2020 (Saturday).
12. Please bring an **ORIGINAL** of the following identification papers (where applicable) and present it to the registration staff for verification:
 - a. Identity card (NRIC) (Malaysian), or
 - b. Police report (for loss of NRIC) / Temporary NRIC (Malaysian), or
 - c. Passport (Foreigner).
13. For a corporate member who has appointed a representative instead of a proxy to attend this meeting, please bring the **ORIGINAL** certificate of appointment executed in the manner as stated in this proxy form if this has not been lodged at the Company's registered office earlier.
14. Those proxy forms which are indicated with "√" in the spaces provided to show how the votes are to be cast will also be accepted.

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AFFIX
STAMP

The Secretaries
ICONIC WORLDWIDE BERHAD
(Formerly known as Sanbumi Holdings Berhad)
(196901000067) (8386-P)

No. 1-2, Jalan Icon City, Icon City,
14000 Bukit Mertajam, Penang, Malaysia.

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ELECTRONIC SUBMISSION OF PROXY FORM VIA TIIH ONLINE

Dear shareholders,

We are pleased to inform that you as a shareholder can have the option to submit your proxy forms by electronic means through our system, TIIH Online (“e-Proxy”).

TIIH Online is an application that provides an online platform for shareholders (individuals only) to submit document/form electronically which includes proxy form in paperless form (“e-Submission”). Once you have successfully submitted your e-proxy form, you are no longer required to complete and submit the physical proxy form to the company or Tricor office.

To assist you on how to engage with e-Proxy, kindly read and follow the guidance notes which are detailed below:

1. Sign up as user of TIIH Online

-  Using your computer, access our website at <https://tiih.online>
-  Sign up as a user by completing the registration form, registration is free
-  Upload a softcopy of your MyKad (front and back) or your passport
-  Administrator will approve your registration within one working day and notify you via email
-  Activate your account by re-setting your password

- Notes:**
- (i) *If you are already a user of TIIH Online, you are not required to sign up again*
 - (ii) *An email address is allowed to be used once to register as a new user account, and the same email cannot be used to register another user account*
 - (iii) *At this juncture, only individual security holders are offered to register as user and participate in e-Proxy*

2. Proceed with submission of e-Proxy

-  After the release of the Notice of Meeting by the Company, login with your user name (i.e. e-mail address) and password
-  Select the corporate event: “**Submission of Proxy Form**”
-  Read and agree to the Terms & Conditions and confirm the Declaration
-  Select/insert the CDS account number and indicate the number of shares for your proxy(s) to vote on your behalf
-  Appoint your proxy(s) or chairman and insert the required details of your proxy(s)
-  Indicate your voting instructions - FOR or AGAINST, otherwise your proxy will decide your vote
-  Review & confirm your proxy(s) appointment
-  Print e-proxy for your record

Should you need assistance on our e-Submission, please contact us. Thank you.

Tricor Investor & Issuing House Services Sdn Bhd
Unit 32-01, Level 32, Tower A, Vertical Business Suite,
Avenue 3, Bangsar South, No. 8, Jalan Kerinchi,
59200 Kuala Lumpur, Malaysia

Telephone No : 03-2783 9299
Fax No : 03-2783 9222
E-mail : is.enquiry@my.tricorglobal.com

NOTICE TO SHAREHOLDERS

Pursuant to the Personal Data Protection Act 2010

This Notice is given in connection with you being a shareholder of Iconic Worldwide Berhad (formerly known as Sanbumi Holdings Berhad) (196901000067)(8386-P) ("Company").

The Personal Data Protection Act 2010 (hereinafter referred to as "PDPA"), which regulates the processing of personal data in commercial transactions, applies to the Company. For the purposes of this Notice, the terms "personal data" and "processing" shall have the same meaning as prescribed in the PDPA.

1. This written notice ("Notice") serves to inform you that your personal data is being processed by or on behalf of the Company.
2. The personal data processed by us may include name, national identity card number, contact number and address and other particulars provided by you or on your behalf in connection with your shareholding in the Company.
3. We are processing your personal data, including any additional information you may subsequently provide, for the following purposes ("Purposes"):
 - (a) sending you notices and circulars relating to your status as a shareholder in the Company;
 - (b) paying you dividends and giving you other benefits relating to your shareholding in the Company;
 - (c) dealing with all matters in connection with your shareholding in the Company; or such other purposes as may be related to the foregoing.
4. The personal data processed by us include all information you have provided to us as well as other information we may obtain about you.
5. You may access and request for updating and correction of your personal data and to contact us with any enquiries or complaints in respect of your personal data as follows:

Contact Person : **Company Secretary**
Telephone : **04-2296 318**
Facsimile : **04-2268 318**

In accordance with the PDPA:

- (a) we may charge a prescribed fee for processing your request for access or correction; and
 - (b) we may refuse to comply with your request for access or correction to your personal data and if we refuse to comply with such request, we will inform you of our refusal and reason for our refusal.
6. Your personal data may be disclosed by us in connection with the above Purposes, to all governmental and/or quasi-governmental departments and/or agencies, regulatory and/or statutory bodies and third parties as may be required by law or arising from any legal obligation which is imposed on us and to our lawyers, auditors and/or service providers.
7. You are responsible for ensuring that the personal data you provide us is accurate, complete and not misleading and that such personal data is kept up to date.
8. If you fail to supply to us the abovementioned personal data we may not be able to process your personal data for any of the Purposes.

